

The State Board of Regents met on Wednesday, November 15, 1995, at Iowa State University, Ames, Iowa. The following were in attendance:

	<u>November 15</u>
<u>Members of State Board of Regents</u>	
Mr. Pomerantz, President	All sessions
Mr. Collins	Excused
Mr. Dorr	All sessions
Ms. Mahood	All sessions
Mrs. Kennedy	All sessions
Mr. Newlin	All sessions
Mrs. Pellett	All sessions
Mrs. Smith	All sessions
Dr. Tyrrell	All sessions
<u>Office of the State Board of Regents</u>	
Executive Director Richey	Excused
Deputy Executive Director Barak	All sessions
Director Houseworth	All sessions
Director Williams	All sessions
Associate Director Racki	All sessions
Research Associate Tiegs	All sessions
Research Associate Via	All sessions
Minutes Secretary Briggie	All sessions
<u>State University of Iowa</u>	
Acting Provost Becker	All sessions
Vice President Manasse	All sessions
Vice President True	All sessions
Associate Vice President Small	All sessions
Legislative Counsel Stork	All sessions
<u>Iowa State University</u>	
President Jischke	All sessions
Provost Kozak	All sessions
Vice President Madden	All sessions
Vice President Thielen	All sessions
Executive Assistant to President Dobbs	All sessions
Assistant to the President Mukerjea	All sessions
Treasurer Thompson	All sessions
Director Bradley	All sessions
Interim Director Anderson	All sessions
<u>University of Northern Iowa</u>	
President Koob	All sessions
Provost Marlin	All sessions
Vice President Conner	All sessions
Vice President Follon	All sessions
Executive Assistant to President Stinchfield	All sessions
Assistant to President Gadelmann	All sessions
Director Chilcott	All sessions
<u>Iowa School for the Deaf</u>	
Superintendent Johnson	All sessions
Director Heuer	All sessions
Interpreter Lehmann	All sessions
Interpreter Reese	All sessions
<u>Iowa Braille and Sight Saving School</u>	
Superintendent Thurman	All sessions
Director Woodward	All sessions

GENERAL

The following business pertaining to general or miscellaneous business was transacted on Wednesday, November 15, 1995.

APPROVAL OF MINUTES OF BOARD MEETING OF OCTOBER 18, 1995. The Board Office recommended the Board approve the Minutes, as written.

President Pomerantz asked for corrections, if any, to the Minutes.

ACTION: President Pomerantz stated the Board approved the Minutes of the October 18, 1995, meeting, as written, by general consent.

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

Approve the request to change the name of the Iowa Transportation Center to the Transportation Research and Education Center;

Receive the status report on the Board Office budget for fiscal year 1996;

Approve the Board Meetings Schedule; and

Receive the Register of Capital Improvement Business Transactions for the Iowa School for the Deaf (none).

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

INTERINSTITUTIONAL COMMITTEE ON EDUCATIONAL COORDINATION. (a) Renaming of the Iowa Transportation Center as the Transportation Research and Education Center-Iowa State University. The Board Office recommended the Board approve the request to change the name of the Iowa Transportation Center to the Transportation Research and Education Center.

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

The two reasons for this request were: (1) confusion between the "Iowa Transportation Center" and field offices of the Iowa Department of Transportation "transportation centers" and particularly the "Central Iowa Transportation Center" located in Ames; and (2) an expansion in the range of activities taken on by the center.

The center now has projects underway in about 20 states and in Canada. The mission and objectives of the center will remain unchanged. There were no budgetary implications of this name change.

ACTION: This matter was approved by consent.

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

The November meeting of the Iowa Coordinating Council for Post-High School Education took place at the North Iowa Community College in Mason City on November 1. This was the first meeting of the council this academic year. Below is a listing of the major issues discussed at the meeting.

Clarification of Membership and Voting Credentials

Clarification Regarding Membership Eligibility

Request for Program Approval by Non-Members

Refinements to the State of Iowa Registration Process for Institutions

Committee Memberships and Charges

New Program Requests

Regents Tyrrell and Kennedy were present at the meeting. Presidents Jischke, Koob and Nathan were also present.

Regent Tyrrell stated that the first meeting on the strategic planning process was scheduled for November 27 at the University of Northern Iowa. He said some issues came up at this meeting that had not been discussed for some time. Those present discussed clarification of membership; anyone listed as an alternate can serve as an alternate for any member.

President Pomerantz said an initiative had been created on the part of the Regents to interest other segments of higher education in working together cooperatively to a much greater extent than they have historically, although the trend is improving. The vehicle for doing so is the ICCPHSE which already exists and is totally voluntary. As they work through the ICCPHSE there will hopefully be buy-in from other segments of Iowa higher education. There seemed to be interest in moving forward with the concept. What the group was dealing with now were issues around membership and the governance mechanism to assist in carrying out joint strategic planning.

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

PROGRESS REPORT ON REVIEW OF ORGANIZATIONAL AUDIT. The Board Office recommended the Board receive the progress report on the review of the organizational audit.

Since the last report to the Board, the Pappas Group has completed interviews with all members of the Board of Regents. The Pappas Group has visited the Iowa School for the Deaf and the Iowa Braille and Sight Saving School, completing all the pre-audit visits to the institutions.

The Organizational Audit Oversight Committee met on Tuesday, November 7, and heard a detailed report on organizational audit activities and discussed preliminary approaches to the remaining organizational audit activities.

In the next few weeks the Pappas Group will complete the review of recommendations of the previous audit. The actual audit visits to the five Regent institutions will begin at the end of the month.

President Pomerantz said the process appeared to be moving along very well. Every Regent will have an individual meeting with the auditors. The auditors are on the campuses and the effort seemed to be on track. The preliminary dialogue was constructive and favorable. He expected to see recommendations that will enhance the governance of the institutions. The Regents will be kept informed of the progress as it proceeds forward.

Regent Kennedy asked if there was any feedback for the committee.

Regent Dorr stated that as a result of his individual session with the auditor he felt that a very significant effort was taking place. He noted that he was not fully convinced when this process started but was impressed with the approach that has been taken. He said that if the follow-through and process is supported by everyone, the potential was quite significant.

Regent Tyrrell reminded the Regents of the goal to keep the study as open and non-threatening as possible. If they do so, it will be a much more constructive process and would result in recommendations that will be very helpful.

ACTION: President Pomerantz stated the Board received the progress report on the organizational audit, by general consent.

FALL ENROLLMENT REPORT - PART II. The Board Office recommended the Board receive Part II of the Fall enrollment report.

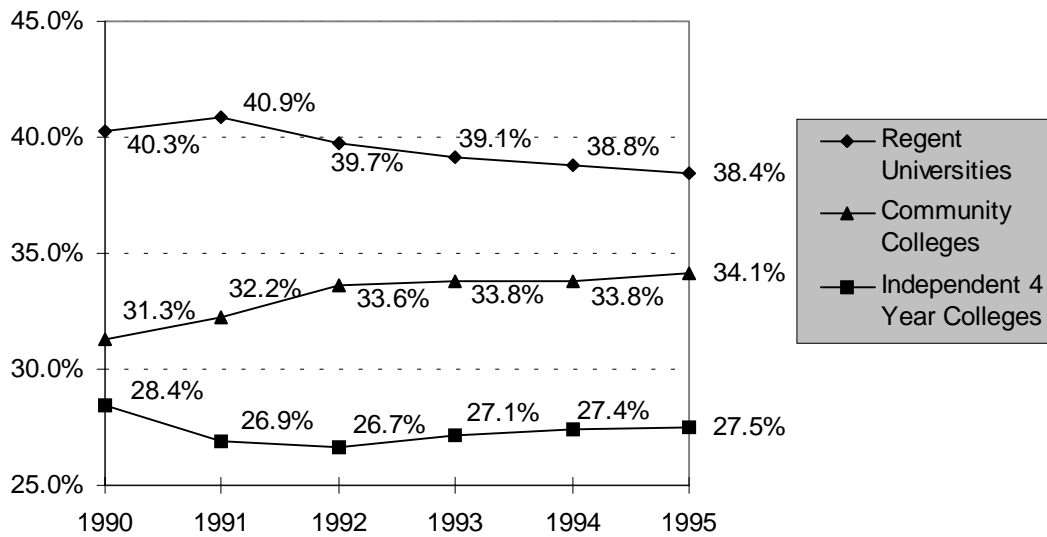
Post-secondary Enrollments In Iowa

Total Fall 1995 post-secondary enrollment in the state of Iowa is 175,127 — an increase of 1,942 students (+1.1 percent) over Fall 1994.

Enrollment by sector is:

Regent Universities	64,830 (+1%)
Community Colleges	57,615 (+2%)
Independent 4-year Institutions	46,353 (+2%)
All others	6,329 (-11%)

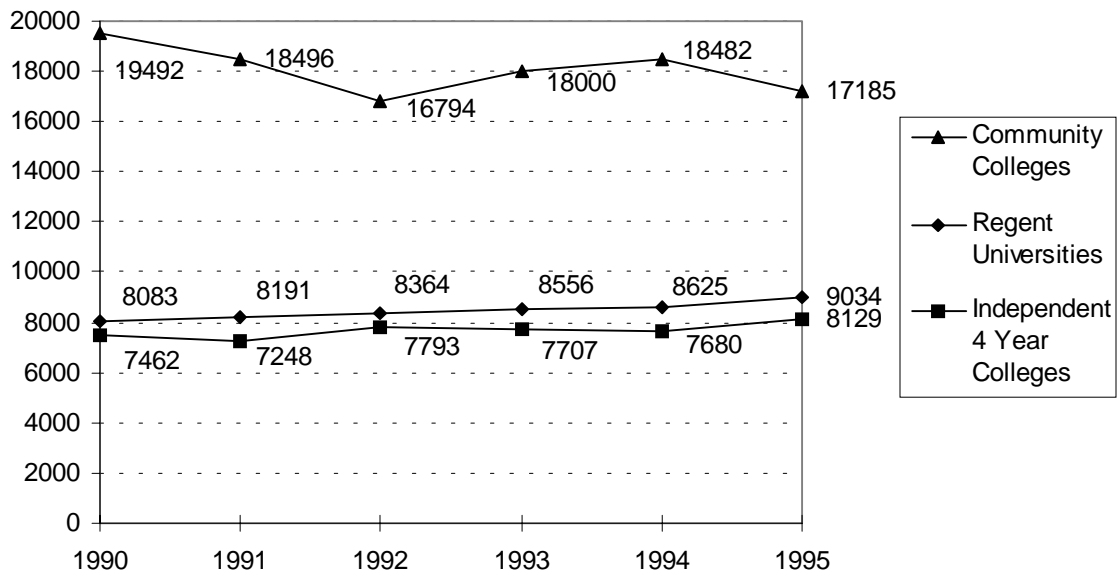
**Percentage of Total Enrollment In Each of 3 Major Sectors
of Iowa Postsecondary Education, 1990-1995**



Entering Freshmen and Transfers

More new freshmen enrolled in Regent universities and the independent colleges this fall than in Fall 1994. New freshmen enrollments in community colleges decreased this fall.

