

The State Board of Regents met on Wednesday and Thursday, March 17 and 18, 1999, at Iowa State University, Ames, Iowa. The following were in attendance:

	<u>March 17</u>	<u>March 18</u>
<u>Members of State Board of Regents</u>		
Mr. Newlin, President	All sessions	All sessions
Ms. Ahrens	All sessions	All sessions
Mr. Arenson	All sessions	All sessions
Mr. Fisher	All sessions	All sessions
Dr. Kelly	All sessions	All sessions
Mrs. Kennedy	All sessions	All sessions
Mr. Lande	All sessions	All sessions
Mrs. Pellett	Excused	Excused
Mrs. Smith	Excused	All sessions
<u>Office of the State Board of Regents</u>		
Executive Director Stork	All sessions	All sessions
Deputy Executive Director Barak	All sessions	All sessions
Director Elliott	All sessions	All sessions
Director Wright	All sessions	All sessions
Associate Director Hendrickson	All sessions	All sessions
Associate Director Kniker	All sessions	Excused
Associate Director Racki	All sessions	All sessions
Assistant Director Gonzalez	All sessions	Excused
Minutes Secretary Briggie	All sessions	All sessions
<u>State University of Iowa</u>		
President Coleman	All sessions	All sessions
Provost Whitmore	All sessions	All sessions
Vice President Jones	All sessions	Excused
Vice President Rhodes	All sessions	Excused
Vice President True	All sessions	All sessions
Dean Kelch	All sessions	All sessions
Director Howell	All sessions	All sessions
<u>Iowa State University</u>		
President Jischke	All sessions	All sessions
Interim Provost Seagrave	All sessions	All sessions
Vice President Hill	All sessions	Excused
Vice President Madden	All sessions	All sessions
Executive Assistant to the President Dobbs	All sessions	All sessions
Assistant to the President Mukerjea	All sessions	All sessions
Director Bradley	All sessions	All sessions
Assistant Director Anderson	All sessions	Excused
<u>University of Northern Iowa</u>		
President Koob	All sessions	Excused
Interim Provost Podolefsky	All sessions	Excused
Vice President Conner	All sessions	Excused
Executive Assistant to President Geadelmann	All sessions	Excused
Director Chilcott	All sessions	Excused
<u>Iowa School for the Deaf</u>		
Superintendent Johnson	All sessions	Excused
Director Heuer	All sessions	Excused
Interpreter Reese	All sessions	Excused
Interpreter Young	All sessions	Excused
<u>Iowa Braille and Sight Saving School</u>		
Superintendent Thurman	All sessions	Excused
Director Hooley	All sessions	Excused
Director Utsinger	All sessions	Excused
Director Woodward	All sessions	Excused

GENERAL

The following business pertaining to general or miscellaneous business was transacted on Wednesday and Thursday, March 17-18, 1999.

APPROVAL OF MINUTES OF BOARD MEETING OF FEBRUARY 17-18, 1999. The Board Office recommended the Board approve the minutes.

President Newlin asked for additions or corrections to the minutes.

ACTION: President Newlin stated the Board approved the minutes of the meeting of February 17-18, 1999, by general consent.

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

Ratify personnel transactions at the Regent institutions and Board Office, as presented;

Approve the request from the University of Iowa to add Quorum Sciences, Inc., to its list of approved vendors with a potential conflict of interest;

Approve the Iowa School for the Deaf agreement with Lewis Central Community School District;

Refer the proposed Institute for International Business in the Henry B. Tippie College of Business at the University of Iowa to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation; and

Refer the proposed College of Public Health at the University of Iowa to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

President Newlin recognized University of Iowa College of Medicine Dean Robert Kelch.

Dean Kelch reviewed the university's request to establish a College of Public Health. He stated that in 1995 a task force was charged to study the feasibility of strengthening academic public health programs. In 1997, James Merchant was appointed Head of the Department of Preventive Medicine and Environmental Health. He said the goals of the University of Iowa public health initiative are:

- Establish a College of Public Health at the University of Iowa;
- Initiate a master in public health degree and certificate in public health programs;
- Develop a comprehensive Health and Independence of Elderly Iowans program; and
- Create a statewide program of education, research and service for all Iowans.

Actions to date concerning the public health initiative include:

- Merged the graduate program in Hospital and Health Administration into the department (1997);
- Developed a strategic plan for the public health initiative (1998); and
- Secured university and Regents approval for a new masters in public health degree program (1998).

Dean Kelch stated that the new college will be the first college established at the University of Iowa in 50 years. He said an intercollegiate agreement between the Colleges of Medicine and Public Health will assure that there are no substantive increases in academic administrative costs. Funds appropriated for the public health initiative will only be used to develop additional faculty and staff positions and for program operation. Dean Kelch described the elements of the intercollegiate agreement. He said the College of Public Health will enjoy the same academic status as other colleges within the university, its dean responsible to the provost for academic affairs. Faculty in the College of Public Health will have their primary appointments

within that college's departments. Secondary faculty appointments will be encouraged between the colleges to assure collaboration in teaching and research. The College of Medicine will allocate the Department of Preventive Medicine and Environmental Health's current base funding (\$18.5 million) to the new college.

Dean Kelch requested approval of the Board of Regents for the establishment of the College of Public Health at the University of Iowa effective July 1, 1999, according to the principles and with the administrative structure proposed by the College of Medicine and the University of Iowa.

President Newlin stated that procedurally the university's request would be referred to the Interinstitutional Committee on Educational Coordination. Next month the committee would come back to the Board with its recommendation.

Regent Fisher asked if the allocation of funds in the appropriation request is 20 percent of \$18 million. Dean Kelch responded that those are the general fund sources. There are several types of general funds that go into the department. The funds will actually be part of the College of Public Health's operating budget which will be overseen by the administrative structure of the College of Medicine.

Regent Fisher asked for the amount of state general funds. Dean Kelch responded that currently the amount was roughly \$3.7 million.

Regent Lande questioned whether the 20 percent now being allocated to the College of Medicine would become a part of the College of Public Health. Dean Kelch responded affirmatively, noting that the funds were currently part of the College of Medicine budget. University officials requested additional money to make the College of Public Health competitive and to fully develop a Department of Community and Behavioral Public Health.

Regent Fisher asked how much additional money was being requested. Dean Kelch responded that although the university had requested more, Governor Vilsack recommended \$1,050,000 per year of incremental funding for both the College of Public Health and for the Health for Elderly and Rural Iowans initiative.

Regent Arenson stated, as one member of the Board of Regents, that he appreciated Dean Kelch's vision. The University of Iowa is entering into the golden age of health care.

President Newlin expressed appreciation to Dean Kelch.

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

INTERINSTITUTIONAL COMMITTEE ON EDUCATIONAL COORDINATION. (a)
Name Change: Department of Aerospace Military Studies, University of Iowa. The Board Office recommended the Board approve the name change for the Department of Aerospace Military Studies to the Department of Aerospace Studies (Airforce ROTC) at the University of Iowa.

University of Iowa officials requested approval of a name change for the Department of Aerospace Military Studies (the official name of the Airforce ROTC program on campus) to the Department of Aerospace Studies at the request of the United States Air Force.

The Interinstitutional Committee on Educational Coordination (ICEC) and the Board Office reviewed the request and both recommended approval.

In order to keep the military nature of the unit clear, and ensure that dropping the word "military" from the department's title will not lead individuals unfamiliar with the program to confuse it with other departments, university officials intend to add the parenthetical explanation "(Airforce ROTC)" after the new name in all published materials that the university produces for students.

There are no budgetary or programmatic implications as a result of this name change.

MOTION: Regent Fisher moved to approve the name change for the Department of Aerospace Military Studies to the Department of Aerospace Studies (Airforce ROTC) at the University of Iowa. Regent Arenson seconded the motion. MOTION CARRIED UNANIMOUSLY.

(b) Renaming the Department of Geology, University of Iowa. The Board Office recommended the Board approve the name change for the Department of Geology and of the degrees it offers, B.A., B.S., M.S., and Ph.D. degrees in Geology to the Department of Geoscience and B.A., B.S., M.S., and Ph.D. degrees in Geoscience at the University of Iowa.

University of Iowa officials requested approval of a name change for the Department of Geology and of the degrees it offers, B.A., B.S., M.S., and Ph.D. degrees in Geology to the Department of Geoscience and B.A., B.S., M.S., and Ph.D. degrees in Geoscience.

The Interinstitutional Committee on Educational Coordination and the Board Office reviewed the request and both recommended approval.

University officials proposed the name change in response to a disciplinary shift in nomenclature. "Geology" is no longer a widely used term, and has been replaced by "Geoscience".

There are no budgetary or programmatic implications as a result of this name change.

MOTION:

Regent Arenson moved to approve the name change for the Department of Geology and of the degrees it offers, B.A., B.S., M.S., and Ph.D. degrees in Geology to the Department of Geoscience and B.A., B.S., M.S., and Ph.D. degrees in Geoscience at the University of Iowa. Regent Ahrens seconded the motion. MOTION CARRIED UNANIMOUSLY.

(c) Software@Iowa. The Board Office recommended the Board approve the proposed new center at the University of Iowa to be called the Software@Iowa Center initially started at the University of Iowa and later including cooperation and collaboration with Iowa State University and the University of Northern Iowa.

University of Iowa officials proposed to establish a new center, Software@Iowa, as a joint initiative of the Colleges of Business Administration, Engineering, and Liberal Arts. The educational objectives of Software@Iowa are threefold:

- To enhance the visibility and attractiveness of professional software development as a career option for Iowa students.
- To provide students from a variety of software-related disciplines with innovative new courses and real world perspective that will augment their regular academic programs and make them uniquely qualified to enter the software development workforce.
- To foster an environment that will encourage students to choose careers with Iowa-based companies.

In addition to this educational mission, Software@Iowa will serve as a focal point for university/industry interaction in areas related to software. The proposed center will host numerous events that will bring faculty and industry professionals together to explore common issues and interests.

Software@Iowa will address the need for continuing education and professional workforce development by working to make its courses and other activities broadly accessible to industry via the Iowa Communications Network (ICN) and the Internet.

Industry and other outside funding sources will largely support the center. The center will also be supported, at least initially, with some internal university resources.

The Interinstitutional Committee on Educational Coordination (ICEC) reviewed this request and agreed that the request should go forward. However, both Iowa State University and University of Northern Iowa officials asked that approval of this University of Iowa program not curtail the collaborative work between the Regent universities nor limit the possibility of collaborative work between the three universities. The committee also requested that Iowa State University and the University of Northern Iowa not be inhibited from engaging in similar activities.

Interim Provost Seagrave reviewed the recommendation of the ICEC, noting that initially the center will be developed at the University of Iowa but it is intended to include cooperation and collaboration with Iowa State University and the University of Northern Iowa.

MOTION:

Regent Fisher moved to approve the proposed new center at the University of Iowa to be called the Software@Iowa Center initially started at the University of Iowa and later including cooperation and collaboration with Iowa State University and the University of Northern Iowa. Regent Lande seconded the motion. MOTION CARRIED UNANIMOUSLY.

**ANNUAL INSTITUTIONAL REPORTS ON ACADEMIC PROGRAM REVIEW/
STUDENT OUTCOMES ASSESSMENT.** The Board Office recommended the Board (1) receive the report and (2) encourage the universities to advance efforts to integrate student outcomes assessment measures into academic program reviews.

Annually, the Board of Regents receives several reports on the quality assurance efforts of the Regent universities. These efforts include regional and professional accreditation reports, post-audit reports, special reports, program reviews and student outcomes assessment.

As stated in the Procedural Guide, "reports are to be made on an annual basis to provide the Board with more frequent exposure to institutional efforts to improve academic program quality and effectiveness." The Board of Regents' strategic plan calls for each academic program to be assessed at least once every seven years (strategy 1.1.1.3 and strategy 1.1.2.1). Academic program reviews are essentially reviews done internally to improve curriculum and are to focus on what can be done with existing personnel and resources. Accreditation reports are external reviews which focus on standards set by professional organizations and typically measure minimum standards. The Procedural Guide indicates that accreditation reports should be separated from program reviews, although it recognizes that accreditation reports are supplementary to the program reviews and evidence from the review, i.e., the self-study, is also used in accreditation.

This report provides summary information on 28 program reviews, including their student outcomes assessments, undertaken in 1997-1998. These quality assurance efforts represent the implementation of key result area (KRA) 1.0.0.0 of the Board of Regents' strategic plan, to become the best public enterprise in the United States. Specifically, this report addresses objective 1.1.0.0, which is to improve the quality of existing programs.

During the 1997-1998 academic year, the universities brought 24 program reviews to completion -- 15 at the University of Iowa, six at Iowa State University, and three at the University of Northern Iowa. In addition, the University of Iowa provided preliminary evidence of reviews in progress of six other programs. Each year the institutions review between one-seventh and one-fifth of the academic programs at the universities. Teams of internal and external reviewers noted many strengths and offered recommendations for improvements. In at least one case, Iowa State's College of Design, all the departments in the college were reviewed.

This is the second year that student outcomes assessments (SOAs) are an integral part of the academic program reviews. Numerous examples can be found where curriculum changes have been made as a result of student evaluations, and in other cases, of alumni and instructor surveys. At Iowa State, the Faculty Senate Curriculum Committee has asked that intended learning outcomes identified through this process be placed in the next catalog so that students and others will know what is expected from each program.

In general the reviews have accomplished what was intended but the Board Office has a couple of concerns. It appears that some reviews are too resource oriented, i.e., the review recommendations focus too much on the acquisition of new resources -- adding new faculty, obtaining new technological equipment. This tendency can sometimes be overcome by an appropriate orientation of the reviewers by the dean or provost prior to the initiation of the site visit. A second concern relates to the use of a single outside reviewer. Nationally, those who have analyzed the use of outside reviewers recommend two-three persons to give a better balance and additional perspectives.

Associate Director Kniker reviewed the information provided in the docket memorandum. He said the universities were to be commended for their extensive efforts. He noted that this was the second year that student outcomes assessment has been included in the annual reports on academic program review.

President Newlin said he also commended the universities for their progress and for the second year of reporting on student outcomes assessment.

Regent Kennedy said she appreciated that the universities have embraced student outcomes assessment and that the universities are ahead of the game.

ACTION: President Newlin stated the Board, by general consent, (1) received the report and (2) encouraged the universities to advance efforts to integrate student outcomes assessment measures into academic program reviews.

REPORT OF THE BANKING COMMITTEE. (a) General Report. The Board Office recommended the Board accept the report of the Banking Committee.

Regent Kennedy stated that the Banking Committee met with representatives of institutional endowment fund managers Invesco and Seneca Capital Management. In April, the Banking Committee members will address asset allocation in further depth. The Banking Committee approved modifications of institutional banking relationships and received internal audit reports from Iowa State University and Iowa Braille and Sight Saving School.

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

(b) Resolution for the Sale and Award of \$13,570,000 Utility System Revenue Bonds, Series ISU 1999A. The Board Office recommended the Board adopt the following resolutions subject to the receipt of acceptable bids:

(1) A Resolution providing for the sale and award of \$13,570,000 Utility System Revenue Refunding Bonds, Series I.S.U. 1999A (Iowa State University of Science and Technology), approving and authorizing the agreement of such sale and award and authorizing and approving the execution and delivery of the Tax Exemption Certificate, Continuing Disclosure Certificate, and other documents in connection therewith and related matters.