New Freshman Enrollment in 3 Major Sectors of Iowa Postsecondary Education, 1990-1995



Enrollment at Regent Universities

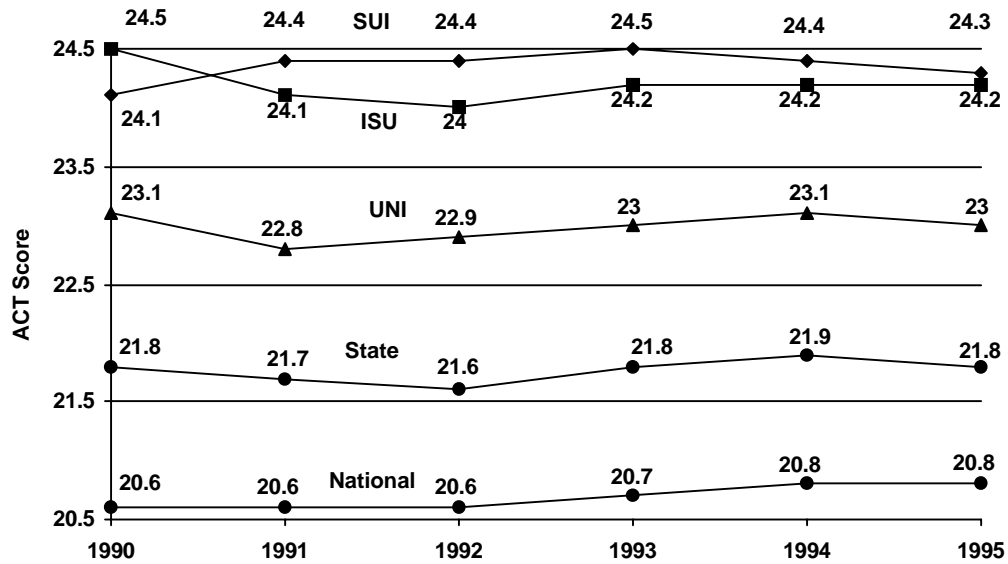
Regent-wide, undergraduate enrollments have increased while graduate enrollments have decreased.

Gains in resident undergraduates have far outpaced the losses by resident graduate students for a net gain in resident students at the three universities. The modest gains in non-resident undergraduates were overwhelmed by non-resident graduate losses for a net loss in non-resident students.

For the University of Iowa, undergraduates, regardless of residency, increased while graduate students, regardless of residency, decreased. For Iowa State University, the only enrollment gain was in resident undergraduates. For the University of Northern Iowa, there were enrollment gains in all levels by residency status of students.

Entering Freshmen

**ACT Composite Scores for Entering Freshmen:
Mean Scores for Fall 1995**



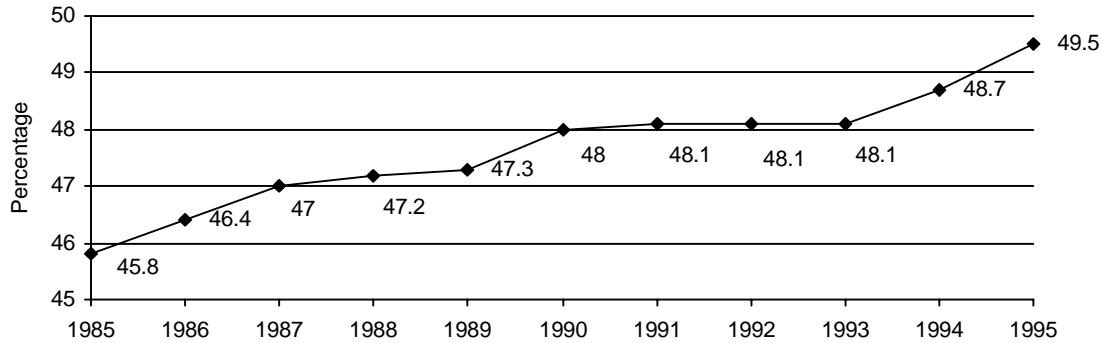
Special Populations

Fall 1995 enrollment by students over age 25 is more than 27 percent (17,742 students) of total Regent enrollment. In comparison, Fall 1990 enrollment by students over age 25 was 17,436, or 24 percent, of total Regent enrollment.

Women comprise almost 49.5 percent of the student bodies in all Regent universities. This is the highest percentage of women in the last 10 years.

Women comprise over 50 percent of the undergraduates and just under half of the graduate students. Of women pursuing graduate degrees, 80 percent are over age 25 and almost half are over 30. Women represent 42 percent of the professional student body.

**Percentage of Women Enrolled in Regent Universities:
Fall 1985 to 1995**



Enrollment by minority group has increased over the past ten years. Asian-Americans have taken over as the largest racial/ethnic group. This group has experienced 124.7 percent increases over the past 10 years. African-Americans have shown the slowest growth over the past 10 years with 36.7 percent growth. Hispanic-Americans have almost doubled their numbers in the last 10 years.

State residency is claimed by 2,751 of the minority students (58.2 percent).

**Changes in Enrollment by Minority Group with Regent Universities:
Fall 1985 and 1995**

Group	1985	1995	Percent Change
African-American	1,244	1,700	+ 36.7%
American Indian	130	197	+ 51.5%
Asian-American	780	1,753	+124.7%
Hispanic-American	571	1,080	+ 89.1%
Total	2,725	4,730	73.6%

In Fall 1995, 4,425 foreign students comprised 6.8 percent of the total Regent-wide enrollment. Within the foreign student population, 60.5 percent are graduate students while 39.1 percent are undergraduates. Professional students comprise only 0.4 percent of the foreign student population.

Research Associate Via provided the Regents with an overview of the second part of the fall enrollment report.

Regent Dorr referred to the enrollment data for community colleges and asked how those enrollments changed between 1980 and 1990. Research Associate Via responded that he believed the data would show that enrollments increased rather dramatically during that decade.

Regent Dorr stated that it would be interesting to review that data. Research Associate Via responded that he would try to get the information for the Regents.

Regent Tyrrell questioned how many of the freshmen at community colleges were preparing to transfer to an institution where they could receive a 4-year degree and how many were going into technical courses.

Research Associate Via stated that all of the community colleges in Iowa are now full-fledged community colleges; they all have arts and science programs. With regard to how many of the new community college freshmen were in transfer programs, he said the Board Office did not have that data.

Regent Tyrrell suggested that it might be wise to analyze that type of information as part of the enrollment report. Research Associate Via said that was a good point and would be kept in mind for future reports. He noted that a growing percentage of the students at community colleges are in transfer programs.

President Pomerantz pointed out that the number of undergraduate freshmen are increasing at all Regent institutions while graduate enrollments are decreasing to some degree.

Regent Dorr said he did not think those trends would change substantially. He stated it was fairly significant that the Regent universities had lost 5 percent of the market share since 1990. During that same time there have been policies of enhanced credit availability at other institutions. There also appeared to be a policy established statewide toward skill training and development versus mind training and development.

Research Associate Via discussed the data regarding transfer students. He noted that community colleges are producers of transfer students versus receivers of transfer students.

Regent Tyrrell said he thought the fact that private colleges were attracting more transfer students may be a geographic phenomenon. Research Associate Via said that may very well be true. Many community college students are place bound and have to attend an institution of higher education that is within commuting distance.

Regent Tyrrell asked Mr. Via if he saw any trends that should prompt the Regents to re-examine any of the Board's policies. Research Associate Via responded that there were questions of how openly the Regent universities should compete with the 4-year independent colleges. The Regents may want to review the distribution of educational opportunities around the state. The lower tuition of Regent universities in comparison to independent colleges would be attractive to students if the Regent institutions' educational programs were offered closer to students' homes.

President Pomerantz stated that the total number students in the system is 1.1 percent higher for this year; however, it is unknown how many of Iowa's college-bound population go to school in the Iowa higher education system versus out of state. He said a marketing opportunity would be to focus on getting more of the Iowa students to attend Iowa's Regent institutions.

Regent Tyrrell stated that he often speaks of the need for additional scholarship funds. He noted that he saw an ad for the University of Indiana in the Chronicle of Higher Education offering substantial stipends to students. Some of the better Iowa students are able to attend out-of-state colleges by receiving better scholarship packages than those offered by in-state institutions.

Research Associate Via stated that migration studies show that Iowa is a net gainer of higher education students. He said one method for countering enticements from other states would be to arrange financial packages that are equally attractive to those of out-of-state institutions. He said that considering the limited scholarship funds available for students it was probably better to spread the scholarship money around as best as can be done. He noted that the very best students probably have multiple offers from across the country.

President Pomerantz stated that he would like Iowa's Regent universities to try to compete with out-of-state institutions such as Stanford and Harvard. The Regent universities' presidential scholarships are a good incentive to keep students in Iowa. Iowa's Regent system is able to have quality universities by having quality students.

Regent Pellett stated that in their recruiting efforts, university officials have to emphasize quality. In the area of the state in which she lives, many Iowa students are lost to other states; however, Iowa's quality can compete with the quality of any other institution of higher education.

Research Associate Via discussed the new undergraduate transfer enrollments and the ability to draw students to Iowa's Regent universities from out of state.

Regent Kennedy asked for the history of partnerships being created between private colleges and community colleges to offer academic programs on the community college campuses. Deputy Executive Director Barak responded that Buena Vista had been offering those types of programs for 20 years.

President Pomerantz stated that one of the issues the Iowa Coordinating Council for Post-High School Education should address is which institutions should offer 4-year degree programs on community college campuses.

Regent Pellett stated that for students with transportation concerns the location of the campus is an issue.

Regent Dorr stated that some aggressive thinking needed to be done to determine how to continue to capture a sufficient amount of the market share. Iowa's Regent universities have lost 5 percent of the market share in a period of 5 years, which is significant. He stressed that university officials ought to aggressively address the market issue.

Research Associate Tiegs presented highlights of the remainder of the enrollment report, including history on the number of Iowa high school graduates.

Regent Newlin asked if data from 10 years ago was available. Research Associate Tiegs responded that he believed the information was available in the Board Office.

Regent Newlin asked that Mr. Tiegs send to the Regents the information on Iowa high school graduates from 10 years ago as well as projections for high school graduates for the next 5 years. He asked that the data go back to 1975 and project to 2000. Research Associate Tiegs responded that he would do so.

Research Associate Tiegs described the quality of entering freshmen. He noted that women now comprise 49.5% of Regent enrollments which was probably the highest percentage since World War II.

President Pomerantz asked Mr. Tiegs if he had any information on the percentage of women enrolled in out-of-state universities. Research Associate Tiegs responded that he believed he could access that type of information.

Regent Mahood referred to entrance requirements of Iowa's Regent universities, and asked for the minimum acceptable ACT score. Provost Marlin stated that if a student is in the upper one-half of his/her graduating class, that student would meet the admission requirements. President Jischke stated that the entrance requirements were the same for all three Regent universities.

Research Associate Tiegs reviewed the data concerning students' ages.

President Pomerantz stated that the University of Northern Iowa needed to address diversification of the student population and enrollment trends. He said the data for the University of Northern Iowa reflected the huge in-state population of the university.

Regent Dorr said he believed that the trends in enrollments were the result of a policy that emphasizes skills training versus mind training. He emphasized that it did not reflect on the Board or Regent institutions. High school advisors are much more emphatic about skills training. Young people in this state should be encouraged to develop their minds. He said the primary focus initially should be to teach people how to think. He believed that the shift to skills training was not an appropriate policy.

Regent Tyrrell stated that he has visited with faculty who are involved with the technical preparation movement in his local high school. It is their feeling that technical training is going to be more pragmatic for these young people and will assist the 2/3 of the high school population that is not going to seek graduate education. The faculty believe that technical preparation gives students an opportunity to look into career opportunities which they can pursue at the community college level. He stressed that there is great pressure, particularly from the business community, to view our educational system not as wholly college preparatory/college-oriented to address that segment of the high school students who are not going to go to college. Regent Tyrrell was concerned about the quality of the education at the high school level which he vocalized with the teachers who are responsible for technical preparation. He said those teachers do not feel there will be any decrease in the quality of education of high school students. He believe those teachers are very well meaning and have established some excellent programs.

Regent Smith stated that the focus needs to be on preparing students to make choices. There are some concerns that high school students are not prepared to make choices. This was an issue they have to continue to talk about. She said she was aware that some universities are contacting students at younger ages and talking to those students about choices. The younger those contacts can be made, the better. She said high school administrators and faculty have to be held accountable in terms of the types of choices they are preparing students to make.

President Pomerantz stated that next month the Board of Regents would be meeting with the State Board of Education. He asked the Board Office to make sure this subject is on the docket for the joint meeting in December.

President Jischke referred to the issue of vocationally-oriented educational programs and stated that another side of the issue is that students are motivated more by vocational interests. He said that during the last two decades there has been a dramatic and sizable shift in the motivation of first-time freshmen all over the U.S. The motivation is in material goals, and not to attend a university or college in order to develop a philosophy of life or to receive a general education. The issue of technical and vocation training is not just a matter of the institutions shaping what students study; the institutions are also responding to what students want to study and what their parents want them to study.

President Jischke stated that there was also an issue for officials at the Regent institutions as they follow the strategic plans and focus on priority programs; they have not been developing new programs to the same extent as they might otherwise. He said the students' interests change. As the time scale for change compresses, as ideas of just-in-time manufacturing, just-in-time food, just-in-time banking, and so on becomes the norm, there are also those who desire just-in-time education. He stated that the need for institutional flexibility to respond to these changes is an issue that has policy implications for the Board in the guidance it provides in the development of academic programs and strategies for the institutions.

President Jischke said cost is a real factor in all of this. Residential instruction at a Regent university is more costly than instruction at a community college. Many independent institutions are discounting tuition to real cost and not the advertised cost. Many students, nearly three-fourths at Iowa State University, are working which is a factor in how long it takes them to finish their education. It is also a factor in deciding where they go to school. Marrying education and employment is one strategy that many young people are using. They have to trade off where they study with where there is a job.

Regent Dorr referred to President Jischke's last point about students having to work while they attend college, and said that issue has evolved into incredible access to credit which has implications for the long term. The availability of credit has enabled students to have a better lifestyle than they typically would have and it has been good for the system. It has stimulated a lot of growth in the last few years but he was unsure whether it was necessarily a solution.

President Pomerantz suggested that education was not the only institution in our society that is dealing with credit functions. He said our society is being driven by many different forces and is subject to change. Sometimes they are not able to create the environment they would like to create. There is an expansion of credit in the American economy and education does not necessarily lead that effort. The issue is a part of the totality of our society.

Regent Newlin referred to the earlier comments of Dr. Jischke whose point, he said, was very well taken. The changes that are occurring in higher education across the U.S. are going to continue to occur. We need to be knowledgeable of them and able to change accordingly. He stated that it was a very fundamental issue for higher education.

ACTION: President Pomerantz stated the Board received Part II of the Fall enrollment report, by general consent.

ANNUAL REPORT ON STUDENT PERSISTENCE. The Board Office recommended the Board receive the report.

The universities' new four-year graduation plans are just getting underway and have not yet had a chance to impact persistence/graduation rates.

This year's report added first year persistence data for the entering class of 1994 and updates information on earlier entering classes going back to the class of 1986. There is little overall change in persistence/graduation patterns from previous years and no strong evidence of any emerging trends or changes.

African-American and Hispanic graduation rates for the University of Iowa's entering classes of 1990 and 1991 have improved slightly over earlier classes but these may be random fluctuations rather than the start of a sustained trend.

Though there are still not enough Asian/Pacific Islanders at the University of Northern Iowa to calculate reliable persistence/graduation rates, Asian/Pacific Islander enrollments are growing and are starting to approach the level of African-American enrollments.

UNIVERSITY OF IOWA

PERCENTAGE OF ENTERING CLASS THAT GRADUATED WITHIN 4 YEARS

YEAR OF ENTRY	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>
African-American	7.2%	3.6%	11.3%	16.8%	8.9%	13.2%			
White Non-Hispanic	28.1%	31.7%	31.3%	31.1%	34.3%	32.6%			
Hispanic	25.0%	17.9%	10.8%	22.4%	22.7%	27.0%			
Asian/Pacific Islander	19.7%	21.9%	22.1%	20.2%	24.4%	24.8%			

PERCENTAGE OF ENTERING CLASS THAT GRADUATED WITHIN 6 YEARS

YEAR OF ENTRY	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>
African-American	37.1%	43.2%	33.8%	42.1%					
White Non-Hispanic	60.8%	63.0%	63.0%	62.3%					
Hispanic	46.9%	64.1%	48.6%	55.1%					
Asian/Pacific Islander	60.6%	74.0%	59.3%	43.8%					

PERCENTAGE OF ENTERING CLASS THAT LEFT WITHIN THE FIRST YEAR

YEAR OF ENTRY	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>
African-American	29.9%	22.5%	30.0%	22.4%	29.5%	26.5%	20.2%	22.9%	15.7%
White Non-Hispanic	16.3%	14.5%	15.2%	17.3%	15.2%	14.6%	14.8%	16.4%	16.3%
Hispanic	18.8%	7.7%	21.6%	16.3%	18.2%	32.4%	26.3%	30.0%	15.7%
Asian/Pacific Islander	15.2%	5.5%	11.6%	14.6%	10.0%	18.3%	14.0%	14.0%	19.0%

IOWA STATE UNIVERSITY

PERCENTAGE OF ENTERING CLASS THAT GRADUATED WITHIN 4 YEARS

YEAR OF ENTRY	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>
African-American	6.8%	5.6%	5.2%	6.6%	9.2%	5.7%			
White Non-Hispanic	22.9%	22.0%	22.4%	21.3%	19.6%	20.7%			
Hispanic	6.8%	14.3%	11.1%	18.2%	17.9%	9.6%			
Asian/Pacific Islander	15.8%	13.1%	10.7%	15.3%	8.6%	13.5%			

PERCENTAGE OF ENTERING CLASS THAT GRADUATED WITHIN 6 YEARS

YEAR OF ENTRY	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>
African-American	26.3%	20.4%	37.8%	37.0%					
White Non-Hispanic	64.8%	64.5%	65.2%	63.6%					
Hispanic	43.2%	53.6%	46.7%	54.5%					
Asian/Pacific Islander	65.8%	62.3%	58.9%	59.7%					

PERCENTAGE OF ENTERING CLASS THAT LEFT WITHIN THE FIRST YEAR

YEAR OF ENTRY	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>
African-American	38.3%	38.0%	28.1%	35.9%	18.3%	14.8%	30.9%	30.9%	28.9%
White Non-Hispanic	16.4%	16.1%	15.0%	15.7%	18.1%	17.9%	17.3%	17.8%	18.2%
Hispanic	15.9%	21.4%	13.3%	20.0%	17.9%	23.1%	32.7%	25.0%	21.8%
Asian/Pacific Islander	13.2%	16.4%	19.6%	13.9%	17.2%	28.4%	21.3%	19.2%	12.0%

UNIVERSITY OF NORTHERN IOWA (Corrected)									
<i>PERCENTAGE OF ENTERING CLASS THAT LEFT WITHIN THE FIRST YEAR</i>									
YEAR OF ENTRY	1986	1987	1988	1989	1990	1991	1992	1993	1994
African-American	47.8%	37.5%	25.0%	35.6%	34.7%	27.9%	37.1%	36.4%	40.0%
White Non-Hispanic	21.3%	17.3%	19.5%	17.4%	17.2%	18.3%	18.0%	18.8%	18.2%
Overall	21.4%	17.4%	20.2%	17.9%	17.5%	18.4%	18.7%	20.0%	19.3%
<i>PERCENTAGE OF ENTERING CLASS THAT GRADUATED WITHIN 4 YEARS</i>									
YEAR OF ENTRY	1986	1987	1988	1989	1990	1991			
African-American	4.3%	0.0%	0.0%	2.2%	4.1%	4.7%			
White Non-Hispanic	30.5%	32.1%	29.1%	25.8%	24.9%	24.8%			
Overall	30.2%	31.2%	27.8%	24.9%	24.3%	24.0%			
<i>PERCENTAGE OF ENTERING CLASS THAT GRADUATED WITHIN 6 YEARS</i>									
YEAR OF ENTRY	1986	1987	1988	1989					
African-American	26.1%	16.7%	16.7%	31.1%					
White Non-Hispanic	60.4%	52.3%	62.2%	63.2%					
Overall	59.8%	61.2%	60.4%	61.9%					

Research Associate Via reviewed the information contained in the student persistence report. He noted that the University of Iowa's one-year persistence rate for minority students matched that of white students for the entering class of 1994. With regard to graduation rates, he said improvements will not happen dramatically. There was still reason to be concerned about graduation rates for African Americans and Hispanics.

President Pomerantz asked if there were any statistics on minority faculty. Research Associate Via responded that there are statistics which are provided to the Board in an annual governance report that deals with that subject.

President Pomerantz suggested the Regents be presented with a correlation between minority faculty retention and minority student persistence. Deputy Executive Director Barak stated that the Board receives in February the annual governance report on minority faculty retention.

Regent Smith asked that each of the universities provide the requested information concerning minority faculty and students. President Pomerantz stated that in February the Board would be provided with the requested information on a comprehensive basis.

Acting Provost Becker stated that the major concern with minority students is persistence. If minority students can be retained on the campus for 4 years, the graduation rates increase greatly. He said the University of Iowa hired a special support services director this year whose responsibility is increasing persistence. If the Regents would like to hear from him at a future meeting, university officials would make the arrangements.

President Jischke stated that Iowa State University officials are trying to increase to 70 percent the university's 6-year graduation rate. In comparing Iowa State University with

other land grant universities, an interesting pattern can be seen. Four-year retention rates for Iowa State University are a little low but 6-year graduation rates are on the high side. He said those comparisons indicate that given the quality of the students at Iowa State University, its graduation rates are competitive nationally. With regard to the 4-year retention rates being a little lower and the 6-year rates a little higher than the national average, he said it was partially because family incomes in Iowa are somewhat below the national average. For that and other reasons, many of the students are working.

Iowa State University officials have engaged in a number of new initiatives to address student persistence. President Jischke stated that Iowa State University officials have refocused responsibilities in the provost's office for activities that support undergraduates. Resources have been reallocated toward lower division courses. University officials have mounted a major scholarship campaign and expanded the work of the Center for Teaching Excellence.

With regard to the retention of minority students, President Jischke stated that Iowa State University officials have developed a plan to strengthen African American studies. They are also working in the residence halls where students spend much of their time. The university is embarking on an experiment to engage all employees in an educational exercise called Succeeding with Students, in part as a recognition that it is the whole community that creates the environment in which students learn. He suggested it might be interesting for the Board to hear the results of these efforts as they progress. University officials have undertaken a number of experiments to change how employees interact with undergraduates.