(2) A Resolution authorizing the execution of a Refunding Trust Agreement to provide for the payment of the 1999 through 2013 maturities of the Utility System Revenue Bonds, Series I.S.U. 1985, converted August 1, 1988, and authorizing and directing the Bond Registrar to call the 1999 through 2013 maturities of the Utility System Revenue Bonds, Series I.S.U. 1985, converted August 1, 1988.

The refunding trust agreement is needed since the indenture of trust for the 1985 bonds requires that the proceeds of the refunding bonds be deposited with the trustee to redeem the bonds to be refunded.

At its February 1999 meeting, the Board authorized the Executive Director to fix the date(s) for the sale of the bonds which would be issued to refund outstanding principal of the variable interest rate Series 1985 Utility System Revenue Bonds converted to a fixed interest rate in 1988. These bonds were issued to defray the costs of constructing, improving and equipping a utility system at Iowa State University.

The refunding bonds would have the same payout year as the 1988 bonds (2013). The estimated net and present value savings from the refunding are approximately \$3,000,000 and \$2,600,000 respectively. The annual debt service savings is estimated at \$300,000. Debt service payments will continue to be made from utility system charges and the proceeds of any utility system student fees which the Board may establish in the future. The university's utility system is a self-supporting operation.

Ms. Carole Tillotson, Springsted, Inc., stated that three bids had been received for the bond sale. The best bid was submitted by Dain Rousher for a true interest rate of 4.2547 percent. The second best bid was submitted by Paine Webber for a true interest rate of 4.3079 percent. Piper Jaffray submitted the third bid with a true interest rate of 4.4567 percent. She stated that because of the good interest rates the principal was reduced by \$110,000 to \$13,460,000. Ms. Tillotson recommended that the Board of Regents accept the bid of Dain Rousher.

MOTION:

Regent Arenson moved to adopt the following resolutions: (1) A Resolution providing for the sale and award of \$13,460,000 Utility System Revenue Refunding Bonds, Series I.S.U. 1999A (Iowa State University of Science and Technology), approving and authorizing the agreement of such sale and award and authorizing and approving the execution and delivery of the Tax Exemption Certificate, Continuing Disclosure Certificate, and other documents in connection therewith and related matters. (2) A Resolution authorizing the execution of a Refunding Trust Agreement to provide for the payment of the 1999 through 2013 maturities of the Utility System Revenue Bonds, Series I.S.U. 1985, converted August 1, 1988, and authorizing and directing the Bond Registrar to call the 1999 through 2013 maturities of the Utility System Revenue Bonds, Series I.S.U. 1985, converted August 1, 1988. Regent Lande seconded the motion, and upon the roll being called, the following voted:
AYE: Ahrens, Arenson, Fisher, Kelly, Kennedy, Lande, Newlin.
NAY: None.
ABSENT: Pellett, Smith.

MOTION CARRIED.

Ms. Beth Grob, Ahlers law firm, stated that closing for these bonds is set for April 20.

(c) Preliminary Resolution for the Sale of up to \$10,000,000 Dormitory System Revenue Bonds, Series SUI 1999. The Board Office recommended the Board adopt A Resolution authorizing the Executive Director to fix the date or dates for the sale of up to \$10,000,000 Dormitory Revenue Bonds, Series S.U.I. 1999.

The bonds would be sold to finance, in part, improvements to the university's residence system including fire safety/detection upgrades and the west campus food service consolidation at Hillcrest Residence Hall.

The bonds will be issued for a period of 20 years, with debt service of approximately \$800,000 annually to be paid from net rents, profits and income from the operation of the residence system. The university's residence system is a self-supporting operation and receives no state appropriations.

MOTION: Regent Arenson moved to adopt A Resolution authorizing the Executive Director to fix the date or dates for the sale of up to \$10,000,000 Dormitory Revenue Bonds, Series S.U.I. 1999. Regent Ahrens seconded the motion, and upon the roll being called, the following voted:
AYE: Ahrens, Arenson, Fisher, Kelly, Kennedy, Lande, Newlin.
NAY: None.
ABSENT: Pellett, Smith.

MOTION CARRIED.

(d) Preliminary Resolution for the Sale of up to \$7,000,000 Dormitory System Revenue Bonds, Series UNI 1999. The Board Office recommended the Board adopt A Resolution authorizing the Executive Director to fix the date or dates for the sale of up to \$7,000,000 Dormitory Revenue Bonds, Series U.N.I. 1999.

The bonds would be sold to fund projects to address deferred maintenance and fire safety needs and to make facility improvements to the residence system. The projects are included in the residence system facilities master plan for FY 1999 – FY 2004. The master plan is part of the university residence system ten-year plan.

The bonds will be issued for a period of 20 years, with debt service of approximately \$550,000 annually to be paid from net rents, profits and income from the operation of the residence system. The university's residence system is a self-supporting operation and receives no state appropriations.

MOTION: Regent Kennedy moved to adopt A Resolution authorizing the Executive Director to fix the date or dates for the sale of up to \$7,000,000 Dormitory Revenue Bonds, Series U.N.I. 1999. Regent Arenson seconded the motion, and upon the roll being called, the following voted:
AYE: Ahrens, Arenson, Fisher, Kelly, Kennedy, Lande, Newlin.

NAY: None.
ABSENT: Pellett, Smith.

MOTION CARRIED.

SPRING ENROLLMENT REPORT. The Board Office recommended the Board receive the report.

For Spring 1999, headcount enrollment at Regent universities totaled 63,163 students as compared to 61,778 students during Spring 1998. The increase of 1,385 students by institution is as follows: 830 students (+3.2 percent) at the University of Iowa, 454 students (+1.9 percent) at Iowa State University, and 101 students (+0.8 percent) at the University of Northern Iowa. Headcount enrollment includes an unduplicated count of the number of students enrolled at the institution as of the official reporting date.

Another measure of enrollment for the universities is full-time equivalent (FTE) enrollment. FTE enrollment is calculated based on the number of credits students are taking that semester. An FTE enrollment that is close to headcount enrollment implies that more students are attending on a full-time basis (15.5 credit hours for undergraduates and 9 credit hours for graduate students). FTE enrollments for Spring 1999 (54,260) increased by 1.3 percent from Spring 1998 enrollments (53,561). The increase of 699 FTE by institution is as follows: at the University of Iowa, FTE enrollments increased by 479 (+2.2 percent); at Iowa State University, FTE enrollments increased by 149 (+0.7 percent); and at the University of Northern Iowa, FTE enrollments increased by 71 (+0.7 percent).

Between Fall 1998 and Spring 1999, the Regent universities experienced a decrease of 4,456 students in headcount enrollment, from 67,619 to 63,163. The decrease by institution is as follows: 1,830 students (-6.3 percent) at the University of Iowa; 1,712 students (-6.4 percent) at Iowa State University; and 914 students (-6.9 percent) at the University of Northern Iowa. The decrease in headcount enrollment between fall and spring is typically due to the fact that more students graduate at the end of the fall semester or do not register for the subsequent semester than enter the universities at mid year. Historically, spring enrollment is approximately 93 percent of the fall enrollment with some institutional variances.

Resident students comprise 73.9 percent of headcount enrollments at Regent universities during Spring 1999 as compared to 74.6 percent in Fall 1998. Approximately 66 percent of the University of Iowa's headcount enrollment consists of resident students; approximately 73 percent of Iowa State University's headcount

enrollment consists of resident students; and approximately 93 percent of the University of Northern Iowa's headcount enrollment consists of resident students.

During Spring 1999, there are 2,518 students enrolled in off-campus educational opportunities offered by the Regent universities; most students are enrolled on a part-time basis. Approximately 90 percent of the students are residents of Iowa. At the University of Iowa, the off-campus enrollment is 1,236 students; at Iowa State University, the off-campus enrollment is 827; and at the University of Northern Iowa, the off-campus enrollment is 455.

This report addresses the following strategies and action steps in the Board's strategic plan:

Strategy 2.1.1.0 Analyze and, where appropriate, make recommendations to increase access and retention at Regent institutions.

Action Step 2.1.1.1 Annually assess access to Regent institutions.

Strategy 2.1.2.0 Increase access to Regent institutions through marketing strategies for each institution.

Action Step 2.1.2.1 Develop and implement effective marketing strategies.

Strategy 2.2.1.0 Conduct targeted needs assessments in specific program areas and offer educational opportunities.

Action Step 2.2.1.3 Increase distance education enrollment substantially.

Assistant Director Gonzalez reviewed with the Regents the information provided in the docket memorandum.

President Newlin thanked Assistant Director Gonzalez for the report.

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

ANNUAL REPORT ON INTERNATIONAL AGREEMENTS. The Board Office recommended the Board receive the report.

During 1997-1998, the three universities together had 247 active international agreements with institutions and agencies, involving 71 different countries. International agreements may be specific to the needs and interests of particular departments and colleges, or they may be more comprehensive and permit participation by students and faculty across the institution. These agreements are consistent with the Board of Regents' strategic plan, specifically strategy 1.1.4.3, which asks each institution to increase its service to lowans, the nation, and world.

International agreements relate to several KRAs in the Board's action plan: quality of programs (objective 2.1.0.0 -- to annually assess educational opportunities); access (KRA 2.0.0.0 -- to provide access to educational, research, and service opportunities); and diversity (objective 3.1.0.0 -- to reaffirm or revise Board policy to ensure continuous improvement of the climate for diversity). Institutional strategic plans also call for expanded opportunities for faculty and staff internationally.

By category, the majority of international agreements are faculty, staff, and student exchange agreements, with the primary purposes including exchange of ideas and collaborative research. All but one of the University of Northern Iowa agreements is in this category. Typically, expenses are borne by the traveler; in the case of the student, tuition and fees are paid to the home institution. A few agreements are for student exchange programs. At both the University of Iowa and Iowa State University, a substantial number of agreements relate to specific research work through faculty exchanges and training. Funding for these programs is often through federal agencies (US AID and USDA, for example), the World Bank, or private foundations. Frequently, funding for a specific project is done on a case by case basis.

In 1997-1998, a total of 2,117 students studied abroad in over 60 countries through Regent university programs. This was an increase from 1,771 students in 1996-1997 and included an additional ten countries. Slightly over 650 of the total number of participants were involved in the University of Northern Iowa Camp Adventure program, which provides summer work experiences in youth recreation activities for children on U.S. military bases and government installations.

New to the report this year is an extensive student profile, or participant characteristic information, as requested by the Regents last year. Also contained is a discussion of study abroad fees, based on reports submitted by each institution. The report also includes an update on each university's efforts to develop and implement guidelines to establish basic standards of quality assurance, financial management, risk management, and student safety for all programs involving travel and residence abroad.

Associate Director Kniker reviewed the report with the Regents. He stated that at the June 1998 Board of Regents meeting, the Board reiterated its previous request that each institution develop and implement policy guidelines to establish basic standards of quality assurance, financial management, risk management, and student safety for all programs involving travel and residence abroad. He reported that each of the campuses has had a committee working on this matter, and the work is nearing completion.

President Newlin asked when would be an appropriate time to receive the reports from the institutions. Associate Director Kniker responded that the information should be available in June. President Newlin stated that the Board would expect the report in June.

President Newlin stated that the Board was very encouraged by the increase in participation in international programs.

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

ANNUAL REPORT ON FAMILY PRACTICE RESIDENCY PROGRAM. The Board Office recommended the Board receive the report on the Statewide Family Practice Training Program.

Since its inception in 1973, the Statewide Family Practice Training Program has provided opportunities for newly-graduated physicians to continue training through community-based residencies in family practice. Each of the nine training sites consists of a model family practice office in which the residents train under the supervision of clinical instructors who already practice in the community.

As part of these community-based residencies, resident physicians perform clinical activities in a variety of communities across Iowa. These clinical opportunities enable many residents to experience life in other communities, some of which are seeking physicians. Three out of every five graduates of the program have established their first practices in Iowa communities. Forty-three per cent of the graduates who selected Iowa sites have chosen communities with populations under 10,000. One fourth of the graduates have located in the metro areas where the training programs are based.

During fiscal year 1998, the state appropriation of \$2,224,308 was 6.7 percent of the \$33,168,884 revenue used to support the program. The primary sources of income are from patient fees and support provided by the hospitals sponsoring each of the

program sites. Actual expenses for the program in 1997-98 totaled \$32,855,361, of which half went to overhead and general expenses to operate the model clinics.

This report addresses the following strategies and action steps in the Board's strategic plan:

Strategy 1.1.4.0 Strengthen research, creative work, and service by the Regent institutions.

Action Step 1.1.4.3 Each institution increase its service to lowans, the nation, and the world.

Strategy 2.2.2.0 Recognize the need of all lowans for access to services provided by Regent institutions including health care services, extension, and services provided by the special schools.

Action Step 2.2.2.7 Encourage development of strategic alliances to increase access to services as measured by annual reports of individuals served.

Director Tracy reviewed the current status of the statewide program and discussed the additional value the program brings to the College of Medicine and to the University of Iowa Health Sciences Center. Current enrollment is 185. Forty-three (43) medical colleges are represented. Forty-four (44) percent of the positions are held by female family physicians. Nearly 70 percent of last year's graduates stayed in the state of Iowa. Director Tracy named the Iowa communities that have received new family physicians in the last year. In the next few years he expects net gains of family physicians in the state of Iowa of 25 to 35. Last year there were 10 applications for each of the first-year positions.

Regent Kelly asked what percentage of the graduates go to medium-sized communities. Director Tracy responded that 45 percent of the graduates have selected communities under 10,000.

President Newlin congratulated Director Tracy for his success with the program.

ACTION: President Newlin stated the Board received the report on the Statewide Family Practice Training Program, by general consent.

REPORT ON LEGISLATIVE SESSION. The Board Office recommended the Board receive the report on the 1999 legislative session and the recommendations of Board positions on proposed legislation.

During the legislative session, two "funnel" dates are set. March 12 is the final date for House bills to be reported out of House committees and Senate bills to be reported out of Senate committees. April 2 is the final date for Senate bills to be reported out of House committees and House bills to be reported out of Senate committees. Bills referred to the Appropriations and the Ways and Means Committees are exempt. A number of bills of concern to the Regents are expected to be eliminated as a result of the March 12th date. However, some of them might be revived as amendments to other bills.

The universities made presentations before the Education Appropriations Subcommittee as follows: University of Northern Iowa on February 9, Iowa State University on February 11, and the University of Iowa on February 16. On February 11, representatives of the three universities gave an update on the Regents Year 2000 compliance activities to the Oversight and Communications Appropriations Subcommittee. On February 23, the presidents and superintendents presented capital requests for FY 2000 and FY 2001 to the Transportation, Infrastructure, and Capitals Subcommittee.

The Senate and the House majority caucuses are developing appropriation targets and will begin moving appropriations bills through the process in the near future. These targets may not be consistent with the Governor's recommendations.

The Board Office and the legislative liaisons track all bills which may have an impact on the Regent institutions.

Executive Director Stork stated that the legislature is about one-half way through the legislative session. It has just completed its first funnel date. He highlighted several bills of interest, noting that many other bills are tracked. Most of the bills will "die" in two weeks, the next funnel date. One bill of interest was the bill to change the student Regent appointment term to a rotating 2-year term. He said that bill has "died" and is ineligible for further consideration during this legislative session. Much of the debate is taking place behind the scenes with respect to the appropriations process. He has not seen anything firm with respect to Regents appropriations. Hopefully within the next 1-2 weeks the Regents will see something about appropriations. There have been some targets released by the legislature which would spend under the Governor's recommendations. There have not been specific targets for the Regents.