President Jischke stated that another effort taking place at Iowa State University was called BEST -- Biology Education Success Team. Twenty to 25 biology students are kept together in classes and the residence halls thereby creating a learning community. He said there is evidence that those students are doing better in class. He noted that BEST was an illustration of a faculty-driven initiative to enhance the success of freshmen.

Regent Newlin referred to President Jischke's earlier comment that initiatives relative to persistence have required reallocation of resources. He asked how much money was reallocated.

President Jischke responded that for the last three years roughly one-half of the resources over which university officials had discretion went into undergraduate education. Each year they have had discretion over \$5 million after salary policy; therefore, the amount of funds that were directed toward undergraduate education was in the range of \$7 million to \$10 million. If the amount of private funding and capital

investments were included, the amount dedicated to undergraduate education would double or triple.

President Pomerantz stated that the reallocation and rededication of funds was consistent with the strategic planning process.

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

REPORT OF THE BANKING COMMITTEE. The Board Office recommended the Board accept the report of the Banking Committee and approve the financing of the Iowa State University Memorial Union Remodel, the modification of the investment policy, and approval of Walter Scott's hedging policy.

Regent Dorr stated that at the Banking Committee meeting, which was held immediately prior to the Board meeting, the Banking Committee members reviewed and approved a proposed modification to the Regents' investment policy. He said the Banking Committee recommended the Board take final action to approve the financing of the Iowa State University Memorial Union Remodel. The Banking Committee received investment and cash management reports for the quarter ended September 30, 1995, and an internal audit report and a bond fund audit report from Iowa State University.

MOTION: Regent Dorr moved to accept the report of the Banking Committee, approve the modification of the investment policy, and approve Walter Scott's hedging policy. Regent Smith seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

(Note: Approval of the financing of the Iowa State University Memorial Union Remodel can be found under the Iowa State University portion of these Minutes, page 442.)

ANNUAL REPORT ON PURCHASING. The Board Office recommended (1) that the Board receive the annual reports on purchasing activity at the Regent institutions, (2) that the institutions be encouraged to continue to explore additional joint purchasing opportunities with other Regent institutions, other State agencies and smaller governmental entities, and (3) that the institutions be encouraged to continue to explore ways to expand purchases from Iowa State Industries.

For FY 1995, purchases processed through Central Purchasing were \$349.4 million, compared to \$350.5 million in FY 1994.

There were 103,372 purchase orders written in FY 1995, down 5.1 percent from 108,915 in FY 1994. The decrease was partially due to the use of procurement credit cards.

Cash discounts increased 1.5 percent, from \$1,126,941 in FY 1994 to \$1,143,571 in FY 1995. Cash discounts increased at each campus except for the University of Northern Iowa; the decrease was attributed to fewer vendors operating with cash discount terms.

During the last three years, the Board has implemented most of the 1992 MGT recommendations.

The Regent institutions have continued their efforts in the area of joint procurement. Purchases under joint Regent contracts during FY 1995 increased over 80 percent from FY 1994. For the future, Iowa State University and the University of Iowa are working on a joint office furniture contract and Iowa State University is developing a joint PCB disposal contract.

Internal auditors at Regent universities continue to monitor institutional purchasing activities.

Regent universities have established areas for comparisons with cohort institutions. During the past fiscal year Iowa State University participated in a benchmarking survey prepared by the National Association of College and University Business Officers (NACUBO).

Other MGT recommendations have not been pursued by the Board because of statutory limitations. MGT recommended the universities, as an incentive for savings, be allowed to carry forward unexpended funds or a percentage into the next year. MGT recommended that Regent institutions be permitted provisionally to certify Targeted Small Businesses.

In FY 1995 \$211,848,591 or 60.6 percent of the purchases processed through Regent central purchasing operations were purchased from Iowa businesses, which represented a slight decrease from the 60.9 percent purchased from Iowa businesses in FY 1994. Purchases from Iowa-based businesses increased at the University of Iowa and the University of Northern Iowa. Purchases from Iowa-based businesses decreased at Iowa State University, Iowa School for the Deaf, and Iowa Braille and Sight Saving School.

The percentage purchased from Iowa-based businesses ranges from 76.2 percent at Iowa Braille and Sight Saving School to 53.6 percent at the University of Northern Iowa.

Regent institutions identified 8,471 Iowa small businesses and made contacts that resulted in 32,871 awards totaling \$64,153,632. The volume of purchases from Iowa

small businesses decreased by a total of \$2,719,435, or 4.1 percent from FY 1994. The University of Iowa reported an increase in the dollar amount in this category.

In FY 1995, the Regent institutions reported \$220,878 in orders placed with Prison Industries (IPI), a significant decrease from the \$308,872 in orders placed in FY 1994. During FY 1995 for the University of Iowa, as in FY 1994, there was a continued decrease in building renovation, remodel work, and new construction where IPI furniture could be considered; use of IPI cleaning and housekeeping supplies, signage, etc. continued to be consistent with previous years.

While overall IPI purchases at Iowa State University decreased, furniture purchases in FY 1995 increased 47.6 percent over FY 1994, and purchases of decals, form/ publications, signs, and refinishing all showed small increases. The decrease at Iowa State University was due to the large reupholstering project in FY 1994 due to flood damage in Hilton Coliseum and Scheman Continuing Education Building.

The University of Northern Iowa's purchases from Prison Industries increased over FY 1994. Iowa School for the Deaf and Iowa Braille and Sight Saving School are continuing their efforts to purchase more IPI products through investigation of products offered and meeting with IPI representatives; the special schools also purchased IPI products through Iowa State University.

Purchases from Educational and Institutional Cooperative Services, Inc. (E&I Coop), the largest buying cooperative serving higher education, totaled \$2.1 million in FY 1995, which represented an 11.0 percent decrease from FY 1994.

Regent Tyrrell stated that there had been some perception in the past that when a new building is built the architect specifies materials for the building which may not be available in the state of Iowa. He asked if progress was being made in that area.

Vice President True stated that one of the best ways to deal with that issue is to have good Iowa architects involved in the front-end of a construction project to make sure that Iowa products are part of the mix.

President Pomerantz said the issue of competitiveness for Iowa firms comes up from time to time. Substantial improvement has been made.

Regent Newlin referred to the issue of cost avoidance which was indicated to total \$1.5 million to \$2 million, which he assumed was on an annual basis. He asked whether they could expect to save that amount every year. Director Houseworth responded that some of the cost avoidance was for one-time savings and others were annual savings.

Vice President Madden stated that the goal was to continue those efforts. Iowa State University officials were looking at a variety of ways to cooperate in that effort. In Ames university officials have an ongoing dialogue with the Iowa Department of Transportation. The Department of Transportation and the university continue to develop arrangements cooperatively to buy tires and vehicles. University officials utilize the Federal government's GSA purchasing opportunities. He noted that the Board of Regents hired a consultant to look at the Regent institutions' purchasing practices and make recommendations, which was done.

Vice President True stated that the University of Iowa utilizes pricing reductions offered by the university hospital consortium. University officials are also practicing just-in-time purchasing which reduces inventory and improves prices. He said the Regents could expect to see more of that in the future.

MOTION: Regent Dorr moved (1) that the Board receive the annual reports on purchasing activity at the Regent institutions, (2) that the institutions be encouraged to continue to explore additional joint purchasing opportunities with other Regent institutions, other State agencies and smaller governmental entities, and (3) that the institutions be encouraged to continue to explore ways to expand purchases from Iowa State Industries. Regent Kennedy seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

PROPOSALS FOR LEGISLATIVE PROGRAM. The Board Office recommended the Board (1) give preliminary consideration to the item noted below for inclusion in the Board of Regents legislative program and (2) request that any other suggestions for inclusion in the legislative program be provided to the Board Office so that those can be included in the legislative memo for the December Board meeting.

There is a need for legislation in Iowa to address the growing problem of academic credential fraud with the misrepresentation of academic transcripts. In the past, access to professional printing equipment was required and historically academic record information (courses, grades, hours of credit, degrees earned, etc.) was hand posted; later information was entered by typewriter and then through a variety of machine-generated batch operations.

Desktop publishing software has resulted in a flood of fraudulent credential products that appear equal in quality and sometimes surpass an institution's legitimate product; the requirement of human intervention has been decreased.

University and college officials have been striving to make the transcript more secure through a variety of methods; however, academic fraud is often also associated with the diploma.

Without specific laws outlining the threat of prosecution and punishment, education institutions and employers in Iowa are not able to do much other than suspend a student or fire an employee when the fraud becomes known.

MOTION: Regent Mahood moved to (1) give preliminary consideration to the item noted for inclusion in the Board of Regents legislative program and (2) request that any other suggestions for inclusion in the legislative program be provided to the Board Office so that those can be included in the legislative memo for the December Board meeting. Regent Pellett seconded the motion. MOTION CARRIED UNANIMOUSLY.

ANNUAL GOVERNANCE REPORT ON TECHNOLOGY TRANSFER. The Board Office recommended the Board receive the progress report from the Regent institutions on meeting the goals of the Strategic Plan for Technology Transfer and Economic Development.

The Strategic Plan for Technology Transfer and Economic Development at the Regent institutions was approved by the Board of Regents at the November 1991 Board meeting. This is a progress report that is required by statute to be reported to the legislature by December 1, 1995. The reports were modified to include some information requested by Regent Dorr.

The update report represents an important status report on an aspect of university contributions to economic development of the state of Iowa. The following is a report of the actions being taken at the universities to address the technology transfer goals.

UNIVERSITY OF IOWA

The University of Iowa's complete report is on file in the Board Office. The report includes the actions for each of the four goals listed.

Goal 1: Increase the role the UI can play in recruiting firms to the state, creating new firms, and strengthening existing Iowa firms.

GENERAL
November 15, 1995

Goal 2: Provide a research base--consistent with academic planning--that will increase opportunities for technology transfer.

Goal 3: Provide an educational base appropriate to the growth needs of Iowa's future work force.

Goal 4: Improve the academic vitality of the University of Iowa by extending relationships with the private sector and coalitions involving both the public and private sectors.

IOWA STATE UNIVERSITY

Iowa State University's complete report is on file in the Board Office.

Objectives: Diversifying Iowa's Economy

ISURF Invention and Patent Activities								
Category*	FY88	FY89	FY90	FY91	FY92	FY93	FY94	FY95
Annual Activities:								
Disclosures Received	76	118	98	112	123	146	139	141
New Applications Filed	38	49	55	47	56	69	81	73
Patents Issued	15	25	30	35	33	22	41	34
Agreements Signed	0	3	12	27	35	35	94	145
Inventions Licensed/Optioned (First Time)	7	3	21	25	27	66	33	54
Portfolio Status:								
Active Disclosures	119	156	184	242	289	370	305	334
Applications in Progress	60	76	98	94	100	117	130	157
Active Patents	242	234	247	249	260	265	272	277
Active License/Option Agreements	20	19	27	46	72	94	171	283
*Numbers include inventions assigned to ISURF through activities such as collaborative research and in-licensing.								

Companies whose formation was based in part on technology arising at Iowa State University are listed below. The nature of their business is also indicated.