Regent Lande asked to be provided with the most current statistic from the Department of Education on the allocation of all tax dollars; what percent goes to K-12, community colleges, and to Regent institutions.

President Newlin asked that the requested information be sent to all of the Regents.

ACTION: President Newlin stated the Board received the report on the 1999 legislative session and the recommendations of Board positions on proposed legislation, by general consent.

RESIDENCE SYSTEMS – ANNUAL GOVERNANCE REPORTS, TEN-YEAR PLANS, PRELIMINARY FY 2000 BUDGETS, AND PROPOSED 1999-2000 RESIDENCE RATES. The Board Office recommended the Board (1) receive a summary report on university residence systems and (2) refer to the individual university reports.

Residence systems, which include dining services, are operated by each of the Regent universities as part of their educational responsibilities. The residence systems improve the quality of students' university experiences through broad-based programs focused on educational, social, cultural, and recreational interests. The residence systems are self-supporting operations and do not receive state-appropriated funds for operations or capital improvements.

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 based upon the proposed rates.

The Board gives preliminary consideration of the residence system rates in March with final approval in April. The residence system budgets are given preliminary consideration in March, before final approval in July.

Pertinent information relating to the Regent university residence systems are summarized as follows:

- 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.
- During FY 1998, the residence systems housed 18,940 students, which represents 28.1 percent of total Regent student enrollment of 67,418.

- Gross revenue for FY 1998 was \$80.2 million and total operating expenditures were \$63.4 million.
- Ten-year enrollment and occupancy projections indicate a steady demand for Regent residence system housing, which forms the basis of residence system financial forecasts.
- Universities officials proposed rate increases for 1999-2000 for a double occupancy room with 20 meals per week of 5.0 percent to \$4,188 for the University of Iowa, 6.3 percent to \$4,171 for Iowa State University, and 8.0 percent to \$3,914 for the University of Northern Iowa.

These increases compare to average increases over the last ten years ending fall 1998 of 4.5 percent for the University of Iowa, 4.8 percent for Iowa State University, and 5.4 percent for the University of Northern Iowa.

Current room and board rates compared to peer institutions are second lowest at the University of Iowa and Iowa State University and third lowest at the University of Northern Iowa.

Preliminary budgets for FY 2000 show gross revenues of \$86.5 million, expenditures for operations of \$69.2 million, and net revenues after debt service and mandatory transfers of \$7.8 million; revised FY 1999 budgets show gross revenues of \$83.4 million, expenditures for operations of \$66.0 million, and net revenues after debt service and mandatory transfer of \$9.6 million.

Increases in the cost of operations in the proposed budgets for FY 2000 over the actual FY 1998 expenditures include: University of Iowa at 5.6 percent, Iowa State University at 9.1 percent, and the University of Northern Iowa at 14.4 percent.

- Iowa State University will have an increase in debt service for Maple Hall and Hawthorn Court phase I.
- The University of Northern Iowa will have increased salaries and wages due to additional staff.

In FY 2000, voluntary reserves, which can be used for operations and maintenance as well as repairs, renovations, and capital improvements, are estimated to be \$9.4 million at the University of Iowa, \$4.9 million at Iowa State University, and \$3.8 million at the University of Northern Iowa.

As of June 30, 1998, the outstanding principal of university dormitory bonds was: University of Iowa of \$12.2 million, Iowa State University of \$26.6 million, and the University of Northern Iowa of \$12.8 million.

Last year the universities were requested to place greater emphasis on long-term planning for significant renovations and capital replacement of aging facilities; the universities have completed more comprehensive ten-year plans and as a result will require more bond financing.

Associate Director Hendrickson reviewed with the Regents the information provided in the docket memorandum.

MOTION: Regent Fisher moved to receive a summary report on university residence systems. Regent Lande seconded the motion. MOTION CARRIED UNANIMOUSLY.

(a) University of Iowa. The Board Office recommended the Board (1) receive the University of Iowa residence system FY 1998 annual report; (2) approve the University of Iowa residence system ten-year plan for FY 2000 through FY 2009; (3) give preliminary consideration to the academic year 1999-2000 proposed rates including a combined double occupancy residence halls room and 20 meals per week board plan of \$4,188 (5.0 percent) and apartment rate increases averaging 5.1 percent; and (4) give consideration to the university's FY 2000 preliminary residence system budget, which is subject to further review and action when the Board approves the final FY 2000 institutional restricted fund budgets in July.

The University of Iowa operates the residence and dining system as part of its educational responsibilities. The residence system is a self-supporting operation, which offers a comprehensive program designed to enhance and complement academic learning as well as meet the on-campus residential needs of students at an affordable cost. The University of Iowa residence system does not receive any state-appropriated funds for the operation or capital improvements of the system.

During FY 1998, the University of Iowa residence system housed 6,448 students, which represents 23.1 percent of total university student enrollment of 27,871. Reported gross revenue for FY 1998 was \$27.0 million and operating expenditures totaled \$19.8 million. Major repairs, replacements, and renovations, net of equipment replacement, totaled \$3.6 million representing 1.0 percent of the total building replacement value of \$360.1 million. Voluntary reserves in FY 1998 increased to

\$11.0 million from \$10.8 million in FY 1997 and represent 40.7 percent of FY 1998 gross revenue.

The University of Iowa ten-year plan expects demand for residence hall space to remain strong and demand not housed will remain manageable. The plan includes \$32.9 million in capital projects to be financed from new revenue bond financing. Projects include system-wide fire safety/detection upgrades, west campus food service consolidation, and telecommunications improvements. The ten-year plan includes future rate increases of 2.25 percent for FY 2000 and then 2 percent for each year FY 2001 through FY 2004 to maintain reserves. As of June 30, 1998, outstanding residence system bond obligations totaled \$12.2 million, which are anticipated to be retired as scheduled within ten years.

University of Iowa officials proposed increases for 1999-2000 rates for a double occupancy room of 5.0 percent and 20-meal board plan of 5.3 percent for a combined room and board increase of 5.0 percent. The average apartment rate increase is 5.1 percent. The proposed increases in these rates form the basis for rate increases in other housing and dining contract choices.

The University of Iowa residence system preliminary budget for FY 2000 includes estimated gross revenues of \$27.6 million, expenditures for operations of \$20.9 million, and net revenues after debt service and mandatory transfers of \$3.3 million (11.9 percent of gross revenues). Voluntary reserves in FY 2000 are estimated to be \$9.4 million, which represents 34.0 percent of gross revenues. University of Iowa officials anticipate spending \$5.4 million in FY 1999 and \$4.5 million in FY 2000 of reserves for major repairs, replacements, and renovations including equipment replacement.

Vice President True stated that the University of Iowa has an outstanding residence system. There is superb cost containment and attention to students' needs and wishes. The University of Iowa's residence system is the lowest cost residence system in the Big 10. He then introduced Maggie Van Oel, Director of Residence Services.

Director Van Oel stated that she would like to take the Regents on a more extensive tour of the residence system than the drive-by tour of the previous month. She said the department has a new business manager. She then described the process the residence system goes through in developing its plan, budget and rates.

President Newlin referred to a table that had been provided with the docket memorandum and asked how university officials arrived at the numbers for "planned enrollment and occupancy" through fall 2009. Vice President True responded that

enrollment projections for the university are done by the provost's office. Enrollment is projected by such factors as high school graduation rates and demographics. He noted that the universities have not been all that good at projecting enrollments. One factor in future enrollments will be off-campus offerings.

Regent Lande asked if the board rates that were proposed were for a semester or annual. Director Van Oel responded that the rates were annual.

MOTION:

Regent Arenson moved to (1) receive the University of Iowa residence system FY 1998 annual report; (2) approve the University of Iowa residence system ten-year plan for FY 2000 through FY 2009; (3) give preliminary consideration to the academic year 1999-2000 proposed rates including a combined double occupancy residence halls room and 20 meals per week board plan of \$4,188 (5.0 percent) and apartment rate increases averaging 5.1 percent; and (4) give consideration to the university's FY 2000 preliminary residence system budget, which is subject to further review and action when the Board approves the final FY 2000 institutional restricted fund budgets in July. Regent Fisher seconded the motion. MOTION CARRIED UNANIMOUSLY.

(b) Iowa State University. The Board Office recommended the Board (1) receive the Iowa State University residence system FY 1998 annual report; (2) approve the Iowa State University residence system ten-year plan for FY 2000 through FY 2009; (3) give preliminary consideration to the academic year 1999-2000 proposed rates including a combined double occupancy residence halls room and 20 meals per week board plan of \$4,171 (6.3 percent) and apartment rate increases averaging 5.0 percent; and (4) give consideration to the Iowa State University FY 2000 preliminary residence system budget, which is subject to further review and action when the Board approves the final FY 2000 institutional budgets in July.

Iowa State University operates the residence system and dining services as part of its educational responsibilities. The residence system is a self-supporting operation, which offers living/learning communities that stimulate, enhance, and extend the total learning experience in support of Iowa State University's strategic plan. The Iowa State

University residence system does not receive state-appropriated funds for the operation or capital improvements of the system.

During FY 1998, the Iowa State University residence system housed 7,673 students, which represents 30.2 percent of the university's total student enrollment of 25,384. Reported gross revenue for FY 1998 was \$34.9 million and total operating expenditures were \$28.8 million. Plant improvement, repair, and maintenance expenditures totaled \$2.4 million, representing 0.6 percent of the total building replacement value of \$411.4 million. Voluntary reserves in FY 1998 were \$5.2 million, which represents 15.0 percent of gross revenue. Outstanding bond obligations as of June 30, 1998, totaled \$26.6 million, of which \$10.9 million is anticipated to be retired as scheduled within ten years. Iowa State University has \$34.7 million on the Board-approved schedule of bonds for calendar year 1999.

Based upon university enrollment projections, Iowa State University expects a stable residence hall occupancy during the next five years. The residence hall construction projects will cause variations in capacity as shown in the ten-year plan. Maple Hall renovation began in July of 1998 and will be completed prior to the beginning of the 1999 Fall Semester. Plans are underway to begin construction on the new Hawthorn Court Apartments in the Spring of 1999.

Iowa State University officials proposed increases for 1999-2000 rates for a double occupancy room of 8.7 percent and 20-meal board plan of 3.7 percent for a combined room and board increase of 6.3 percent. The proposed increase includes 5.0 percent on the overall room rate, 0.4 percent for a new \$15 fee per academic year for continuous housing during Thanksgiving and Spring breaks, and 0.9 percent for a \$36 fee for cable TV that was optional last year. The average apartment rate increase is 5.0 percent. The proposed increases in these rates form the basis for rate increases in other housing and dining contract choices.

The Iowa State University residence system preliminary budget for FY 2000 estimates gross revenues of \$38.9 million, expenditures for operations of \$31.4 million, and net revenues after debt service and mandatory transfers of \$3.6 million (9.2 percent of gross revenues). FY 2000 budgeted operating expenditures increased by 9 percent over FY 1998 actual. Voluntary reserves in FY 2000 are estimated to be \$4.9 million, which represents 12.6 percent of gross revenues.

Vice President Hill stated that the proposed rate increases were consistent with the residence system master plan and the services requested by students.

MOTION: Regent Kennedy moved to (1) receive the Iowa State University residence system FY 1998 annual report; (2) approve the Iowa State University residence system ten-year plan for FY 2000 through FY 2009; (3) give preliminary consideration to the academic year 1999-2000 proposed rates including a combined double occupancy residence halls room and 20 meals per week board plan of \$4,171 (6.3 percent) and apartment rate increases averaging 5.0 percent; and (4) give consideration to the Iowa State University FY 2000 preliminary residence system budget, which is subject to further review and action when the Board approves the final FY 2000 institutional budgets in July. Regent Arenson seconded the motion. MOTION CARRIED UNANIMOUSLY.

(c) University of Northern Iowa. The Board Office recommended the Board (1) receive the University of Northern Iowa residence system FY 1998 annual report; (2) approve the University of Northern Iowa residence system ten-year plan for FY 2000 through FY 2009; (3) give preliminary consideration to the academic year 1999-2000 proposed rates including a combined double occupancy residence halls room and 19 meals per week board plan of \$3,914 (8.0 percent) and apartment rate increases averaging 8.0 percent; and (4) give consideration to the University of Northern Iowa FY 2000 preliminary residence system budget, which is subject to further review and action when the Board approves the final FY 2000 institutional budgets in July.

The University of Northern Iowa operates the residence system and dining services as part of its educational responsibilities. The residence system is a self-supporting operation and reflects the university's mission of academic and personal development through student employment, student government, and participation in university and residence programs. The University of Northern Iowa residence system does not receive state-appropriated funds for the operation or capital improvements of the system.

During FY 1998, the University of Northern Iowa residence system housed 4,819 students, which represents 36.2 percent of the university's total student enrollment of 13,329. Gross revenue for FY 1998 was \$18.3 million and total operating expenditures were \$14.8 million. Plant improvement, repair, and maintenance expenditures totaled \$2.3 million, representing 1 percent of the total building replacement value of

\$224.2 million. Voluntary reserves totaled \$3.8 million in FY 1998, representing 20.5 percent of gross revenue.

The University of Northern Iowa ten-year plan includes \$30.6 million in capital projects to be financed from new revenue bond financing. Department officials propose to address deferred maintenance and fire safety projects and make substantial facility improvements in residential and dining facilities over the next five years. As of June 30, 1998, outstanding bond obligations totaled \$12.8 million, \$4.3 million is anticipated to be retired as scheduled within ten years.

University of Northern Iowa officials proposed increases for 1999-2000 rates for a double occupancy room of 8.0 percent and a 19-meal board plan of 8.0 percent for a combined room and board increase of 8.0 percent. The average apartment rate increase is 8.0 percent. Increases in these rates form the basis for rate increases in other housing and dining contract choices.

The University of Northern Iowa residence system preliminary budget for FY 2000 estimates gross revenues of \$19.9 million, expenditures for operations of \$17.0 million, net revenues after debt service and mandatory transfers of \$0.9 million, which represents 4.4 percent of gross revenues. Increases in the cost of operations of 14.4 percent over FY 1998 actual expenditures are primarily related to increased salaries and wages due to a greater number of staff.

Robert Hartman, Residence System Director, stated that the residence system had met all of its financial responsibilities for this year. He noted that the department had responded to the Board's request of last year regarding a facilities plan. He reviewed the report of the residence system. He noted that there was some difficulty in hiring an adequate number of student employees in food service. He expressed appreciation for the student support for the university's recommendations.

Regent Lande asked for Director Hartman's observations of the cause of the problems in staffing food service with students. Director Hartman responded that some of the problem was perception. Food service is not the first choice for employment. University officials believe they can meet that challenge in part by redesigning the food service operation.

Regent Lande asked about the level of compensation. Director Hartman responded that the starting salary is \$5.65/hour. He noted that some of the fast food operations pay more than that.

MOTION: Regent Arenson moved to (1) receive the University of Northern Iowa residence system FY 1998 annual report; (2) approve the University of Northern Iowa residence system ten-year plan for FY 2000 through FY 2009; (3) give preliminary consideration to the academic year 1999-2000 proposed rates including a combined double occupancy residence halls room and 19 meals per week board plan of \$3,914 (8.0 percent) and apartment rate increases averaging 8.0 percent; and (4) give consideration to the University of Northern Iowa FY 2000 preliminary residence system budget, which is subject to further review and action when the Board approves the final FY 2000 institutional budgets in July. Regent Lande seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

AFFILIATED ORGANIZATION REPORT ON UNIVERSITY OF IOWA MEASUREMENT RESEARCH FOUNDATION. The Board Office recommended the Board receive the Iowa Measurement Research Foundation (University of Iowa) affiliated organization report.

The Iowa Measurement Research Foundation, affiliated with the University of Iowa, 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, 1997 and 1998, were fairly presented in all material respects.

The annual report, financial data, and audit for the Iowa Measurement Research Foundation are retained at the Board Office.

ACTION: President Newlin stated the Board received the Iowa Measurement Research Foundation (University of Iowa) affiliated organization report, by general consent.

YEAR 2000 STATUS REPORT. The Board Office recommended the Board (1) receive the updated report of the peer review team of progress of the institutions' activities concerning compliance with Year 2000 (Y2k) requirements; (2) receive the report of

Iowa State University on its Y2k compliance activities; and (3) receive information concerning the State's Emergency Management Division's Y2k activities for contingent operations.

Since the February report the Peer Review Team (PRT) has not met in person but has engaged in telephonic conversations to prepare the monthly report for the Legislative Oversight Committee and the Department of Management (DOM). This report is not significantly different from last month's report and shows reasonable progress continues to be made.

The Board Office believes that reasonable progress continues to be made by the institutions toward Y2k compliance. Institutional officials have been asked to pursue more vigorously contingency planning documentation.

The Board Office will continue to monitor the progress of institutional Y2K compliance and will request monthly updates to the Board.

Each institution was asked to provide the Board with an overview of its Y2k activities when the institution is hosting a Board meeting. Iowa State University officials prepared such a report for this meeting.

Executive Director Stork was asked last fall to designate a member of the Board Office staff to serve on the state's task force addressing continuity of operations of state government, through the Emergency Management Division. Director Wright has been serving in that capacity and timely filed a report on March 3 concerning continuity of Regent operations. This report addressed not only the electronic data processing component of Y2k as it has been reported to the DOM and the legislature, but also the ability of the institutions to recover from any other problems concerning the change in the millenium. The report also identified an individual at each institution who is the contact person should emergencies exist at the millenium transition. Those individuals are as follows:

State University of Iowa – Doug True, Vice President
University of Iowa Hospitals and Clinics – Kendal Davenport, Director, Facilities
Iowa State University – Warren Madden, Vice President
University of Northern Iowa – John Conner, Vice President
Iowa School for the Deaf – Rich Connell, Director, Facilities
Iowa Braille and Sight Saving School – Dennis Thurman, Superintendent
Office of the Board of Regents – Charles Wright, Director

The individuals identified above are to be on duty at the time of millenium transition, be prepared to address emergencies which may arise, and maintain contact with the Emergency Management Division should that be necessary. For purposes of this activity, each person is designated as Manager of Contingent Operations for the respective institution.

Director Wright introduced Rabindra Mukerjea, Iowa State University.

Assistant to the President Mukerjea presented a progress report on Iowa State University's Y2k compliance. He reported that the university is making good progress and is on track for the October 1999 target date for completion of compliance activities. He reviewed the completion levels for various systems, the coordination process for compliance initiatives, university-wide Y2k awareness/education provided by the computation center, verification and validation of Y2k compliance, initiatives for mission critical decentralized systems, progress on addressing facilities management equipment and controls with embedded chip technology, and contingency planning.

President Newlin asked if Assistant to the President Mukerjea had any comments concerning the meeting with the legislative oversight committee. Assistant to the President Mukerjea responded that at the end of the meeting he felt that Regent representatives were able to answer most or all of the questions of the legislative oversight committee. He believes the legislators felt the Regent institutions are making good progress. The legislators will continue to be provided with monthly reports. He noted that an additional checkpoint is developing. Institutional representatives will be working with the Board Office to identify mission critical areas on which CTA will do some code checking.

Director Wright stated that the reason the Board was asked to receive the updated report of the peer review team of progress of the institutions' activities concerning compliance with Y2k requirements as well as the report of Iowa State University's Y2k compliance activities is so the Board can show it is exercising due diligence.

Director Wright discussed the Iowa Emergency Management Division's Y2k activities for contingent operations. He noted that the Board of Regents filed a report with the state. The report was acceptable and the Regents can proceed with it.

President Newlin asked Presidents Coleman and Koob if they had any comments.

President Coleman stated that the University of Iowa's report of last month was explanatory.

President Koob stated that University of Northern Iowa officials would provide the university's report next month.

President Newlin thanked everyone involved for their efforts with regard to Y2k compliance.

ACTION: President Newlin stated the Board, by general consent, (1) received the updated report of the peer review team of progress of the institutions' activities concerning compliance with Year 2000 (Y2k) requirements; (2) received the report of Iowa State University on its Y2k compliance activities; and (3) received information concerning the State's Emergency Management Division's Y2k activities for contingent operations.

President Newlin asked to address the following item which was not included on the agenda:

NAME OF THE BOARD OF REGENTS.

President Newlin stated that the Board of Regents is referred to by various terms, including the "Iowa State Board of Regents", the "State Board of Regents", the "Iowa Board of Regents" and the "Board of Regents". He believes it is advisable to standardize the name of the Board and recommended "Board of Regents, State of Iowa". The one exception is that the term "State Board of Regents" shall continue to be used for bonding activities. The Code of Iowa requires that this term be utilized for bonding purposes.

MOTION: Regent Fisher moved that the name of the Board of Regents be "Board of Regents, State of Iowa". Regent Lande seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

RATIFICATION OF THE UNIVERSITY OF NORTHERN IOWA AND UNIVERSITY OF IOWA COLLECTIVE BARGAINING CONTRACTS. The Board Office recommended the Board (1) ratify collective bargaining agreements for the 1999-2001 biennium between the Board and employee representatives with factors as follows:

United Faculty at UNI -- annually, 2.8 percent across-the-board with merit increases (non-grievable) amounting to approximately 1.2 percent with some adjustments of benefits;

C.O.G.S. at SUI – annually, 3 percent across-the-board with some adjustments for needed insurance improvements;

SEIU (Tertiary Health Care) at SUI/UIHC – annually, 3 percent across-the-board with step increases amounting to approximately 1 percent, delayed the first year, with some adjustments of other benefits; and

(2) authorize Executive Director Stork to designate Board of Regents representation to serve as part of the employer team in the quarterly meetings between the employer and employee organization provided in the SEIU agreement and in meet and confer/ contract maintenance meetings at UNI.

The Board's chief negotiator, Joseph E. Flynn, reported that all three of the Regents collective Bargaining agreements were achieved within the economic parameters established by the Board and on a voluntary basis.

The agreement with SEIU provides for quarterly meetings between the employer and employee organization. The United Faculty and the University of Northern Iowa have a history of contract maintenance meetings in a meet and confer mode which involve the university administration and employee organization. It is desirable that the Board be represented in the meetings with SEIU and United Faculty to ensure that information and activity which has Board governance implications is addressed appropriately.

Each of the agreements was ratified by the respective employee organization. Executive Director Stork will execute the agreements following ratification by the Board.

Director Wright reviewed with the Regents the information concerning the collective bargaining contracts.

MOTION:

Regent Arenson moved to (1) ratify collective bargaining agreements for the 1999-2001 biennium between the Board and employee representatives with factors, as presented, and (2) authorize Executive Director Stork to designate Board of Regents representation to serve as part of the employer team in the quarterly meetings between the employer and employee organization

provided in the SEIU agreement and in meet and confer/contract maintenance meetings at UNI. Regent Smith seconded the motion. MOTION CARRIED UNANIMOUSLY.

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

APPROVAL OF VENDORS WITH A POTENTIAL CONFLICT OF INTEREST. The Board Office recommended the Board approve the request from the University of Iowa to add Quorum Sciences, Inc., to the University of Iowa list of approved vendors with a potential conflict of interest.

Quorum Sciences, Inc. (QSI) is a start-up biotechnology company that is focusing on pharmaceutical development based on technology deriving from basic research on bacterial cell-to-cell signaling. QSI is also developing a product line for investigators in this scientific field. E. Peter Greenberg, Professor of Microbiology, has a minority interest ownership in this company. QSI has developed several compounds of which limited quantities are used for ongoing research in the Department of Microbiology.

Professor E. Peter Greenberg anticipates requesting purchases of the QSI compounds for his laboratory. The university has stated that the Department Head of Microbiology will handle all purchase decisions from this vendor.

ACTION: This matter was approved on the consent docket.

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

April 21, 1999	Iowa Braille and Sight Saving School	Vinton
April 22, 1999	University of Northern Iowa	Cedar Falls
May 19-20, 1999	Iowa School for the Deaf	Council Bluffs
June 16-17, 1999	University of Iowa	Iowa City
July 14-15, 1999	Iowa State University	Ames
September 15-16, 1999	University of Northern Iowa	Cedar Falls
October 20-21, 1999	University of Iowa	Iowa City
November 17-18, 1999	Iowa State University	Ames
December 15-16, 1999	(To be determined)	Des Moines
January 19, 2000	Telephonic Conference Call	
February 16-17, 2000	University of Iowa	Iowa City
March 15-16, 2000	University of Northern Iowa	Cedar Falls

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April 19-20, 2000	Iowa School for the Deaf	Council Bluffs
May 17, 2000	Iowa Braille and Sight Saving School	Vinton
May 18, 2000	University of Northern Iowa	Cedar Falls
June 14-15, 2000	Lakeside Laboratory	Okoboji
July 19-20, 2000	University of Northern Iowa	Cedar Falls
September 13-14, 2000	University of Iowa	Iowa City
October 18-19, 2000	Iowa State University	Ames
November 15-16, 2000	University of Iowa	Iowa City
December 13-14, 2000	West Des Moines Marriott Hotel	West Des Moines

ACTION: President Newlin stated the Board meetings schedule was approved, by general consent.

President Newlin then asked Board members and institutional officials if there were additional general or miscellaneous items for discussion.

Regent Fisher asked that the Board of Regents, State of Iowa, send its congratulations and best wishes to the Iowa State University women's basketball team and the University of Iowa men's basketball team. He said the teams represent the universities and the state very well.

The other members of the Board of Regents agreed and applauded.

STATE UNIVERSITY OF IOWA

The following business pertaining to the State University of Iowa was transacted on Wednesday and Thursday, March 17-18, 1999.

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

Register of Personnel Changes for January 1999.

The register included the appointment of ANN MADDEN RICE as Associate Director and Chief Financial Officer of the University of Iowa Hospitals and Clinics effective May 3, 1999, at an annual salary of \$150,000.

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

APPROVAL OF COLLEGE OF BUSINESS ADMINISTRATION INSTITUTE FOR INTERNATIONAL BUSINESS. The Board Office recommended the Board refer the proposed Institute for International Business in the Henry B. Tippie College of Business at the University of Iowa to the Board Office and the Interinstitutional Committee on Educational Coordination for review and recommendation.

University of Iowa officials proposed an Institute for International Business in the Henry B. Tippie College of Business. The proposed institute will develop and advance knowledge through research and teaching on issues related to international business, according to the university. The institute will help educate managers capable of functioning effectively in the global economy. Currently no such globally-focused and unifying structure exists within institutions of higher education in Iowa.

The formal goals of the institute are:

1. To develop and advance knowledge through research and teaching on issues related to international business.
2. To provide students at all levels with education, experiential background and skills necessary to compete in the global marketplace.

3. To promote innovative and cross-cultural approaches to managerial decision-making and problem solving.

The institute will be funded with \$136,157 of funds reallocated within the Henry B. Tippie College of Business. The institute will have a permanent staff the equivalent of one faculty director, one professional associate director, three quarter-time graduate assistants, and one student support staff. The balance of the expenditures will be for operating, development, and programmatic expenses. The institute will pursue a three-pronged approach to financing its activities, including grant income, program fees, and outside fundraising.

ACTION: This matter was referred on the consent docket.

ESTABLISHMENT OF A COLLEGE OF PUBLIC HEALTH. The Board Office recommended the Board refer the proposed College of Public Health at the University of Iowa to the Board Office and the Interinstitutional Committee on Educational Coordination for review and recommendation.

University of Iowa officials proposed to establish a College of Public Health, loosely aligned with the College of Medicine within the University of Iowa Health Care organization. According to university officials, the establishment of a College of Public Health provides new opportunities for the ongoing efforts of faculty and staff in the Department of Preventive Medicine and Environmental Health in the fields of epidemiology, biostatistics, environmental health, health management and policy, and occupational health and safety, while supporting new initiatives in behavioral and community health.

The College of Public Health will have a direct academic reporting relationship with the office of the provost. A statement of principles for an intercollegiate agreement provides the basis for the academic and administrative relationships between the College of Medicine and the College of Public Health. To minimize administrative duplication and cost, the College of Medicine and the College of Public Health will develop a management agreement through which the College of Medicine will provide or coordinate selected management functions for the College of Public Health. This arrangement obviates the need to create any significant administrative structure to support the new college, while assuring an appropriate level of academic autonomy to meet the national accreditation requirements of a public health college.

The development of a College of Public Health is part of the proposed Public Health Initiative, a collaborative effort involving all Regent universities, local health departments, the Iowa Department of Public Health, other state agencies and

organizations, and the private sector to train public health professionals, conduct research, and deliver public health services across Iowa.

FY 2000 Budget
School (College) of Public Health
Special Purpose Appropriation

Staff Personnel Costs	\$894,050
Occupational and Environmental Health - Ergonomics Faculty	
Biostatistics - Public Health Statistics Faculty	
Epidemiology-Cancer Epidemiology Faculty	
Community and Behavioral Health - Director	
Health Management and Policy - Professor	
Health Management and Policy - Professor (Clinical)	
Research Assistant (4 FTE)	
Master of Public Health - Professional Staff	
Aging Studies - Professor	
Aging Studies - Professional Staff	
Equipment/General Expense	<u>155,950</u>
(e.g., computers, classroom materials, etc.)	
TOTAL	\$1,050,000

ACTION: This matter was referred on the consent docket.

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

PROJECT DESCRIPTIONS AND BUDGETS

Bowen Science Building—Remodel Portion of Core 2-400, \$1,063,000
Pharmacology Package 5
Source of Funds: College of Medicine Gifts and Earnings and/or
State Appropriations

Preliminary Budget

Construction	\$ 854,600
Design, Inspection and Administration	
Consultants	92,300
Design/Construction Services	30,700
Contingencies	<u>85,400</u>
 TOTAL	 <u>\$ 1,063,000</u>

University officials requested approval of a project description and budget in the amount of \$1,063,000 to remodel approximately 6,100 square feet of space in the Core 2-400 area of the Bowen Science Building for the Department of Pharmacology. Design services will be provided by Rohrbach Carlson under an agreement approved by the Board in April 1997 for all of the Pharmacology remodeling projects in the building. This project represents the fifth and final remodeling project for the Department of Pharmacology in the Bowen Science Building.

The project will include demolition, installation of new partitions, ceilings, sinks, fume hoods, walk-in cooler, casework, lighting and carpeting. Mechanical improvements will include the installation of new ductwork, electrical systems and plumbing.