COMPANIES THAT HAVE FORMED DUE TO ISU TECHNOLOGY

Name of Company	Date Formed	<u>Specialization</u>
Adaptivation, Inc.	1992	Adaptive medical devices
Amtak, Inc. instrumentation	1995	Nondestructive evaluation
Arete Software Company processes (closed in 1995)	1993	Software for manufacturing
Bioforce Laboratory (probes)	1994	Atomic force microscopy
CETAC Technologies	1991	Analytical instruments
Cimtechnologies manufacturing	1988	Computer implemented
8VA Corporation	1994	Thermal management components
Edge Technologies, Inc. commercialization	1987	Evaluates technologies for
Etrema Products, Inc.	1987	Terfenol-D
Edge Materials, Inc. (closed in 1991)	1990	Nondestructive evaluation
Ames Specialty Metals (closed in 1993)	1990	Permanent magnet materials
Engineering Animation, Inc. visualization	1990	Scientific computer
Full Spectrum	1991	Laser fiber optics
Heartland Software	1986	Computer graphics software
Intellitech Inc. nondestructive evaluation	1994	Software for
Iowa Thin Film Technologies	1988	Thin film solar cells
Larock Organics	1992	Organic forms of palladium
Metabolic Technologies, Inc. compounds	1990	Natural biological
Molecular Express Inc. laboratory products	1994	Research and testing of
MTEC Photoacoustics, Inc.	1984	Photoacoustic cells
Pefftronics	1995	Audio processing
Pioneer Precision Coatings (closed in 1994)	1993	Hard coating surfaces
Potter Solar Services	1993	Electric Motors
Prototype Engineering in 1995)	1992	Sensors for pilots (closed
RESIFT, Inc. microsequencing small proteins and peptides	1994	Ultra-high sensitivity in
Veterinary Resources, Inc. products	1993	Testing new animal health

UNIVERSITY OF NORTHERN IOWA

The University of Northern Iowa's complete report is on file in the Board Office. The report includes the actions for each of the four goals listed.

Goal #1: Make significant contributions to the economic vitality of the state by assisting communities, small businesses, and emerging growth sectors of the state's economy.

Goal #2: Participate cooperatively with organizations and participants involved with technology transfer and economic development.

Goal #3: Expand applied research opportunities for faculty to combine their academic knowledge with practical expertise in their field.

Goal #4: Provide students with opportunities to gain practical and technology-related experiences to complement their academic degree studies in all appropriate academic areas.

John Dobson, Associate Vice Provost, Iowa State University, reviewed with the Regents the university's strategic plan for technology transfer, which he said was approved last summer. He noted that there had been a significant increase in patenting and licensing activities.

Executive Assistant to the President Stinchfield reviewed with the Regents the University of Northern Iowa's strategic plan for technology transfer.

Regent Dorr asked how long the Iowa Waste Reduction Center had been in existence at the University of Northern Iowa. Executive Assistant to the President Stinchfield responded that the center was created in 1988.

Regent Dorr questioned the net economic benefit of the center to the state of Iowa. He said Cherokee County was paying \$80,000/year in 1990 for the handling of solid waste regulatory requirements. The county now is required to pay more than \$480,000/year. He hoped that there was significant economic benefit to the state from the center.

Executive Assistant to the President Stinchfield stated that the purpose of the waste reduction center was to ultimately reduce the amount of revenues coming from landfill fees. The center has certainly done that and reduced costs.

Regent Dorr said he was not talking about landfill fees but rather about increased regulatory costs that ultimately have to be covered by landfill fees. Those kinds of environmental resources must pay some significant dividends.

President Pomerantz noted that the Board Office had reported that the center was the best in the nation in lowering costs. Regent Dorr responded that it better be when considering the amount of money being spent for the center.

Associate Vice President Willard reviewed with the Regents the technology transfer efforts at the University of Iowa.

Regent Dorr referred to the public-private partnerships that are evolving out of these efforts to create economic growth. He asked to what extent consideration had been given to the idea that these efforts are being built on a cumulative pool of basic research that was performed in a more traditional sense in previous years. To what extent are these technology transfer efforts detracting from the ability to do basic research 20 to 30 years from now? Is there a risk that in order to enhance these short-term economic activities that we are detracting from basic research?

Associate Vice President Willard responded that the question was also posed by the American Association of University Professors in 1962. Over 30 years ago the association produced a report that addressed scientific research which was being accomplished at a remarkable rate, in part because of the competition with the Soviet Union but also because university research was becoming very significant to industry. The association produced a set of guidelines which has been used in the academic community and built upon over the years. The guiding principles were essentially that collaborative relationships with industry should be built on a very clear and well-defined academic and research mission.

During the 1980s the report was built upon by the American Association of Medical Colleges and other professional associations to create a set of ethical guidelines that protect research integrity. Associate Vice President Willard said the effort continues to this day. The National Institutes of Health and the National Science Foundation both mandate that universities have in place a clearly-defined set of policies that deal with conflict of interest to keep separate the faculty's role as faculty members and educators from any role they may have that is related to a spin-off company.

Regent Dorr stated that his concern was whether decisions were being made based on technology transfer and economic development instead of basic research.

President Pomerantz stated that the private sector is moving away from conducting research so the universities are filling the void. The ability to transfer technology to the

private sector should have an ethical backdrop. He suggested that in the next century the economic development modus operandi will be that incentives given to economic development entities will be supplanted and transferred to basic research development technology which gets transferred to the private sector. He believes that university communities over time will foster much larger industrial parks and offer much higher employment opportunities in a way we have not yet even talked about.

President Jischke stated that rather than identifying types of research as basic or applied he would describe them as investigator-driven research, that which grows out of the ideas and interests of the people performing the research, versus research that is more strategically directed in its goals by others outside the research establishment. He said the balance between those two types of research is an issue that is of concern to many people in the university. Most faculty would like to see more support for investigator-driven research. He said the outcomes of investigator-driven research are less clear; however, history shows that some very good results come from investigator-driven research. From a policy perspective, he said the public must ultimately believe that investigator-driven research will pay off. The public must have faith that these investments have promise. A certain balance between basic and investigator-driven research is key to sustaining the public's support.

President Jischke said history shows that the public will invest in research when it believes in the pay off, such as the motivation of the cold war and for medical research. He said support for basic research alone cannot be gained if attention is not paid to its ultimate impact on society.

Regent Newlin asked President Jischke how he thought research funding was going to fare in the Federal budget discussions currently underway. President Jischke responded that appropriations for research directly related to agriculture were supported in the initial discussions last year. He said that in the discussions about the farm bill there seems to be a consensus that continued national investment in research related to agriculture is wise. Support for the National Science Foundation has remained relatively strong. There is uncertainty about what will happen in some of the more mission-oriented agencies like the Department of Commerce, Environmental Protection Agency, and the Department of Defense. President Jischke believes the country has absolutely no choice about funding research because it is absolutely crucial to the advancement of society in terms of its security, its health, its intellectual vitality and its cultural vitality.

President Jischke stated that the rest of the world seems to understand the importance of research to the United States. The rest of the world believes this country has the best universities and the best research establishments bar none. He said that approximately a month ago Iowa State University hosted a meeting that involved

scientists from the People's Republic of China including the President of the National Academy of Sciences of China. He said China was looking to the United States concerning how to deal with investments in research because the U.S. will set the tone for the world.

Regent Dorr cautioned that the country cannot build research on the old paradigm. Universities are not the sole source of new knowledge. There is a risk of wearing out the tax payers' support.

President Jischke responded that there was no question that there was an issue of balance. He said society has to continually be shown that research pays off.

Associate Vice President Willard stated that funding cuts to the National Institutes of Health, the National Science Foundation, and the National Aeronautics and Space Association would have a direct impact on universities. He noted that a coalition of major industrial leaders is asking the Federal government to continue its support of university-based research. Within the downsizing and streamlining of the National Aeronautics and Space Association university research has been pretty well protected, in part because of industrial support.

With regard to the National Advanced Driving Simulator, which is to be located at the University of Iowa's research park, Associate Vice President Willard stated that \$2 million in new funding had been recommended by Congress and was on the President's desk to be signed.

Regent Newlin referred to the format which the Board Office used for identifying goals, strategies and action steps for this docket item, and said it was excellent. He appreciated the ease with which he was able to follow step-by-step in the implementation of the strategic plan.

Regent Tyrrell stated that although corporate research was a small percentage of the research that is done at the Regent institutions, they must perform some applied research or they will not function as an effective institution for our state.

ACTION: President Pomerantz stated the Board received the progress report from the Regent institutions on meeting the goals of the Strategic Plan for Technology Transfer and Economic Development, by general consent.

ANNUAL GOVERNANCE REPORT ON FIRE AND ENVIRONMENTAL SAFETY. The Board Office recommended the Board (1) receive the annual report on fire and

environmental safety and (2) encourage the institutions to continue to correct identified deficiencies in as expeditious a manner as possible within the limits of available funding.

Since FY 1993, fire safety projects totaling \$8.6 million have been completed; projects totaling \$6.4 million are planned for or will be continued in FY 1996.

The University of Iowa has made a major commitment of building repair funds and income from treasurer's temporary investments to correct fire safety deficiencies.

FY 1996 planned expenditures will correct a number of the currently-identified deficiencies. In addition, fire and environmental safety deficiencies have been and are corrected as part of major renovation projects.

Recent major renovation projects which have or are in the process of correcting fire safety deficiencies include:

SUI	Schaeffer Hall Renovation
SUI	Gilmore Hall Renovation
SUI	Phillips Hall Renovation
ISU	Catt Hall Renovation
ISU	Gilman Hall Renovation - Phase 3
UNI	Seerley Hall Renovation
UNI	Wright Hall Renovation

While substantial progress has been and is being made to correct deficiencies, changing safety standards, aging buildings and changes in building usage will require continuing capital commitments for fire and environmental safety.

To address these deficiencies, the Board's Five-Year Capital Plan (FY 1997 - FY 2001) includes \$10.5 million for fire and environmental safety projects. Of this amount, the sum of \$2.2 million is requested for both FY 1997 and FY 1998. In addition, major remodeling projects included in the Board's five-year plan include within their scopes the correction of fire safety deficiencies.

The University of Iowa estimates that its major renovation projects in the plan include \$2.4 million in fire safety components. The University of Iowa Hospitals and Clinics five-year plan (FY 1997 - FY 2001) includes \$7.5 million in fire and environmental safety projects.

The majority of citations in recent State Fire Marshal inspections can be classified as user or maintenance deficiencies. User deficiencies are housekeeping or procedural items such as the use of a door stop to prop open a door or storage of an item in a hall. Maintenance items, such as door repairs, which are corrected utilizing physical plant forces and funds are corrected as quickly as possible.

Other deficiencies, the correction of which requires an outlay of funds beyond the capability of physical plant maintenance funds, are prioritized. Appropriations are requested from the State to fund improvements that are beyond the capability of the operating budget; operating budget resources available to correct items are limited because of the competing demand for funds among fire safety, deferred maintenance, and building renewal.

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

The University of Iowa is utilizing, for some buildings, an approach that prioritizes projects in terms of each building's overall fire safety rather than on the basis of each individual deficiency within each building. This approach is proactive, identifying comprehensive building fire safety issues, rather than reactive to specific violations. Under this approach, fire safety in existing buildings is assessed to determine the best way to provide protection equivalent to current code requirements (an equivalent level of life safety). The university is currently using this approach to provide fire safety improvements in nine buildings.