Bowen Science Building—Remodel Portion of Core 4-300, \$527,000
Biochemistry Package 1

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

Preliminary Budget

Construction	\$ 420,400
Design, Inspection and Administration	
Consultants	47,100
Design/Construction Services	17,700
Contingencies	<u>41,800</u>
 TOTAL	 <u>\$ 527,000</u>

University officials requested approval of a project description and budget in the amount of \$527,000 to remodel approximately 3,300 square feet of space in the Core 4-300 area of the Bowen Science Building for the Department of Biochemistry. This project represents the first of several remodeling projects for the department in the Bowen Science Building.

The project will include demolition, installation of new partitions, ceilings, sinks, fume hoods, casework, lighting and carpeting. Mechanical improvements will include the installation of new ductwork, electrical systems and plumbing.

Hancher Auditorium—Install Chiller \$500,000

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

Preliminary Budget

Construction	\$ 385,000
Design, Inspection and Administration	
Consultants	20,000
Design/Construction Services	57,000
Contingencies	<u>38,000</u>
 TOTAL	 <u>\$ 500,000</u>

University officials requested approval of a project description and budget in the amount of \$500,000 to replace one of the two existing steam absorption chillers which serves Hancher Auditorium. The new chiller is needed to replace a failing unit which is approximately 30 years of age and has reached the end of its useful life.

The project will install a new 525 ton centrifugal-type chiller with electric drive in the basement mechanical room of Hancher Auditorium. The project will include the demolition and removal of the existing chiller and associated piping, electrical connections and accessories. In addition, the project will provide the necessary architectural modifications to allow access for the new chiller into the mechanical room. The project will also provide modifications to the existing 480 volt electrical distribution system, piping, and control system in order to integrate the new chiller with existing building systems. The existing building cooling towers and water pumps will be reused.

University officials have investigated the possibility of providing chilled water service to Hancher via connection to the campus central chilled water system. University officials have indicated that past engineering studies have consistently concluded that this would not provide a feasible alternative due to the remote locations of the chilled water plants from Hancher. However, university officials also indicated that they will explore the possibility of providing central chilled water service to the facilities of the Fine Arts Campus utilizing a chilled water plant to serve this area. This will be explored more fully with the future expansion of the School of Art facilities. University officials also reported that the replacement chiller for Hancher Auditorium would be compatible with and convertible to a central chilled water system.

Medical Research Center—Replace Roof \$311,000
Source of Funds: Building Renewal Funds

Preliminary Budget

Construction	\$ 261,000
Design, Inspection and Administration	
Consultants	12,720
Design/Construction Services	10,480
Contingencies	<u>26,800</u>
 TOTAL	 <u>\$ 311,000</u>

University officials requested approval of a project description and budget in the amount of \$311,000 to replace the 14,850 square foot roof of the Medical Research Center. The existing roof is approximately 11 years old and is experiencing numerous failures. The roof requires extensive maintenance and without its replacement water could penetrate into the facility.

The roof of the Medical Research Center was constructed with a raised area approximately 8 to 10 feet wide which runs the length of the roof area. When the building

was constructed, the insulation substrate of the roof was attached to the concrete deck utilizing pneumatic fasteners. This method was, at the time, a relatively new labor-conserving process which reduced roof installation costs. The warranty period for the roof was ten years.

Since the roof was constructed, the pneumatic fasteners in the raised area of the roof have separated from the insulation causing small punctures in the roofing membrane. These punctures have allowed moisture into the insulation assembly of the main roof which has soaked the top layer of wood fiber insulation. Once the top layer of insulation was soaked, the roofing membrane separated from the structure. The roof has been temporarily secured to the building to hold it in place.

University officials do not believe there was any negligence involved with the construction of the roof since it was installed according to the project specifications and the life of the roof is consistent with the warranty. University officials indicated that the failure of the roof is the result of the roofing system which proved to be substandard and will not be utilized again. However, the Board Office will forward information on the original roofing project to the Attorney General's Office for review to determine whether there are any liability issues with the original construction of the roof.

The roof replacement project will include the removal of the roofing membrane and insulation down to the structural desk, and installation of new insulation, flashing, and roofing membrane, and other associated work. The replacement roof will consist of a single-ply membrane which university officials report is the typical roof installed on its buildings. University officials also indicated that the new roof will be installed utilizing a standard process for the installation of a single-ply membrane roof (the specific process has yet to be determined). In addition, the raised area of the roof will receive a urethane coating to seal the penetrations and to help prevent additional moisture accumulation in this area. However, in the event of any future failures in the raised roof area, the urethane coating will allow any moisture to be isolated from the main roof.

STATE UNIVERSITY OF IOWA
March 17-18, 1999

Chemistry Building—Remodel Fifth Floor,
Southeast Wing

Dec. 1997 Budget \$1,565,000
March 1999 Budget \$2,006,000

Project Budget

	Initial Budget <u>Dec. 1997</u>	Revised Budget <u>March 1999</u>
Construction	\$ 1,233,300	\$ 1,701,300
Design, Inspection and Administration Consultants	148,800	166,800
Design and Construction Services	58,700	52,900
Contingency	<u>124,200</u>	<u>85,000</u>
 TOTAL	 <u>\$ 1,565,000</u>	 <u>\$ 2,006,000</u>
 Source of Funds:		
Building Renewal and/or Income from Treasurer's Temporary Investments	\$ 1,085,000	\$ 1,526,000
National Science Foundation Grant	<u>480,000</u>	<u>480,000</u>
 TOTAL	 <u>\$ 1,565,000</u>	 <u>\$ 2,006,000</u>

University officials requested approval of a revised project budget in the amount of \$2,006,000, an increase of \$441,000, to allow award of the construction contract.

Five bids were received for the construction contract on January 5, 1999. The low bid in the amount of \$1,339,000 is approximately 31.5 percent above the engineer's estimate of \$1,018,000. The five bids have a range of approximately 14 percent, with the four lowest bids having a range of only 4.2 percent. The closeness of the four bids indicates that they are a fair representation of the cost of the work.

University officials attribute the high bids to mechanical construction costs. The heating, ventilating and air conditioning system will need to accommodate a higher than typical load due to the installation of seven laboratories equipped with 20 fume hoods. The university has indicated that the mechanical construction costs in the initial budget were based on average load requirements for more typical research laboratories, and this was reflected in the engineering estimate for the construction contract. University officials chose to wait for the results of the bid opening before making a determination of the amount of additional funds that would be needed for the project as a result of the increased mechanical costs.

* * * * *

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.

* * * * *

ARCHITECT/ENGINEER AGREEMENTS

University Hospitals and Clinics—Operating Room Floor Resurfacing \$56,900
HLM Design of Northamerica, Iowa City, Iowa

University officials requested approval to enter into an agreement with HLM Design of Northamerica to provide full design services for the project. The agreement provides for a fixed fee of \$51,200, plus reimbursables of \$5,700.

Bowen Science Building—Remodel Portion of Core 4-300, \$44,300
Biochemistry Package 1
Rohrbach Carlson, Iowa City, Iowa

University officials requested approval to enter into an agreement with Rohrbach Carlson to provide full design services for the project. The agreement provides for a fixed fee of \$44,300, including reimbursables.

Medical Research Center—Replace Roof \$10,480
Benchmark, Inc., Cedar Rapids, Iowa

University officials requested approval to enter into an agreement with Benchmark, Inc., to provide full design services for the project. The agreement provides for a fixed fee of \$10,480, including reimbursables.

Amendments:

Upgrade Underground Petroleum Storage Tanks Amendment #2 \$10,666
Shive-Hattery, Iowa City, Iowa

University officials requested approval of Amendment #2 in the amount of \$10,666. The amendment provides compensation for additional engineering services which were necessitated by a fuel leak from a deteriorated tank that was replaced near the Carver Pavilion. The additional services included oversight for the removal of contaminated soil

and extra soil testing, and preparation of a detailed closure report for the site as required by Department of Natural Resources regulations. The amendment also includes design services for additional work to restore the Colloton Pavilion site, which included construction of a new retaining wall and a ramp which facilitated the installation of the tank piping.

The amendment will not result in an increase in the total project budget.

Power Plant—Demolish East Stack Amendment #3 \$2,700
Shive-Hattery, Iowa City, Iowa

University officials requested approval of Amendment #3 to the agreement in the amount of \$2,700. The amendment will provide assistance in obtaining a quotation for the placement of a clay liner over the landfill site, which is a regulatory requirement for closing the landfill. In addition, the amendment will include inspection, testing and surveying of the site, and assistance in recording plans with the Johnson County Recorder. The amendment will not result in an increase in the total project budget.

University Hospitals and Clinics—Development of Computed \$1,275
Tomography Service and Associated Support Units in Emergency
Treatment and Level 1 Trauma Center
Design Professionals Collaborator, Cedar Rapids, Iowa

This amendment will provide for a small expansion of the project area to provide space for telecommunications equipment.

CONSTRUCTION CONTRACTS

Chemistry Building—Remodel Fifth Floor, Southeast Wing \$1,339,000
Award to: Unzeitig Construction Company, Cedar Rapids, Iowa
(5 bids received)

University officials requested approval of the award of the construction contract to the low bidder, Unzeitig Construction Company, for the Base Bid of \$1,339,000.

University Hospitals and Clinics—Development of Computed \$499,718
Tomography Service and Associated Support Units in Emergency
Treatment and Level 1 Trauma Center
Award to: McComas-Lacina Construction Company, Iowa City, Iowa
(4 bids received)

University Hospitals and Clinics—Electronic Lighting Ballast
Installation—Bid Package 1 \$139,808

Award to: Superior Light and Sign Maintenance Company, Cedar Rapids, Iowa
(5 bids received)

University Hospitals and Clinics—Pharmacy Storage, Processing and
Office Support Facility—Phase 2 \$315,784

Award to: McComas-Lacina Construction Company, Iowa City, Iowa
(1 bid received)

University Hospitals and Clinics—Expand Emergency Power
Generation Capacity \$257,769

Award to: McComas-Lacina Construction Company, Iowa City, Iowa
(2 bids received)

Northwest Campus Chilled Water Plant \$2,734,000

Award to : Modern Piping, Cedar Rapids, Iowa
(5 bids received)

ACCEPTANCE OF COMPLETED CONSTRUCTION CONTRACTS

Iowa Advanced Technology Laboratories—Construct Laboratory in E121
McComas-Lacina Construction Company, Iowa City, Iowa

Phillips Hall—HVAC Renovation, Phase 2—Provide Service, Floors 2 and 3
R. M. Boggs Company, Iowa City, Iowa

Medical Laboratories—Replace Windows, Phase 1
PCM Midwest, Cedar Rapids, Iowa

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

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

University officials requested approval to renew its lease as lessee with Goldfinch
Diagnostics, Inc., for its use of 212 square feet of space in the Eckstein Medical

Research Building. The space will be leased at the rate of \$176.67 per month (\$10 per square foot, \$2,120.04 per year) for a one-year period commencing April 1, 1999, through March 31, 2000. This is the same rate as the current lease agreement.

University officials requested approval of permanent and temporary easement agreements with the City of Iowa City for installation of a sanitary sewer line across university property near the entrance to the Finkbine Golf Course. The pipeline will replace an existing sewer line, which serves the University Athletic Club and Finkbine Golf Course facilities. The line has outlived its useful life and requires significant maintenance.

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

MOTION CARRIED.

DORMITORY IMPROVEMENT FUND TRANSFER. The Board Office recommended the Board approve the transfer of \$3,668,000 from the dormitory surplus fund to the improvement fund.

The covenants of the University of Iowa dormitory revenue bonds allow for the transfer of net revenues of the dormitory system from the surplus fund to the improvement fund upon approval of the Board of Regents. Monies must first be transferred to the improvement fund before they can be expended for improvements to residential and dining facilities. University of Iowa officials requested the transfer of \$3,668,000 from the dormitory surplus fund to the improvement fund.

MOTION: Regent Fisher moved to approve the transfer of \$3,668,000 from the dormitory surplus fund to the improvement fund. Regent Lande seconded the motion. MOTION CARRIED UNANIMOUSLY.

CAPITALIZATION OF UNIVERSITY OF IOWA HEALTH SYSTEM. The Board Office recommended the Board authorize the University of Iowa Hospitals and Clinics (UIHC) and the University of Iowa College of Medicine (COM) to transfer up to an additional \$12,000,000, one-half from each unit, to the University of Iowa Health System (UIHS)

for the purpose of continuing the development of network activities through its subsidiary companies, all in support of the clinical, academic, and research programs of the University of Iowa College of Medicine and the University of Iowa Hospitals and Clinics.

On October 18, 1995, the Board authorized the UIHC and the COM to transfer \$18,945,000, one half from each unit, to UIHS for the purpose of continuing the development of network activities through its subsidiary companies. This initial capitalization represented the estimated capital requirements for three years.

UIHS has used the majority of this funding to develop a physician clinic network under University of Iowa Community Medical Services, Inc. This network now includes 28 physicians and physician assistants in 12 clinics. In addition, University of Iowa Community Homecare, Inc. has been operational since January 1997, providing home infusion therapy services to patients discharged from UIHC to their homes throughout Iowa. In January 1998, UI HealthWorks was created to provide occupational medicine services directly and through partnerships with community providers. Cancer Care of Iowa City was created in October 1996, in partnership with Iowa City Mercy to provide ambulatory medical oncology services. ResourceLink of Iowa was established in September 1997 in partnership with HELP Innovations to offer home telemedicine services.

UIHC and COM have estimated that additional capitalization to fund related initiatives during the next three years will total approximately \$12 million. As with the practice followed to date, funds authorized by the Board of Regents will remain within the university until specific needs are identified and authorized by the UIHS Board of Directors or Executive Committee.

This action was consistent with the goals of the UIHC strategic plan to manage value, health, and markets as reported to the Board in 1995.

Regent Arenson stated that as part of the strategic plan, the University of Iowa health sciences must network and go forward to make sure the University of Iowa Hospitals and Clinics is well positioned. University officials are doing a good job in that area and he thanked them for that.

MOTION:

Regent Arenson moved to authorize the University of Iowa Hospitals and Clinics (UIHC) and the University of Iowa College of Medicine (COM) to transfer up to an additional \$12,000,000, one-half from each unit, to the University of Iowa Health

System (UIHS) for the purpose of continuing the development of network activities through its subsidiary companies, all in support of the clinical, academic, and research programs of the University of Iowa College of Medicine and the University of Iowa Hospitals and Clinics. Regent Lande seconded the motion. MOTION CARRIED UNANIMOUSLY.

MEETING OF THE IOWA STATE BOARD OF REGENTS AS THE TRUSTEES OF THE UNIVERSITY OF IOWA HOSPITALS AND CLINICS. The Board Office recommended the Board (1) receive the report on the University of Iowa Hospitals and Clinics (UIHC) and (2) approve the following proposed revisions in the Bylaws:

- a) An amendment establishing two subpanels: physician assistant/advanced registered nurse practitioner panel and the health care professional subpanel. The amendment further provides the subpanels with authority to evaluate the credentials of physician assistants/advanced nurse practitioners and other health professionals and to report jointly the Medical and Surgical Credentials panels.
- b) An amendment pertaining to membership on the clinical staff of the UIHC and the process for granting and reducing clinical privileges.
- c) An amendment incorporating the standards of the Joint Commission on Accreditation of HealthCare Organizations (JCAHO).