Within the last year Iowa State University has revised the method used to prioritize fire safety projects. Fire safety deficiencies noted by the Fire Marshal are ranked at the top of the list; remaining projects are ranked according to a risk rating priority method.

The Board Office and the institutions continue to work with the State Fire Marshal to identify and prioritize necessary facility modifications to ensure that buildings are made as safe as possible in a cost effective manner.

In addition to fire safety deficiencies identified by the State Fire Marshal, funding is needed for projects identified by campus personnel and for environmental safety deficiencies. Iowa State University has estimated the cost of correcting these deficiencies at more than \$5.7 million.

Environmental safety issues addressed in the institutional reports include asbestos, lead, underground storage tanks, polychlorinated biphenyl's (PCB's), radon, and chlorofluorocarbons (CFCs).

In August 1994 the Occupational Safety and Health Administration (OSHA) promulgated new regulations covering asbestos abatement activities. The new standards took effect October 1, 1995, and increase the restrictions on construction activities, abatement actions and require identification signage on asbestos-containing building materials.

In May 1993 OSHA issued new lead safety standards addressing workplace activities and practices that involve potential employee exposure to lead. Many remodeling and renovation projects of old buildings will involve the potential for lead paint removal; these require compliance with new OSHA lead abatement regulations.

The Governor and General Assembly have been supportive of institutional efforts to correct fire and environmental safety deficiencies. The 1990 General Assembly authorized \$6 million in Academic Building Revenue Bonds to complete fire and environmental safety projects at the three universities. The 74th General Assembly provided \$20 million in bonding authorization for the universities' FY 1992 capital program for deferred maintenance, fire and environmental safety, equipment and utility projects. The 1994 General Assembly provided \$2,004,901 in bonding authorization for the universities for fire and environmental safety and deferred maintenance. The 1995 General Assembly appropriated funds for fire and environmental safety, renovation or deferred maintenance.

The University of Iowa and Iowa State University have each allocated \$1 million of each institution's \$2 million appropriation to fire and environmental safety projects. Iowa School for the Deaf will use its \$50,000 appropriation for continued installation of a campus-wide visual alert system.

Associate Director Racki provided the Regents with an overview of the report.

Regent Tyrrell stated that a couple of years ago Iowa State University was cited by the State Fire Marshal for some fire and environmental safety problems. He asked if those concerns had been remedied and the inspectors satisfied with the university's responsiveness.

Associate Director Racki responded that the university was up to date regarding inspections. She referred to tables provided in the docket materials which summarized the latest inspections by the State Fire Marshal. The information showed the deficiencies that are being corrected and will be corrected in the future and the projects that still need additional funding to address corrections.

President Pomerantz stated that fire safety and deferred maintenance are high priorities in the Regents' legislative program.

Regent Pellett asked whether the Regent institutions were at a point where it would not be necessary to sell bonds in order to finance these types of projects. President Pomerantz responded that bonding was not a popular concept right now so, hopefully, the Regents will receive appropriations for those purposes.

MOTION: Regent Tyrrell moved to (1) receive the annual report on fire and environmental safety and (2) encourage the institutions to continue to correct identified deficiencies in as expeditious a manner as possible within the limits of available funding. Regent Smith seconded the motion. MOTION CARRIED UNANIMOUSLY.

ANNUAL GOVERNANCE REPORT ON DEFERRED MAINTENANCE. The Board Office recommended the Board (1) receive the annual report on deferred maintenance and (2) encourage the institutions to continue to correct identified deficiencies within the limits of available resources.

The estimated amount of deferred maintenance on the campuses is \$68.4 million as summarized below:

Deferred Maintenance*
(\$ thousands)

	<u>SUI</u>	<u>ISU</u>	<u>UNI</u>	<u>ISD</u>	<u>IBSSS</u>	<u>Total</u>
Buildings	\$12,032.1	\$13,794.8**	\$17,341.0	\$1,193.0	\$427.5	\$44,788.4
Utilities	<u>10,400.0</u>	<u>12,442.5</u>	<u>500.0</u>	<u>265.0</u>	<u>0.0</u>	<u>23,607.5</u>
Total	<u>\$22,432.1</u>	<u>\$26,237.3</u>	<u>\$17,841.0</u>	<u>\$1,458.0</u>	<u>\$427.5</u>	<u>\$68,395.9</u>

* Does not include deferred maintenance to be incorporated into major renovations included in the Board's Five-Year Capital Program, FY 1997-FY 2001. The University of Iowa estimates that \$8.4 million in deferred maintenance will be included in the major renovation projects. Iowa State University totals do not include \$7.2 million for the Gilman Hall Addition Systems Upgrade, which is a separate capital project, and \$1.0 million for the Coover Hall Remodel which is included in the five-year capital plan. The University of Northern Iowa totals do not include \$3.9 million in deferred maintenance included in major renovation projects in the Board's Five-Year Capital Plan.

** High priority needs; the university estimates an additional \$13.5 million in near-term needs.

Almost fifty percent of the identified need will be corrected through funding of the Board's Five-Year Capital Program which includes \$33.3 million for correction of

deferred maintenance. Of the \$33.3 million, the sum of \$3.1 million is requested for both FY 1997 and FY 1998.

The institutional totals above do not include the correction of deferred maintenance which will be incorporated into major remodeling projects included in the Board's approved capital program, FY 1997 - FY 2001.

Associate Director Racki reviewed the report with the Regents.

Regent Tyrrell stated it was his recollection that the University of Northern Iowa had the least amount of deferred maintenance of the three Regent universities; however, this report indicated that its deferred maintenance needs were higher than those of the other universities. Was there a difference in the categorization of deferred maintenance?

Associate Director Racki responded that there was a difference in how the institutions had recorded the data. Also, the numbers did not include deferred maintenance projects that will be incorporated into major renovations. Additionally, Iowa State University officials had identified its high priority needs, only. Iowa State University officials estimated an additional \$13.5 million in near-term deferred maintenance needs.

Regent Tyrrell stated that he has trouble following how deferred maintenance is figured from year to year. President Pomerantz said the reason it was difficult to follow was because there was no standard format. Some items are moved from deferred maintenance to the capital program from year to year.

Regent Tyrrell suggest that in the future when this report comes to the Board, the report indicate what has happened since the last report, how much more deferred maintenance has been accumulated, how much more maintenance has been declared deferred, what has been addressed in the capital program and fire safety program, etc., so the Regents can relate to the information with which they were provided the previous year.

MOTION:

Regent Dorr moved to (1) receive the annual report on deferred maintenance and (2) encourage the institutions to continue to correct identified deficiencies within the limits of available resources. Regent Pellett seconded the motion.
MOTION CARRIED UNANIMOUSLY.

INSURANCE AND RETIREMENT PROGRAMS. The Board Office recommended the Board (1) receive the annual governance report of insurance and retirement programs for

fiscal year 1995, (2) approve participation of employees at the Iowa School for the Deaf and Iowa Braille and Sight Saving School in the TIAA-CREF retirement program effective January 1, 1996. The rate of employer and employee contributions are to be at the current IPERS rates (5.75 percent employer; 3.70 percent employee) with the current IPERS salary cap, and (3) approve topics to be studied during the upcoming year.

TOTAL FISCAL YEAR 1995 COSTS

Total employer costs for specific programs for fiscal year 1995 were as follows:

Retirement Plans:	
Social Security	\$58,497,379
TIAA/CREF	\$ 76,187,654
Substitute Plans	\$ 346,055
IPERS	\$ 1,919,593
Federal	\$ 1,248,813
TIAA/CREF Waiver of Premium	\$ 999,751
Unemployment Compensation	\$ 650,813
Workers Compensation	\$ 1,498,062
Health Insurance	\$ 59,290,995
Life Insurance	\$ 4,196,489
Long-term Disability Insurance	\$ 4,262,773
Accidental Death and Dismemberment	\$ 153,681
Dental Insurance	\$ 3,817,233
TOTAL	\$213,069,291
Less interest received on cash reserves maintained by carriers	\$ 6,990,766
TOTAL	\$206,078,525

Employer and employee costs for health and dental insurance for fiscal year 1995 were:

	HEALTH	DENTAL
Employer	\$59.3 million	\$3.8 million
Employee	\$10.4 million	\$2.6 million
Total cost	\$69.7 million	\$6.4 million

COSTS AS A PERCENT OF PAYROLL

Employer costs of insurance and retirement programs at the three universities ranged from 22.01 percent to 26.64 percent of nonstudent payroll for fiscal year 1995. These figures have stayed relatively constant over the years and continue to be similar to percentages at comparable institutions as reported for comparison institutions by the AAUP.

Employer cost of insurance and retirement programs was 26.70 percent of payroll at the Iowa School for the Deaf and 25.64 percent at the Iowa Braille and Sight Saving School for fiscal year 1995. The percent of payroll spent on insurance and retirement programs at the special schools has remained fairly constant throughout the years.

Board Office cost for insurance and retirement programs for the fiscal year was 21.93 percent of payroll. The Board Office costs, as a percent of payroll, have remained constant in recent years.

RETIREMENT PROGRAMS

All permanent employees (faculty, professional and scientific, and Regents Merit System staff) of the three state universities and the Board Office with a budgeted annual salary of at least \$7,800 are eligible to participate in the Teachers Insurance and Annuity Association--College Retirement Equities Fund (TIAA-CREF). Eligible employees may choose between TIAA-CREF, an approved substitute plan, or IPERS.

Employees of the special schools participated in the Iowa Public Employees Retirement System (IPERS) during fiscal year 1995. The employees of the Iowa School for the Deaf and Iowa Braille and Sight Saving School are currently covered by IPERS. Approval of the recommended action would allow eligible employees at the special schools effective January 1, 1996, to have the option of selecting between IPERS and TIAA-CREF for their retirement program. The rate of contribution would be at the current IPERS rate which is 5.75 percent for the employer and 3.70 percent for the employee.

Contributions during the year will stop when employees reach the current IPERS cap of \$44,000 in calendar year 1996. The IPERS cap will increase \$3,000 per year until \$55,000 is reached.

Effective July 1, 1994, the community colleges in the state were given the option to choose an alternative retirement program in lieu of IPERS with the stipulation that the contribution rates and salary limitations would not exceed that of IPERS. The change from IPERS to TIAA-CREF with IPERS current contribution rates and salary maximum will be at no cost to the special schools.

HEALTH AND DENTAL INSURANCE PROGRAMS

Employees of the Board Office, Iowa School for the Deaf, Iowa Braille and Sight Saving School and the Regents Merit System employees in AFSCME bargaining units at the three universities are covered by the State of Iowa health insurance program. Blue Cross/Blue Shield is the carrier for the state programs. Employees covered by the state plans may also choose from a number of HMOs.

There are 12,588 (5,423 single and 7,165 family) health insurance contracts in place.

	SINGLE	FAMILY
SUI	3,268	4,200*
ISU	1,517	2,315
UNI	638	650

*SUI has three different family options. Employee/spouse (924), employee/children (777), family (2499).

COST CONTAINMENT FEATURES

The state health insurance plans include a cost containment program requiring pre-certification of all non-emergency inpatient admissions and outpatient mental health/substance abuse visits, continued inpatient stay review, individual case management, lifetime caps on infertility treatments and payment reductions for program noncompliance.