Amendments to the Bylaws, Rules and Regulations of the UIHC and Its Clinical Staff

Article IV: Clinical Staff

This article pertains to membership on the clinical staff of the UIHC and the process for granting and reducing clinical privileges. The proposed changes were approved unanimously by the University Hospital Advisory Committee's Credentials Subcommittee (July 29, 1998); Professional Practice Subcommittee (September 22, 1998) and University Hospital Advisory Committee (December 16, 1998).

Article VIII: Patient Care Rules and Regulations

Conforming changes were made to Article VIII to remove references to Physician Assistants/Advanced Nurse Practitioners that are now incorporated in Article IV. In

addition, changes are made to comply with current standards of the Joint Commission on Accreditation of HealthCare Organizations (JCAHO).

Article III: Hospital Advisory Committee and Subcommittees

Conforming changes were made to Article III. Specifically, two additional credentials panels are created to evaluate the credentials of Physician Assistants/Advanced Nurse Practitioners and other health professionals, and to report jointly to the Medical and Surgical Credentials panels.

Quarterly Update on UIHC Operations, Programs, and Finances

UIHC's operating statistics and financial performance remained relatively constant during the first seven months of fiscal year 1999 (July 1, 1998-January 31, 1999). A 6.8 percent increase in clinic visits was combined with a slight decrease (.8 percent) in the number of patients admitted to the UIHC for inpatient care. The average length of stay continued its decline, and the source of reimbursement for care provided to patients continued to shift from traditional commercial insurance to managed care.

From July 1, 1998 to January 31, 1999:

The 389,709 combined total of clinic visits to the UIHC represents an increase of 6.8 percent.

Admissions totaling 23,961 declined .8 percent from the 24,147 recorded during the same period of FY 1998. Of total admissions, the acute care component at 13,801 increased .9 percent; the 229 patients admitted for chemical dependency treatment represented a 9.6 percent increase, and the number of admitted outpatients at 9,931 was a 3.2 percent decline compared to July 1997 through January 1998.

The case mix index, which indicated the severity of illness and complexity of care required by acute inpatients at UIHC, increased .1 percent. The case mix for Medicare patients declined 6.4 percent.

The average length of acute patients' stay decreased 1 percent to 7.37 days compared to the first seven months of FY 1998.

Net revenue derived from serving paying patients at \$237,726,386 was 1.4 percent more than the same period last year. Total revenue for the first seven months of FY 1999 at \$279,166,697 was up 1.6 percent. Expenses during the same period at \$264,613,461 increased 6 percent. UIHC's operating margin percentage as of January

31, 1999, was 5.2 percent compared to 9.1 percent during the first seven months of FY 1998.

The amount of reimbursement to UIHC for patient care among health insurance payers continues to shift to managed care which now comprises 25.5 percent of gross patient charges compared to 20.1 percent for the same period last year. However, the number of managed care patients served increased even more, as follows:

Managed Care Patient Percent of Total Patients

	<u>FY 1998</u>	<u>FY 1999</u>
Acute patient discharges	23.0%	28.3%
Clinic visits	26.0%	31.5%

The disparity demonstrates the reduced payment and reduced utilization UIHC experiences with the managed care payer group.

Managing Value: Phase V – 1999-2000 Resource Utilization Management

The reductions in reimbursement for serving Medicare patients as mandated under the federal Balanced Budget Act of 1997 and the steady transition to managed health care reported in item II pose enormous financial implications to UIHC. Fortunately, the financial implications were anticipated and UIHC is now in Phase V of the long-range plan to reduce expenses while maintaining the excellence of care provided to patients. This report will provide an update on UIHC's commitment and progress in managing the value of its health care services.

Summary - Joint Commission on Accreditation of Health Care Organizations Survey of UIHC

In November 1988, a five-member team from the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) conducted a rigorous, week-long survey of the UIHC's organizational infrastructure, policies, records and patient care procedures. JCAHO subsequently awarded the maximum three-year accreditation to UIHC along with notations for changes in specific areas to fully comply with JCAHO's cutting edge standards. This report will delineate UIHC's progress in implementing the recommendations.

President Coleman discussed the great collaboration between the University of Iowa Hospitals and Clinics and the College of Medicine. She said the university has a great

team in Director Howell and Dean Kelch. She noted that the challenges facing the health sciences are daunting.

Director Howell stated that UIHC officials would present the fourth quarterly report for FY 1999. He said the UIHC continues to function in a comparatively good position. There are continued challenges for funding of the mission-related costs. The budget is based on the continuation of those trends. He introduced Charles Helms and William Hesson to present the proposed modifications to the bylaws of University of Iowa Hospitals and Clinics.

Dr. Helms discussed the process of reviewing the bylaws to bring the bylaws up to date.

Mr. Hesson presented highlights of the provisions. He asked, for the record, to acknowledge the able assistance of law student Florence Spyrow.

Director Howell requested the Board's adoption of amendments to Articles III, IV and VIII of the bylaws of University of Iowa Hospitals and Clinics.

President Newlin asked if Mr. Howell had carefully reviewed the proposed amendments. Director Howell responded affirmatively.

MOTION:

Regent Arenson moved to approve the following proposed revisions in the bylaws: a) An amendment establishing two subpanels: physician assistant/advanced registered nurse practitioner panel and the health care professional subpanel. The amendment further provides the subpanels with authority to evaluate the credentials of physician assistants/advanced nurse practitioners and other health professionals and to report jointly the Medical and Surgical Credentials panels. b) An amendment pertaining to membership on the clinical staff of the UIHC and the process for granting and reducing clinical privileges. c) An amendment incorporating the standards of the Joint Commission on Accreditation of HealthCare Organizations (JCAHO). Regent Lande seconded the motion. MOTION CARRIED UNANIMOUSLY.

Director Howell introduced Miss Ann Madden Rice. He stated that the previous day the Regents had acted on her appointment as Associate Director and Chief Financial Officer of the University of Iowa Hospitals and Clinics effective May 3, 1999, replacing Ken Yerington. He said Mr. Yerington will be difficult to replace.

Miss Rice stated that she was delighted to be joining the team at University of Iowa Hospitals and Clinics and looked forward to working with the Regents.

Director Howell stated that Mr. Yerington will be entering phased retirement. During his phased retirement, he will take on roles as Mr. Howell's special advisor to address issues of long-range financial planning including reductions in Medicare reimbursement.

Mr. Yerington stated that since this was probably his last presentation to the Board, he expressed his gratitude for the support and leadership the Regents had provided over the years. It has been a privilege for him to work with the Board. He looked forward with confidence to the appointment of Ann Madden Rice.

Mr. Yerington discussed the operating financial measures as of January 31, 1999. He noted that the financial statements were accrual based. During the first 7 months of the fiscal year, there was a 1.6 percent increase in revenues. He stated that the current year revenues have an aberration. The opening of the family care center brought into the budget the physician revenues and expenses that were previously in the College of Medicine. Those revenues pertain to physicians who will practice in the family care center. If those revenues were factored out there would be a 0.4 percent increase. He said revenues are not keeping up with expense increases. The UIHC has seen a 35.6 percent increase in managed care revenues. Revenues are shifting from a higher payor to a payor who pays less.

Regent Arenson stated that the UIHC has been embarked on a managing value program for 3 to 4 years. He urged that University of Iowa Hospitals and Clinics officials aggressively continue that process because the revenues are going to continue to decline. Expenses have to be reduced.

Mr. Yerington responded that control of expenses is a long-term function and must be continual. He then referred to the operating margin and said he believed it would be 5 percent by the end of the year. In comparing UIHC's operating margin with other institutions, he said the average operating margin of the large Iowa hospitals for the 11 months ending November 1998 was 4.9 percent. Therefore, UIHC is in the general ballpark of the larger Iowa hospitals. The Council of Teaching Hospitals found that for FY 1997, of the seven major Midwestern teaching hospitals, the median operating

margin was 5.2 percent. UIHC's was 8.9 percent at that time. He said managed care is more prevalent nationwide than it is in the Midwest. He noted that the length of time between when a procedure is performed until the charges are collected for the procedure is down 21 percent. That number indicates better management of accounts receivable.

Regent Arenson asked about the appropriations revenue line item. Mr. Yerington responded that the figure represented the consolidation of three appropriations: indigent care, psychiatric hospital and University Hospital School.

Regent Arenson asked if the majority of the appropriation funds are for indigent patient care. Mr. Yerington responded affirmatively.

Regent Fisher referred to the campaign to reduce expenses and asked how UIHC officials keep track of expense reductions when there are increases in wages. Director Howell responded that it is complex. UIHC officials go back to constant dollars to the point where the reduction program began. Year after year UIHC officials keep track of the reductions in constant dollars.

Regent Fisher noted that the number of full-time employees was down by about 19. Was that number on track? Director Howell responded that there had never been any targets identified in terms of FTEs. He said the cumulative effect since 1996 is about 560 FTE. UIHC officials have to make sure the processes support good quality patient care.

Regent Fisher asked, other than salaries and wages, where is the other major pressure? Director Howell responded that supplies was another major area. Complex patients are treated with sophisticated supplies and equipment.

Regent Arenson asked if the \$65 million reduction goal was sufficient. Director Howell responded that in terms of a target for getting expenses under control, the number is still reasonable. However, he was not sure the 5-year period for achieving the reductions is right. It would probably be best to take 6 years. He stated that if the reduction had not occurred to date, the UIHC would have lost \$17 million at the end of last fiscal year. He did not anticipate that the expense pressure would go away. The health care industry will have to be sensitive to expense. There will probably not be any new targets other than to be as efficient as they possibly can be.

Regent Arenson referred to the impact of managed care and the competitive market place, and asked what else can be done besides expense reduction and managing value. Director Howell stated that effective communication about what the UIHC does

is critical in a very competitive environment. There has to be a communications plan to make sure that communication is effective in this very competitive environment.

Regent Arenson encouraged UIHC officials to spend time and attention on the area of communications. The University of Iowa Hospitals and Clinics is a critical resource to the state of Iowa.

Regent Lande stated that he knew from growing up in Iowa that University of Iowa Hospitals and Clinics is unique. Everyone knew what was meant when someone said they were "going to Iowa City". With the plethora of advertising taking place, how can the University of Iowa make sure that the generation now growing up in Iowa identifies Iowa City as the tertiary care institution?

Director Howell said that reference point still exists. He stated that there are three very clear ways to continue to have that awareness among the citizens of Iowa: 1) the communications effort, 2) continue diligently working with the College of Medicine to differentiate themselves, and 3) make it easy for patients to get to the UIHC through referrals and other means of access. He suggested that perhaps UIHC officials could return to the Board and share what is being done in the service arena and how UIHC clinically differentiates itself.

Regent Lande stated that where the UIHC has the ability to do things that others cannot, UIHC officials need to tell the citizens of Iowa about it.

Regent Arenson said he totally agreed. He does not see anything about the University of Iowa Hospitals and Clinics when he watches television or reads the newspaper. The Board has a responsibility to watch over this treasured asset. There are things happening in Iowa City that are incredible. The Board must keep those incredible things happening. He questioned whether those things could be continued in this competitive market if people do not know what is going on. The Board has a duty to let the citizens know. He urged UIHC officials to go forward with a program and let the people of Iowa understand they can walk into the University of Iowa Hospitals and Clinics and get the treatment they need.

Director Howell said the UIHC has been doing some advertising. Regent Arenson strongly urged UIHC to do more of that.

Director Howell stated that only 8 percent of the UIHC's budget comes from the state of Iowa, and that is totally earmarked for indigent care. Regent Arenson said there are a number of misperceptions about that across the state. The people of Iowa have little

idea about this great treasure they have. The message has to go out and there is a duty to do it.

Regent Kennedy referred to the 8 percent support of UIHC by the state of Iowa. She said the University of Iowa Hospitals and Clinics needs to cover its expenses. The state is not supporting the hospital the way it is supporting education.

Director Howell stated that the UIHC over-earns the 8 percent state funding by more than 60 percent. Additionally, as a condition of employment in the College of Medicine, the faculty provide care to indigent patients at no charge. Therefore, the UIHC leverages the state dollars to an even higher degree.

Regent Kelly stated that as the Board of Trustees for University of Iowa Hospitals and Clinics, their number one responsibility is the care of the University of Iowa Hospitals and Clinics. Without the money, there will not be a university hospital. As a surgeon, he knows the university hospital is highly respected throughout the world—it is one of the very best in patient care, teaching and research. He said the number one cause for the money problem is government reimbursement. The private sector is following the government's leadership. Minnesota's university hospital went bankrupt.

Director Howell stated that the Board deserves great credit for recognizing the needs of the UIHC and for saying to the leadership of the hospital to get a plan and go forward, and don't let happen to Iowa what happened in Minnesota. He said the UIHC's expense reduction plan was done in that light. The reality of the cuts at the federal level have become part of life. There has been a \$9.5 million reduction in Medicare. He suggested the Board exercise its leadership by supporting the activities that are proactive on the expense side.

Regent Arenson asked for a commitment that University of Iowa Hospitals and Clinics officials are going to communicate effectively some sort of program to let the people of Iowa understand the value of coming to that institution. Director Howell said he could make that commitment now. There is a communications plan. UIHC officials will re-examine the plan and step it up to the level it needs to be.

President Newlin referred to the relationship of the University of Iowa Hospitals and Clinics with the College of Medicine. He stated that 4 to 5 years ago Mr. Howell and Dean Kelch came on board and the Board asked them to work closely together. He asked for comment about that working relationship and how it has affected their success.

Director Howell said he would describe the relationship as growing and flourishing. It is relatively unique in this country how the relationship has developed. The two are functioning nearly as a single clinical entity. Dean Kelch and he were hired within 15 days of each other. Director Howell could not envision a better partner than Bob Kelch.

Dean Kelch said he believes their managing partnership is highly unusual and unique. It allows them to face those daunting challenges that are largely external. There are many outside forces including the government-led devaluation of health care services. He said it has been a joy to have a partner such as Ed Howell and the backing of the Board. They will need to work together to face the daunting economic challenges. The same thing is true of the faculty practice plan. Revenue decreases are being offset in part through their joint partnership. Research is growing in double digit fashion.

Regent Arenson asked if Dean Kelch could endorse the communications issue; that UIHC is the best kept secret in Iowa. Dean Kelch said University of Iowa officials need to follow the Board's advice. People are confused about the college and the hospital; they do not know the two are linked. The faculty of the College of Medicine are the staff of the University of Iowa Hospitals and Clinics.

Regent Arenson asked about the percentage of state support for the College of Medicine. Dean Kelch stated that the College of Medicine expense budget is \$325 million. Seven percent of the College of Medicine expense budget has a direct state tax support basis. Seven percent of the operating revenue comes from state tax revenues.

Regent Arenson said that was something the people of Iowa would want to know, too.

President Newlin encouraged Dean Kelch and Director Howell to continue their collaboration.

President Newlin asked Mr. Yerington to come forward, which he did. President Newlin expressed the Board's appreciation for Mr. Yerington's career and dedicated service. He then asked how long Mr. Yerington had been with the University of Iowa Hospitals and Clinics.

Mr. Yerington responded that he came with the Medicare program in 1966. Mr. Colloton was looking for someone in hospital finance. Mr. Yerington attended meetings of the Medicare program. He noted that he was raised in West Liberty, Iowa. He said it had been a real privilege to be a part of this institution.