The health insurance plans offered by the universities include managed care features such as limitations on mental health treatment, mandatory outpatient treatments, pre-certification requirements, lifetime caps on infertility treatments, utilization review and selected deductibles and co-insurance requirements.

FLEXIBLE BENEFIT AND PRE-TAX PROGRAMS

Each of the universities offers faculty, professional and scientific and supervising merit employees variations of flexible benefit programs as well as opportunities for employees to pay their share of benefit costs on a pre-tax basis and establish dependent care and medical expense pre-tax spending accounts.

Pursuant to the state AFSCME Master Agreement, pre-tax payment of health, life and dental insurance is offered to bargaining unit employees at the five Regent institutions. Additionally AFSCME-covered employees at Regent institutions may elect to make pre-tax reductions in wages which will be paid to an account from which allowable dependent care expenses will be reimbursed.

COMPARISON OF BENEFITS

Every other year Ohio State University publishes a comparison of benefit programs in the Big Ten and other similar institutions. Based on this survey Regent institutions continue to offer benefit packages comparable to those provided at peer institutions.

TOPICS TO BE STUDIED

It was recommended that two topics be studied during the next year.

Undertake an assessment of the possibility of combining the university health insurance plans into a Regent-wide plan covering the faculty (nonorganized) and professional and scientific employees will be studied over the next few months.

Study the early and phased retirement programs which will expire in June 1997. Other early retirement options are also under study.

Regent Tyrrell referred to the cost of benefits as a percentage of payroll, and asked how the average percentage for Regent institutions compared with those of industry and with those of other institutions of higher education.

Director Williams responded that a comparison had not been made with industry. With regard to other higher education institutions, he said the percentages were comparable.

Regent Dorr said he preferred that item (2) of the recommendation action be acted on separate from items (1) and (3).

MOTION: Regent Dorr moved to distinguish recommended action (2) from recommended actions (1) and (3). Regent Kennedy seconded the motion. MOTION CARRIED UNANIMOUSLY.

MOTION: Regent Dorr moved to (1) receive the annual governance report of insurance and retirement programs for fiscal year 1995 and (3) approve topics to be studied during the upcoming year. Regent Newlin seconded the motion. MOTION CARRIED UNANIMOUSLY.

MOTION: Regent Dorr moved to disapprove recommended action (2): participation of employees at the Iowa School for the Deaf and Iowa Braille and Sight

Saving School in the TIAA-CREF retirement program effective January 1, 1996. The rate of employer and employee contributions are to be at the current IPERS rates (5.75 percent employer; 3.70 percent employee) with the current IPERS salary cap.

President Pomerantz asked for a second to the motion. Hearing none:

PRESIDENT POMERANTZ DECLARED THAT THE MOTION FAILED FOR LACK OF A SECOND.

MOTION:

Regent Newlin moved (2): to approve participation of employees at the Iowa School for the Deaf and Iowa Braille and Sight Saving School in the TIAA-CREF retirement program effective January 1, 1996. The rate of employer and employee contributions are to be at the current IPERS rates (5.75 percent employer; 3.70 percent employee) with the current IPERS salary cap. Regent Mahood seconded the motion.

Regent Pellett asked why the change was being recommended at this time. President Pomerantz responded that it was to make the special schools' benefits consistent with benefits of other Regent institutions.

Regent Dorr stated that the special schools were a different set of institutions from the universities. He expressed concern about making available to employees of the special schools benefits which are available to community college employees. He said the policy change would lead over into K-12 education, that it was not a prudent policy and that he opposed it.

VOTE ON THE MOTION:

MOTION CARRIED WITH REGENTS DORR AND KENNEDY VOTING "NO".

BOARD OFFICE PERSONNEL TRANSACTIONS. The Board Office recommended the Board ratify the Register of Personnel Transactions which included the following items:

Resignation: JANET PRESSEY, Associate Director, Business and Finance, effective November 3, 1995.

MOTION: Regent Dorr moved to ratify the Register of Personnel Transactions, as presented. Regent Smith seconded the motion. MOTION CARRIED UNANIMOUSLY.

STATUS REPORT ON THE BOARD OFFICE BUDGET FOR FISCAL YEAR 1996.

The Board Office recommended the Board receive the report.

Anticipated expenditures were expected to be very close to the budgeted amount for fiscal year 1996.

ACTION: The report was received by consent.

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

December 13-14, 1995	Hotel Fort Des Moines	Des Moines
January 17, 1996	Telephonic	
February 21-22	University of Iowa	Iowa City
March 20-21	University of Northern Iowa	Cedar Falls
April 17-18	Iowa State University	Ames
May 15 (p.m.)	Iowa Braille and Sight Saving School	Vinton
May 16	University of Iowa	Iowa City
June 19-20	University of Northern Iowa	Cedar Falls
July 17-18	Iowa State University	Ames
September 18-19	University of Iowa	Iowa City
October 16-17	University of Northern Iowa	Cedar Falls
November 20-21	Iowa State University	Ames
December 11	To be Determined	Des Moines

ACTION: The Board Meetings Schedule was approved, by consent.

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

STATE UNIVERSITY OF IOWA

The following business pertaining to the State University of Iowa was transacted on Wednesday, November 15, 1995.

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

Register of Personnel Changes for September 1995.

MOTION: Regent Dorr moved to ratify personnel transactions, as presented. Regent Smith seconded the motion. MOTION CARRIED UNANIMOUSLY.

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

PERMISSION TO PROCEED WITH PROJECT PLANNING

Museum of Art Remodeling

University officials requested permission to proceed with planning for the remodeling of approximately 19,953 gross square feet of space in the Alumni Center for future use by the Museum of Art. The Alumni Center space, which is presently occupied by the University of Iowa Foundation, Alumni Association and Alumni Records, will be reassigned to the Museum of Art when the Alumni Center occupants are relocated to the Levitt Center for University Advancement. The university estimates that the Alumni Center space will be vacant and ready for remodeling within the next two years.

PROJECT DESCRIPTIONS AND BUDGETS

Hillcrest Residence Hall--Renovate Secondary Electrical System \$1,515,770
Source of Funds: Dormitory Improvement Reserves

Preliminary Budget

Construction	\$ 1,223,120
Design, Inspection and Administration	
Consultant	129,400
Architect/Engineering Services	40,950
Contingencies	<u>122,300</u>
 TOTAL	 <u>\$ 1,515,770</u>

University officials requested approval of the project description and budget. The university is proceeding with improvements to both the interior and exterior electrical systems serving Hillcrest Residence Hall to remove deficiencies and respond to anticipated increased electrical demand. The existing interior electrical system is made up of five separate systems installed between 1937 and 1957. Three of these are two-phase systems and all are obsolete. The current project will replace these systems with a single, three-phase system designed to be compatible with the new building primary (exterior) service. The new system will be designed to meet growing electrical demands in the building, including personal computers and room air conditioners. The project will be phased over three summers to minimize disruption to occupants.

Oakdale Boulevard Extension \$430,000
Source of Funds: Institutional Roads Funds

Preliminary Budget

Construction	\$ 350,000
Design, Inspection and Administration	45,000
Contingencies	<u>35,000</u>
 TOTAL	 <u>\$ 430,000</u>

University officials requested approval of a project description and budget to extend the entrance drive to the Oakdale Campus and Oakdale Research Park. The drive will be extended eastward approximately 1,500 feet to connect to proposed improvements of the City of Coralville road system. This project is included in the Six Year Institutional Roads Program for 1996-2001 which was approved by the Board in July 1995.

* * * * *

Levitt Center for University Advancement
\$17,831,000

Original Budget

\$18,826,000

Revised Budget

Project Budget

	<u>Original Budget July 1994</u>	<u>Revised Budget Nov. 1995</u>
Construction:		
Building	\$ 13,825,000	\$ 15,750,000
Utility Extensions	440,000	440,000
Design, Inspection and Administration		
Consultant	1,500,000	1,500,000
Architectural/Engineering Services	640,000	640,000
Art in State Buildings	86,000	86,000
Contingencies	<u>1,340,000</u>	<u>410,000</u>
TOTAL	<u>\$ 17,831,000</u>	<u>\$ 18,826,000</u>

Source of Funds:

Center for University Advancement		
Revenue Bonds	\$ 12,000,000	\$ 12,000,000
Gifts to the University of Iowa Foundation	<u>5,831,000</u>	<u>6,826,000</u>
	<u>\$ 17,831,000</u>	<u>\$ 18,826,000</u>

University officials requested approval of a revised project budget to allow award of the construction contract. Four bids were received on November 7, 1995. The low bid of \$15,890,000 exceeded the engineering estimate of \$14,060,000 by approximately 13 percent. The low bid also exceeded the construction budget of \$13,825,000.

University officials considered the four bids to be competitive with a range of less than 7 percent. University officials wish to proceed with award of the construction contract to the low bidder, Mid-America Construction Company of Iowa, for the base bid of \$15,890,000 and deduct Alternate #2 in the amount of \$140,000, for a total award of \$15,750,000.

Alternate #2 will provide savings in the exterior finish of the building by substituting Indiana limestone for Anamosa limestone.

* * * * *

University officials reported 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.

* * * * *

ARCHITECT/ENGINEER AGREEMENTS

Biomedical Research and Education Building and Related Capital \$335,500
Planning at the Health Sciences Center
Payette Associates, Boston, MA

The agreement provides for a master plan that will identify program requirements for medical education and research, investigate options for the use of College of Medicine and UIHC space, establish costs for the renovation of space for new uses, describe the conceptual design and budget for a new building to meet identified needs not served with existing space, and develop recommendations for improving pedestrian and vehicular circulation and enhancement of the aesthetic appearance of the Health Sciences Center.

The agreement provides for a fee of \$335,500, including reimbursables.

Campus Fiber Optic Network--Project 4 \$313,110
Shive-Hattery Engineers and Architects, Iowa City, Iowa

University officials requested approval of an agreement with Shive-Hattery Engineers and Architects to provide engineering services for the project. The agreement provides for a fee of \$313,110, including reimbursables.

University Hospitals and Clinics--Carver Pavilion Sprinkler System \$46,700
Improvements--Phase A
Design Engineers, Cedar Rapids, Iowa

University officials requested approval to enter into an agreement with Design Engineers to provide design services for the project. The agreement provides for a fee of \$46,700, including reimbursables.

Amendments:

University Hospitals and Clinics--UIHC Back-Up Boiler \$500
Hansen Lind Meyer, Iowa City, Iowa

CONSTRUCTION CONTRACTS

Levitt Center for University Advancement
Award to: Mid-America Construction Company of Iowa, Iowa City, Iowa

Base Bid of \$15,890,000, less Alternate #2 of \$140,000 =

TOTAL AWARD OF: \$15,750,000

(4 bids received)

University officials requested award of the construction contract to the low bidder, Mid-America Construction Company of Iowa, in the amount of \$15,750,000.