President Newlin again thanked Mr. Yerington for his long years of dedicated service.

The members of the Board of Regents applauded Mr. Yerington.

Director Howell stated that Mr. Yerington had dedicated his career to the University of Iowa Hospitals and Clinics. Before Mr. Howell came to UIHC, Mr. Yerington had been described to him as a true financial genius. Mr. Howell said Mr. Yerington is probably just a little more than a genius.

Regent Fisher asked if the Regents receive a balance sheet for the University of Iowa Hospitals and Clinics. Director Howell responded that it is provided in the audit report from KPMG.

Regent Fisher stated that University of Iowa Hospitals and Clinics officials are undertaking successfully a very fine fund-raising drive for the new research building and cancer center which will enhance the hospital and the medical school.

Director Howell introduced John Staley to review the operating activity of the University of Iowa Hospitals and Clinics.

Mr. Staley discussed patient census data including admissions, average length of patient stay, and case mix index of all acute patients. He noted that the case mix index had been fairly stable over the last year. There has been a significant increase in clinic visits since 1996-97. The big growth is in the off-site clinics. The University of Iowa Hospitals and Clinics is serving an increasing number of patients who are members of managed care programs.

Director Howell stated that roughly one in three patients are now covered under managed care. He then discussed phase V of the program to manage value. He described the efforts that are occurring at multiple levels and the progress that had been made to date. With regard to the upcoming year, he said there is a \$416 million total budget for the University of Iowa Hospitals and Clinics. That figure is not combined for the three units. Further cuts in the Medicare program have been widely reported in the media. He described the projections for the 5 years from 1998-2002 of estimated revenue loss associated with the balanced budget act of 1997. The total revenue reductions for the UIHC would be \$60,294,903. Approximately \$3 million of additional reductions will be experienced in the year 2000. He noted that President Clinton plans to cut more than \$7.5 billion from Medicare over 5 years which would result in an estimated revenues loss for UIHC of \$1.3 million per year beginning in fiscal year 2000. UIHC officials have been actively involved in identifying significant savings opportunities.

Director Staley discussed the guiding principles for managing value. UIHC officials ensure that commitments are met through its Performance and Value Management Committee. For the coming year, the total anticipated expense savings is \$9.4 million.

Regent Arenson asked about the planned \$18 million in expense reductions which was identified in one of the UIHC's exhibits. Mr. Staley responded that for the \$65.5 million expense reduction target, there is approximately \$18.3 million to be achieved. UIHC officials have identified \$9.4 million for the coming year. They hope to do a little better than that. UIHC officials are extending the expense reduction program out another year in order to achieve those reductions.

Dr. Robert Reiter discussed the program for reducing the length of patient stay through clinical value management. There has been a 7 percent reduction in the length of stay for all acute discharges, while the case mix index increased by 14 percent. There is a revised variance criteria for diagnosis related groups. Quality indicators include patient satisfaction, complications, and outcomes of care. All quality indicators are stable or have improved since initiation of this program. UIHC officials will continue to monitor progress and patient care quality. Dr. Reiter stated that charges for certain patient populations are reimbursed at a daily rate and for other populations reimbursement is on a global basis. Very early on in the process, it was decided that it would not be appropriate to manage patients based on pay status but rather by what is in the patient's best interest.

Director Howell stated that for 88 percent of patients admitted to the hospital, it is known how much will be paid on their behalf.

Director Howell reviewed the report of the Joint Commission on Accreditation of Health Care Organizations survey of UIHC. He noted that President Newlin participated in the survey which examined all areas of the University of Iowa Hospitals and Clinics. The UIHC has continued full accreditation. There were three type 1 recommendations as a result of the survey, the responses to which he reviewed. He also reviewed the supplemental recommendations and the corresponding responses.

Director Howell asked that the Board formally receive the report in its role as the Board of Trustees of University of Iowa Hospitals and Clinics.

MOTION: Regent Arenson moved to receive the quarterly report on the University of Iowa Hospitals and Clinics. Regent Fisher seconded the motion.
MOTION CARRIED UNANIMOUSLY.

Director Howell expressed appreciation for the time and attention the Board had given to the University of Iowa Hospitals and Clinics.

President Newlin expressed appreciation for UIHC officials' candid and thorough responses to the Regents' questions. He hoped that University of Iowa Hospitals and Clinics officials would continue in their efforts on cost containment and communication.

Director Howell expressed appreciation for the Board's guidance and direction.

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

IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Wednesday and Thursday, March 17-18, 1999.

TOUR OF "C2" – SYNTHETIC ENVIRONMENT LABORATORY.

On the morning of March 18, 1999, the Regents toured "C2", a synthetic environment laboratory of the Iowa Center for Emerging Manufacturing Technology, an IPRT center, in the Black Engineering Building.

Professor James Bernard, Director of the Iowa Center for Emerging Manufacturing Technology, facilitated the tour and demonstrations. He said the center applies virtual reality to challenges of science and engineering. Projected images appear three-dimensional. Fifty to sixty graduate students and 12 undergraduates work on contract activities for external entities.

The first demonstration was a John Deere application. The Regents viewed a "tractor" simulation that utilized a real tractor seat and control. The 3-year contract with John Deere is to make changes in productivity. The equipment attached to the tractor is visible. He said it is a complicated application that came together over a couple of years.

Regent Fisher asked what issues the tractor simulation was trying to address. Professor Bernard said the John Deere tractor simulation project was to design a tractor that would work for drivers of different sizes.

Regent Fisher asked with what other companies the center contracts. Professor Bernard responded that the center also contracts with Ford Motor Company, Shell International, Boeing, Air Force, Procter & Gamble, to name a few. The center receives about \$2 million/year from outside sponsors.

Regent Lande asked about similarities of the C2 with the driving simulator at the University of Iowa. Professor Bernard responded that the National Advanced Driving Simulator is a \$50 million operation. It has a motion base. The C2 synthetic

environment laboratory offers a very nice dovetail with what is being done in Iowa City. He looked forward to networking with the University of Iowa.

Professor Bernard discussed how the Center for Emerging Manufacturing Technology came to "be". It was an animation house until 1993-94 when computers got so fast they could make a frame in a 30th of a second. Animation became real time. In 1993-94, the first "cave" was designed. C2 is the second generation of the cave.

Tom Johnson, a master's student from Waterloo, demonstrated an assembly application being done for John Deere. The system allows simulation of the installation of a seat into a tractor. The project is to determine whether the same seat system could be put into a new tractor. The project is in the early stages of development application.

Another student, Tim Griegg, demonstrated a simulated walk-through of the Notre Dame of Paris. The building was placed into the virtual environment for students and instructors to review. Students can walk through the building in full scale.

Professor Bernard stated that Silicon Graphics, Inc., is very interested in the center's success. With regard to the cost to replace the computers, he said it cost \$1 million for the two computers driving the C2 application. In the future, the investment will be about three times that amount for the C6. He said Silicon Graphics manufactures the hardware for the synthetic environment. He noted that the center needs to be ahead of the curve and the curve is always moving.

Professor Bernard described the C6, the third-generation cave. An architect's rendering of C6 was placed into the C2. C6 will be housed in the atrium of Howe Hall. The C6 cave is a world-class six-sided device. Images will be projected from the floor and from the ceiling. C6 will be the first cave in the U.S. with six walls. There will be four projectors on the front wall for very high resolution. The grand opening for the C6 is May 2000.

Professor Bernard expressed appreciation for the Regents' visit. He said the center sees 3,000-4,000 visitors every year. He stated that Iowa State University is a great place to work. He has been at the university since 1983. Iowa State University officials have been very supportive of the center.

Assistant to the President Bradley stated that she has worked with Professor Bernard for a very long time. She said he is very successful in securing funds. She noted that one of the students participating in the tour had told her that Professor Bernard is not only an excellent instructor but also a fun teacher.

Professor Bernard stated that in the virtual reality course, students do some remarkable applications projects, all of which are unfunded. All of the students work well together.

President Newlin thanked Professor Bernard and his associates and students for the presentation.

COLLEGE OF BUSINESS—STRENGTH THROUGH CONNECTIONS.

President Jischke introduced Dr. Ben Allen, Dean of the Iowa State University College of Business, to give a presentation on the College of Business—Strength through Connections. He said Dean Allen has been a member of the faculty for 20 years.

Dean Allen said his presentation would focus on one aspect of the college--how it is working with other colleges and industry to make the college stronger. The college's 5-year plan emphasizes making the College of Business a professional college of business, which he said requires continuous interaction with the business community. The college is linking theory, research and practice.

Dean Allen reviewed statistics regarding the college's student, staff, budget and enrollment history. He said there has been a resurgence in the interest in business education since 1995 and it looks like the trend will continue. The college has seven undergraduate majors, two of which he highlighted: logistics and transportation. He noted that every business student must take logistics, not just the logistics majors. An area that is increasing in demand is management information systems (MIS). The MIS major began in 1992 with 157 students. MIS enrollment was 421 in the fall and 480 in the spring. He said it is a challenge to find, pay and retain MIS faculty.

Dean Allen discussed graduate enrollment in the college's MBA program, both the resident and the Saturday program. He said the Saturday MBA program has met and exceeded the college's expectations.

Dean Allen provided the following examples of "connections": internships, Executive in Residence program, Krause challenge, and the Small Business Development Center. With regard to the Executives in Residence program, he said the most important element has been the executives' input to the college curriculum committee. He said the Small Business Development Center is directly using the college's research to help the state of Iowa. Benefits from connections include enhancement of student learning, promotion of faculty development, development of resource partnerships, and opportunities for industry input.

Dean Allen discussed the opportunities and challenges of the Des Moines MBA program. He said there have been nearly 1,000 inquiries about the program. Two hundred fifty (250) people attended informational meetings. He believes the program will meet and exceed its goals. The program will provide access to students in Des Moines. The program accepts nine credit hours from accredited universities. The program's faculty will interact with businesses in Des Moines.

Dean Allen discussed the college's \$35.5 million funding initiative. He said \$25.5 million would come from private funds. The university requested \$10 million from the state for a new College of Business building.

Dean Allen concluded his presentation by stating that the Iowa State University College of Business is efficient, effective and energized.

Regent Arenson stated that Dean Allen had made it all sound so easy. He acknowledged how difficult it is to get to the level that has been achieved. He said Dean Allen was doing exactly what the Board wants to be done in raising the quality of the institutions. He thanked Dean Allen and Dr. Jischke.

Regent Fisher asked what skills the majors in MIS would achieve. Dean Allen responded that the skills were more management and systems design, although students will know programming.

Regent Fisher asked if Dean Allen anticipated the interest in MIS would continue to grow. Dean Allen responded that last year he thought he would see a turndown in the interest. He was convinced now that there is not going to be a turndown. He expects the enrollment to grow for another two to three years.

Regent Fisher asked if the College of Business is at capacity and what the capacity will be in the new building. Dean Allen responded that capacity is measured by number of faculty and by space. The college is very constrained by space now but that is being resolved. The biggest problem now is getting faculty talents that match up with a very dynamic business world. Technology and larger classrooms will allow faculty to teach to larger numbers of students. He noted that the college has a faculty member in accounting who has very good MIS skills. The faculty has agreed to move over to MIS. It is easier to replace an accounting professor than an MIS professor.

President Jischke stated that the pressures on recruiting faculty in computer-related fields create a real challenge for the university. The role of information technology in education is creating a real challenge in the university's ability to provide enough

computers and enough connectivity in the entire university. The issue has effected every major at the university. The scale of investment that will be required is a financial challenge.

Regent Arenson said that was precisely the question he has kept asking. How are we going to pay for those things if the institutions are going to be the best? The institutions are doing a great job in obtaining private funds. The state is doing what the state can do. He did not know that the universities can stay where they are comparatively on the tuition ladder and achieve the kind of income needed to be on the leading edge. He believes that tuition has to increase if the institutions are going to be the best.

President Jischke stated that tuition policy is a strategically important question. It has to do in the final analysis with increasing the quality of what is done by the institutions, versus preserving the status quo. It is a question of being able to significantly enhance the quality of the enterprise given the opportunity that technology provides.

President Jischke asked to add one more dimension to the discussion about finances. He said one of the issues being discussed at the national level is a land-grant act for the 21st century that looks at the federal role in using technology to enhance access. Technology has the potential for creating access not only in the United States but access globally, which he said is enormously powerful. Does the United States want to be a world leader in this? It is right now. Do we want to preserve that position? Could this ultimately become a national priority? Therefore, he said there is a fourth dimension of funding--private funds, state funds, tuition funds and federal funds.

President Newlin expressed appreciation to Dean Allen for the presentation. He congratulated Dean Allen on the hard work and successes of the College of Business, and wished him the best in the future.

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

Register of Personnel Changes for February 1999 that included seven requests for early retirement and three requests for phased retirement.

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

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

PERMISSION TO PROCEED WITH PROJECT PLANNING

4-H/Extension Building

University officials requested permission to proceed with project planning and the architectural selection process for construction of a facility to house the 4-H Youth Development Program and portions of the ISU Extension Service. The goal of the project is to increase the visibility of both the Extension Service and the 4-H Youth Development Program and generate opportunities for all Iowa youth. The ISU Extension Service and 4-H Youth Development Program have been at the forefront of the university's effort to support Iowa citizens and Iowa youth by providing a nurturing and stimulating environment for youth and ready access to accurate and timely information about science and technology.

University officials propose to construct a facility to serve all functions of the 4-H Youth Development Program, which currently occupies 3,500 square feet of office space in Curtiss Hall. This space is not adequate to accommodate the program's need for large meeting space, which requires the use of space in other campus facilities for this purpose. University officials propose to include meeting areas in the new facility to accommodate this need within the same building. The space occupied in Curtiss Hall will be available for use by the College of Agriculture after the 4-H program vacates the building. The project will also consolidate the 4-H program with portions of the ISU Extension Service in a single location.

The proposed new facility will provide a total of approximately 24,000 gross square feet of space, with 16,000 square feet for use by the Extension Service, 6,000 square feet for the 4-H program, and 2,000 square feet of shared space for meetings and other activities. The facility will include welcome and display/exhibit areas to acquaint the youth of Iowa with the educational resources of the university and direct them to campus contacts. In addition, the building will include office space and meeting rooms for educational programs and activities. University officials propose to locate the facility on the campus perimeter in order to accommodate public access to the building. The specific site will be determined during the planning process.

The total estimated project cost is \$3,500,000. Of this amount, university officials anticipate that at least \$1,500,000 in private funds will be raised for the project, with the

balance to be funded by Income from Treasurer's Temporary Investments or other university sources. The preliminary design work will assist in the fund raising effort for the project.

Honors Program Building

University officials requested permission to proceed with project planning and the architectural selection process for construction of a facility to house the functions of the university's Honors Program. The goal of the project is to provide an environment which celebrates excellence in learning, and one which will attract talented students from the state, nation and international community.

University officials propose to construct a facility consisting of approximately 6,800 gross square feet to relocate the Honors Program from its current location in approximately 2,200 square feet of inadequate space in the Osborn Cottage, which is an aging residential structure located on the central campus. The proposed new facility will include informal meeting areas, computer labs, faculty/staff offices, and teaching areas to facilitate learning and leadership opportunities for current and potential honor students. The university proposes to design the building to include some of the same "residential" attributes of the Osborn Cottage, including areas of a smaller, more intimate scale which promote casual interaction. These areas have proven to be an asset to the Honors Program.

The total project cost, including construction, design, equipment, landscaping, etc., is estimated at \$2,000,000. University officials anticipate success in raising this amount from private funds. The preliminary design work, which will be funded by the private funds currently available, will assist in the fund raising effort for the project. University officials will not proceed with detailed design development until project funding is fully identified. The specific site for the facility will be determined during the planning process.

University officials will consider various options for the vacated Osborn Cottage, including demolition of the facility.

Reiman Gardens—Conservatory Complex

University officials requested permission to proceed with project planning and the architectural selection process for the development of the Conservatory Complex at the Reiman Gardens. The complex will consist of a facility totaling approximately 29,000 gross square feet of space, including a conservatory of approximately 6,000 square

feet which will provide a year-round garden experience. In addition, the complex will provide space for educational program activities, seminars, and displays, and will include growing greenhouses, an auditorium, meeting areas, administrative office space, support and maintenance areas and restrooms.

The estimated budget for the project is approximately \$7,800,000, which will be funded by private donations. The preliminary design work, which will be funded by the private funds currently available, will allow the university to more carefully site the complex in the Reiman Gardens, and will develop plans for use by the Foundation in completing arrangements with the principal donor.

PROJECT DESCRIPTIONS AND BUDGETS

Institutional Roads—Reconstruct Daley Drive \$300,000
Source of Funds: Institutional Roads Funds

Preliminary Budget

Construction Costs	\$ 245,000
Professional Fees	40,500
Project Contingency	<u>14,500</u>
 TOTAL	 <u>\$ 300,000</u>

University officials requested approval of a project description and budget in the amount of \$300,000 to reconstruct Daley Drive in the West Pammel Court area of campus. The project is needed to provide adequate service to the Library Storage and Administrative Services Facilities Office Building. The project will include paving, curb construction, and installation of an upgraded storm sewer.

The project, which will be funded by Institutional Roads funds, is consistent with the Institutional Roads program approved by the Board in July 1998. Construction will be contracted by the Iowa Department of Transportation.

IOWA STATE UNIVERSITY
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Molecular Biology Building—Lower Level
Renovation

May 1998 Budget \$757,440
March 1999 Budget \$1,029,000

Project Budget

	Initial Budget <u>May 1998</u>	Revised Budget <u>March 1999</u>
Construction Costs	\$ 586,672	\$ 784,700
Professional Fees	93,646	142,910
Movable Equipment	0	28,455
Relocation	1,377	0
Project Reserve	<u>75,745</u>	<u>72,935</u>
 TOTAL	 <u>\$ 757,440</u>	 <u>\$ 1,029,000</u>
 Source of Funds:		
General University Funds	\$ 328,000	\$ 515,345
Special Purpose Appropriations	65,785	25,000
Unrestricted Grant Funds	25,000	15,000
Ag Experiment Station	30,000	40,000
ISU Foundation (Carver Trust)	<u>308,655</u>	<u>433,655</u>
 TOTAL	 <u>\$ 757,440</u>	 <u>\$ 1,029,000</u>

University officials requested approval of a revised project budget in the amount of \$1,029,000, an increase of \$271,560. The revised budget reflects an increase in the project scope to include a total of approximately 5,100 square feet of space (an increase of 1,100 square feet). During development of the project program and initial design to accommodate the needs of the various university departments, it became apparent that additional space would be required for the project. In addition, the revised budget will provide equipment for the center which had not been included in the initial project budget.

IOWA STATE UNIVERSITY
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Institutional Roads—Special Maintenance
Source of Funds: Institutional Roads Funds

Feb. 1999 Budget \$418,350
March 1999 Budget \$428,030

Project Budget

	Initial Budget <u>Feb. 1999</u>	Revised Budget <u>March 1999</u>
Construction Costs	\$ 317,420	\$ 328,000
Professional Fees	71,230	58,980
Project Contingency	<u>29,700</u>	<u>41,050</u>
TOTAL	<u>\$ 418,350</u>	<u>\$ 428,030</u>

University officials requested approval of a revised project budget in the amount of \$428,030, an increase of \$9,680, resulting from revisions to the project scope. The additional funds are available within the approved Institutional Roads program for 1999.

University officials determined that Long Drive requires full-depth paving replacement rather than minor patching and asphalt overlay, which has increased the cost for this component. In addition, the university has determined that the work required for Mortenson Road is more extensive than originally planned. Therefore, this component has been removed from the project. Finally, the work on the railroad crossing at Scholl Road will receive further study, and therefore this component has also been removed from the project.

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University officials presented five 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

Utilities—North Campus Extensions
Snyder and Associates, Ankeny, Iowa

\$45,263

University officials requested approval to enter into an agreement with Snyder and Associates to provide mechanical design services for the project. The agreement provides for a fixed maximum fee of \$45,263, including reimbursables.

Reiman Gardens—Town and Country Garden \$129,500
Rodney Robinson Landscape Architects, Wilmington, DE

University officials requested approval to enter into an agreement with Rodney Robinson Landscape Architects to provide landscape design services for the project. The firm has provided design services for the previous Reiman Gardens projects, and the university wishes to continue to retain the services of the firm in order to provide consistency in the design of the gardens. The agreement provides for a fixed maximum fee of \$129,500, including reimbursables.

Institutional Roads—Reconstruct Daley Drive \$29,968
Kirkham Michael Consulting Engineers, Des Moines, Iowa

University officials requested approval to enter into an agreement with Kirkham Michael Consulting Engineers to provide engineering services for the project. The agreement provides for a fixed maximum fee of \$29,968.

Amendments:

Engineering Teaching and Research Complex Amendment #2 \$69,880
The Weitz Company, Des Moines, Iowa

University officials requested approval of Amendment #2 in the amount of \$69,880. The amendment will increase compensation for on-site construction supervision and management services for the Phase 1 project, resulting from an increase in the project scope and extension of the project schedule. The Zone D addition, which was originally part of the Phase 2 project, has been incorporated into the Phase 1 project. Amendment #2 will not result in an increase in the total project budget.

CONSTRUCTION CONTRACTS

Engineering Teaching and Research Complex—Howe Hall
Telecommunications \$12,497.00
Award to: Turnkey, L.C., dba TKI, Pleasant Hill, Iowa
(6 bids received)

Telecommunications—Outside Plant System Upgrade—Phase 2C \$16,689.50
Award to: Turnkey, L.C., dba TKI, Pleasant Hill, Iowa
(6 bids received)

Utilities—Heating Plant—FY 1998 Control System Improvements—
Cooling Tower Controls \$64,116.00
Award to: Engineering Consultants, Cedar Rapids, Iowa
(4 bids received)

ACCEPTANCE OF COMPLETED CONSTRUCTION CONTRACTS

Palmer Human Development and Family Studies Building—Electrical System
Improvements
Meisner Electric, Newton, Iowa

Library Storage Building/Administrative Services Building—Bid Package #161
Nikkel and Associates, Ames, Iowa

Ag Engineering Shed Renovation
Welker Construction Company, Marshalltown, Iowa

Library Storage Building/Administrative Services Building—Bid Package #99
Allied Construction Services, Des Moines, Iowa

MOTION: Regent Fisher moved to approve the university's
capital register, as presented. Regent Kelly
seconded the motion. MOTION CARRIED
UNANIMOUSLY.

SCHOLARSHIP FUNDING – VIOLA BELL ESTATE. The Board Office recommended the Board (1) pursuant to the terms of the Last Will and Testament of Viola R. Bell, request that Iowa State University establish the “E. Floyd Bell and Viola Rheam Bell Scholarship Fund” and (2) delegate authority to the Director of Financial Aid at Iowa State University to distribute monies in the “E. Floyd Bell and Viola Rheam Bell Scholarship Fund” to two incoming freshmen students on an annual basis.

Iowa State University has become the beneficiary of 50 percent of the Viola R. Bell Estate, a gift to the University of approximately \$500,000. Floyd Bell was a graduate of Iowa State University's College of Engineering and Viola R. Bell received her degree

from Iowa State University's College of Education. Under the terms of Ms. Bell's will, a scholarship fund is to be established by the Board of Regents.

The fund would provide scholarships to two freshmen, on an annual basis for four years of financial support to attend Iowa State University. Scholarships of this type are normally administered by the university's Financial Aid Office. Iowa State University officials requested that the Board delegate authority to distribute the funds to the Director of Financial Aid at Iowa State University. The university would manage the funds as an endowment under the Regents' investment policies.

Iowa State University officials expressed appreciation to the family of E. Floyd Bell and Viola Rheam Bell for their inspiring generosity.

MOTION: Regent Kelly moved to (1) pursuant to the terms of the Last Will and Testament of Viola R. Bell, request that Iowa State University establish the "E. Floyd Bell and Viola Rheam Bell Scholarship Fund" and (2) delegate authority to the Director of Financial Aid at Iowa State University to distribute monies in the "E. Floyd Bell and Viola Rheam Bell Scholarship Fund" to two incoming freshmen students on an annual basis. Regent Arenson seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

DORMITORY IMPROVEMENT FUND TRANSFER. The Board Office recommended the Board approve the transfer of \$1.5 million from the dormitory surplus fund to the improvement fund.

The covenants of the Iowa State University Dormitory Revenue Bonds allow for the transfer of net revenues of the dormitory system from the surplus fund to the improvement fund upon approval of the Board of Regents. Monies must first be transferred to the improvement fund before they can be expended for improvements to residential and dining facilities. Iowa State University officials requested the transfer of \$1.5 million from the surplus fund to the improvement fund.

MOTION: Regent Ahrens moved to approve the transfer of \$1.5 million from the dormitory surplus fund to the improvement fund. Regent Arenson 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.

EXECUTIVE SESSION. President Newlin requested that the Board enter into closed session pursuant to the Code of Iowa section 20.17(3) to conduct a strategy meeting of a public employer for collective bargaining.

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

MOTION CARRIED.

President Newlin requested that the Board enter into closed session pursuant to the Code of Iowa section 21.5(1)(c) to discuss a matter with counsel which is either in litigation or where litigation is imminent.

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

MOTION CARRIED.

The Board having voted at least two-thirds majority resolved to meet in closed session beginning at 3:34 p.m. on March 17, 1999, and adjourned therefrom at 4:59 p.m. on that same date.

UNIVERSITY OF NORTHERN IOWA

The following business pertaining to the University of Northern Iowa was transacted on Wednesday and Thursday, March 17-18, 1999.

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

Register of Personnel Changes for February 1999.

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

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

PROJECT DESCRIPTIONS AND BUDGETS

Wellness/Recreation Center—Floor Replacement \$315,000
Source of Funds: Building Repair Funds

Preliminary Budget

Contracts/Purchase Orders	\$ 265,000
Consultant/Design Services	25,000
Contingencies	<u>25,000</u>
TOTAL	<u>\$ 315,000</u>

University officials requested approval of a project description and budget in the amount of \$315,000 to install new gym flooring in the former Physical Education Center area of the Wellness/Recreation Center. The existing synthetic flooring was installed in 1970, and the surface layer is deteriorating in several locations due to heavy use, particularly near the baskets.

The project will install new cushioned wooden gym flooring over the existing floor. The project area will total approximately 32,000 square feet.

Regent Fisher questioned whether the proposal was to replace the floor in the new Wellness/Recreation center. Vice President Conner responded that the floor is in the old Physical Education Center which is attached to the Wellness/Recreation Center. It is not a floor in the new facility that is being replaced.

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University officials presented seven new 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

Amendments:

Bartlett Hall Roof Amendment #2 \$32,620
Howard R. Green Company, Cedar Rapids, Iowa

University officials requested approval of Amendment #2 in the amount of \$32,620. The amendment will provide design services for additional tuckpointing which is required to be done in conjunction with replacement of the building roof. The need for the additional work was discovered during the design of the project. The amendment will not result in an increase in the total project budget.

CHANGE ORDERS TO CONSTRUCTION CONTRACTS

School of Music Classroom Building/
Performing Arts Center Change Order #15 \$284,989
Story Construction Company, Ames, Iowa Change Order #16 \$342,745

University officials requested approval of Change Orders #15 and #16 totaling \$627,734 to the construction contract with Story Construction Company. The change orders will provide for the installation of additional fixed equipment for the main performance hall. Change Order #15 in the amount of \$284,989 will include the installation of stage rigging, including counterweights, continuous lock rails, and rope locks. Change Order #16 in the amount of \$342,745 will include the installation of theatrical lighting and controls.

ACCEPTANCE OF COMPLETED CONSTRUCTION CONTRACTS

<u>Telecommunication System—Trunked Radio System and Public Safety Answering Point</u>	<u>\$341,605</u>
Radio Communications Company, Waterloo, Iowa	

MOTION: Regent Kennedy moved to approve the university's capital register, as presented. Regent Fisher seconded the motion. MOTION CARRIED UNANIMOUSLY.

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

IOWA SCHOOL FOR THE DEAF

The following business pertaining to the Iowa School for the Deaf was transacted on Wednesday and Thursday, March 17-18, 1999.

RATIFICATION OF PERSONNEL TRANSACTIONS. The Board Office recommended the Board approve the following personnel transactions:

Register of Personnel Changes for February 1999.

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

COOPERATIVE ATHLETIC AGREEMENT FOR LEWIS CENTRAL. The Board Office recommended the Board approve the agreement with Lewis Central Community School District.

The Iowa High School Athletic Association requires schools that participate in cooperative agreements to renew these agreements annually. Lewis Central and Iowa School for the Deaf have cooperated for several years to offer Iowa School for the Deaf students the opportunities to participate in cross country, golf, tennis, wrestling, soccer, swimming, and junior high football at Lewis Central.

Iowa School for the Deaf has few expenses associated with the agreement. Interpreters are generally provided to enable students to understand what the coaches are saying.

Although few students have taken advantage of these opportunities, school officials believe that the opportunity should be presented to students to develop skills in these sports.

ACTION: This matter was approved on the consent docket.

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

PROJECT DESCRIPTIONS AND BUDGETS

Giangreco Hall—Exterior and Interior Masonry and Façade \$55,000
Restoration—Phase 1

Source of Funds: FY 1999 Building Repair Funds

School officials requested approval of a project description and budget in the amount of \$55,000 for the first phase of a project to provide gutter repairs, masonry restoration, tuckpointing, and new interior finishes for the south wing of Giangreco Hall (the administration building). This area of the building has experienced moisture damage due to leaking gutters. The interior work will address damaged plaster walls in the auditorium and second floor areas. The project will be coordinated through Iowa State University.

MOTION: Regent Fisher moved to approve the capital register, as presented. Regent Arenson seconded the motion. MOTION CARRIED UNANIMOUSLY.

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

IOWA BRAILLE AND SIGHT SAVING SCHOOL

The following business pertaining to Iowa Braille and Sight Saving School was transacted on Wednesday and Thursday, March 17-18, 1999.

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

Register of Personnel Changes for the period of January 24 through February 20, 1999.

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

President Newlin then asked Board members and institutional officials if there were additional items for discussion pertaining to the Iowa Braille and Sight Saving School.

Superintendent Thurman said he looked forward to seeing the Regents in Vinton next month.

ADJOURNMENT.

The meeting of the State Board of Regents adjourned at 11:40 a.m., on Thursday, March 18, 1999.

Frank J. Stork
Executive Director