Arts Campus--Parking Lot 55 Expansion \$224,818
Award to: Metro Pavers, Inc., Iowa City, Iowa
(4 bids received)

Bowen Science Building--Diabetes Research Laboratory Remodeling \$145,780
Award to: Aanestad Construction, Iowa City, Iowa
(7 bids received)

ACCEPTANCE OF COMPLETED CONSTRUCTION CONTRACTS

Recreation Building--Athletic Facilities Improvement Program--Locker Package
Simon Corporation, Middleton, WI

Hawkeye Drive Relocation and Intersection Improvements
Metro Pavers, Inc., Iowa City, Iowa

University Hospitals and Clinics--South Pavilion Telecommunications Switchroom
Development--Pomerantz Pavilion to Melrose Conduits and Ductbank
Meisner Electric, Newton, Iowa

FINAL REPORTS

<u>Pappajohn Business Administration Building</u>	<u>\$32,853,342.73</u>
<u>North Capitol Improvements Project</u>	<u>\$1,000,539.47</u>
<u>North Capitol Improvements Project--Completion Phase</u>	<u>\$291,503.12</u>
<u>North Capitol Street Pathway--Construct Pathway</u>	<u>\$290,346.94</u>

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

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

University officials requested approval to renew its lease as lessee with Carver Hotel Enterprises for the university's use of 1,220 square feet of office space located in Muscatine, Iowa, at the rate of \$1,030 per month (\$10.13 per square foot, \$12,360 per year) for a two-year term.

University officials requested approval to renew its lease as lessee with Keokuk County Health Center for the university's use of 3,092 square feet of office space located in Sigourney, Iowa, at the rate of \$750 per month (\$2.91 per square foot, \$9,000 per year) for a three-year period.

University officials requested approval of an amendment to its lease as lessee with Dr. V. Warren Swayze for the university's use of an additional 2,600 square feet of office space located in Muscatine, Iowa, for a total of 5,200 square feet, at the rate of \$2,500 per month (\$5.77 per square foot, \$30,000 per year), for a 19-month period.

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

MOTION CARRIED.

GENERAL
November 15, 1995

President Pomerantz 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, November 15, 1995.

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

Register of Personnel Changes for October 1995 which included two requests for early retirement and one request for phased retirement.

MOTION: Regent Dorr moved to approve the university's personnel transactions, as presented. Regent Smith seconded the motion. MOTION CARRIED UNANIMOUSLY.

APPROVE HONORARY DEGREE FOR DR. D. GALE JOHNSON. The Board Office recommended the Board approve the Honorary Degree to be awarded to D. Gale Johnson.

Iowa State University officials requested approval that the degree, Doctor of Humane Letters, be awarded to D. Gale Johnson, for his extraordinary achievements in agricultural economics. Dr. D. Gale Johnson holds the Bachelor of Science and Ph.D. degrees from Iowa State University (then Iowa State College). He is a product of the land grant system and has honored its traditions even though spending most of his professional life in a private university.

In keeping with the land grant heritage, Dr. Johnson has been active in extending that knowledge to the pertinent groups in society. One of Dr. Johnson's greatest contributions has been in the international arena where he has researched and published several articles, papers, and books dealing with agriculture in the Soviet Union which have made a major impact on the literature and better understanding of the food producing system in the former U.S.S.R.

Awarding of the honorary degree received the approval of a special committee of the Faculty Senate and Iowa State University administration. The award would be contingent on his being present at the December 1995 commencement ceremony.

President Jischke stated that Professor Johnson is a distinguished educator, scholar and columnist.

MOTION: Regent Dorr moved to approve the Honorary Degree to be awarded to D. Gale Johnson. Regent Kennedy seconded the motion. MOTION CARRIED UNANIMOUSLY.

President Pomerantz asked that Iowa State University officials extend the Regents' congratulations and best wishes.

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

PROJECT DESCRIPTIONS AND BUDGETS

Telecommunications--Cable Enhancement--FY 1996 \$275,000
Source of Funds: Telecommunications Improvement and
Extension Funds

Preliminary Budget

Contracts	\$ 180,000
Design Services	36,000
Construction Administration	1,500
University Services	3,000
Miscellaneous	500
Utility Extensions	3,000
Telecommunications	16,000
Project Reserve	<u>35,000</u>
 TOTAL	 <u>\$ 275,000</u>

University officials requested approval of a project description and budget to correct deficiencies in the university telecommunications system. This will be the first of several projects to address various deficiencies in the system.

University officials prioritized the list of telecommunication improvements. The first project will correct deficiencies in new and existing underground raceways between Black Engineering Building and Gilman Hall. The project will include the installation of single mode fiber and a combination of additional multi-mode fiber and copper cables. The new raceway system will be installed between Black Engineering and the Durham Center to remain remote from existing systems and to avoid conflicts with direct buried steam lines. The remainder of the new cables will be installed in the existing raceway system where these conflicts do not exist.

* * * * *

University officials submitted three amended project budgets for approval by the Board. The budgets were being amended to reflect changes in the amounts of Academic Building Revenue Bonds and Utility Repairs to fund the projects.

Fire Safety Improvements--FY 1991

May 1994 Budget \$2,310,000
Amended Budget

\$2,310,000

Project Budget

	<u>Budget Approved May 1994</u>	<u>Amended Budget Nov. 1995</u>
Contracts	\$ 627,508	\$ 537,417
Design Services	355,521	377,013
Environmental Health and Safety	36,575	36,575
Construction Administration	35,228	35,278
University Services	1,057,099	1,143,297
Miscellaneous	5,000	9,770
Project Reserve	<u>193,069</u>	<u>170,650</u>
TOTAL	<u>\$ 2,310,000</u>	<u>\$ 2,310,000</u>
Source of Funds:		
Academic Building Revenue Bonds	\$ 2,310,000	\$ 2,034,600
Utility Repairs	<u> </u>	<u>275,400</u>
TOTAL	<u>\$ 2,310,000</u>	<u>\$ 2,310,000</u>

GENERAL
November 15, 1995

Utilities--Northwest Campus 13,800 Volt Feeder

Original Budget \$700,000
Amended Budget \$700,000

Project Budget

	<u>Original Budget April 1994</u>	<u>Amended Budget Nov. 1995</u>
Contracts	\$ 540,000	\$ 520,635
Design Services	68,000	67,900
Construction Administration	4,000	7,545
University Services	5,000	5,000
Miscellaneous	2,000	2,000
Landscaping	1,000	1,000
Utility Extensions	20,000	45,920
Project Reserve	<u>60,000</u>	<u>50,000</u>
TOTAL	<u>\$ 700,000</u>	<u>\$ 700,000</u>
Source of Funds:		
Academic Building Revenue Bonds		\$ 144,532
Utility Repairs	<u>\$ 700,000</u>	<u>555,468</u>
TOTAL	<u>\$ 700,000</u>	<u>\$ 700,000</u>

Utilities--Increased Chilled Water Capacity--Phase I

July 1991 Budget \$2,739,900
Amended Budget

\$2,739,900

Project Budget

	<u>Budget Approved July 1991</u>	<u>Amended Budget Nov. 1995</u>
Contracts	\$ 2,200,000	\$ 1,641,982
Design Services	295,000	286,841
Construction Administration	55,000	58,530
University Services	20,000	612,432
Miscellaneous	5,000	8,000
Utility Extensions		12,000
Building Automation		111,550
Project Reserve	<u>164,900</u>	<u>8,565</u>
TOTAL	<u>\$ 2,739,900</u>	<u>\$ 2,739,900</u>
Source of Funds:		
Academic Building Revenue Bonds	\$ 2,739,900	\$ 2,674,278
Utility Repairs		<u>65,622</u>
TOTAL	<u>\$ 2,739,900</u>	<u>\$ 2,739,900</u>

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University officials reported four 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

Utilities--Heating Plant--Replace Chiller No. 1 Refrigerant Condenser \$23,305
Construction and Design Services, Olathe, KS

University officials requested approval to enter into an agreement with Construction and Design Services, Inc., to provide engineering services for the project. The agreement provides for a fee of \$23,305, including reimbursables.

Amendments:

Bilsland Swine Breeding Farm--Renovation Facilities--Phase I \$10,000
Curry-Wille and Associates, Ames, Iowa

University officials requested approval of Amendment #2 in the amount of \$10,000 to the agreement with Curry-Wille and Associates for the redesign of the project. The project was bid in August; one bid, which exceeded the engineering estimate, was received. The project scope was reduced, eliminating a farrowing room and a nursery room. The facility has also been split into two buildings.

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

Gilman Hall Renovation--Phase 3 \$24,090
Wehner Pattschull and Pfiffner, Iowa City, Iowa

University officials requested approval of Amendment #5 in the amount of \$24,090 to the agreement with Wehner Pattschull and Pfiffner for the redesign of the first floor utilities. The amendment provides for rerouting utilities into overhead racks above ceilings and in continuous electrical wall moldings at a cost of \$13,090. The amendment will also provide for additional mechanical and electrical services including a fire alarm and snow melt system at the south entrance at a cost of \$11,000.

Amendment No. 5 will not result in an increase in the total project budget.

Veterinary Medicine--Energy Conservation Remodeling \$5,130
KJWW Engineering Consultants, Rock Island, IL

Iowa State Center--Soffit Restoration \$1,769
Simonson and Associates, Des Moines, Iowa

Parks Library--Room 430--Conservation and Restoration Laboratory \$2,521
Thorson Brom Broshar Snyder, Waterloo, Iowa

Laboratory of Mechanics Remodeling \$1,500
Wehner Pattschull and Pfiffner, Waterloo, Iowa

Dairy Industry--Addition and Renovation--Phase 3 \$21,560

RDG Bussard Dikis, Des Moines, Iowa

ACCEPTANCE OF COMPLETED CONSTRUCTION CONTRACTS

Utilities--Increased Chilled Water Capacity--Phase I--Install DDC Controls
American Service and Installation, Des Moines, Iowa

Veterinary Medicine Energy Conservation Remodeling--Phase I
Biermann Electric Company, Des Moines, Iowa

General Campus Water and Wind Damage 1993--Electrical Upgrade to Steam Vaults
Brown Brothers, Inc., Des Moines, Iowa

MOTION: Regent Kennedy moved to approve Iowa State University's Register of Capital Improvement Business Transactions, as presented. Regent Tyrrell seconded the motion. MOTION CARRIED UNANIMOUSLY.

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

University officials requested approval of an extension to its lease as lessee with Southgate Square Partnership for the university's use of 3,500 square feet of office space located in Ames, Iowa, at the rate of \$3,646 per month (\$12.50 per square foot, \$43,752 per year) through August 31, 1996.

University officials requested approval of an amendment to its lease as lessor with the ISU Foundation; the amendment will add the Cyclone Stadium field area to the land leased to the Foundation for construction of the Richard O. Jacobson Athletic Building.

University officials requested approval of Amendment #1 to the agreement with the City of Ames, Story County, and the Iowa Department of Transportation; the amendment provides additional flood warning system activities in the Ames area.

MOTION: Regent Tyrrell moved to approve leases, as presented. Regent Smith seconded the motion, and upon the roll being called, the following voted: AYE: Dorr, Kennedy, Mahood, Newlin, Pellett,

Pomerantz, Smith, Tyrrell.
NAY: None.
ABSENT: Collins.

MOTION CARRIED.

FINANCING OF THE IOWA STATE UNIVERSITY MEMORIAL UNION REMODEL.

The Board Office recommended that the Board Adopt a Resolution authorizing the Iowa State Memorial Union to issue on behalf of the State of Iowa and sell its First Mortgage Notes for the purpose of financing improvements to the Memorial Union Building, partially refunding the principal amount of its \$1,658,881.23 Promissory Note dated May 22, 1992, and fully refunding the principal amounts of its \$200,000 Promissory Note dated January 24, 1978, and its \$2,350,000 Promissory Note dated May 20, 1977, and funding a reserve fund; authorizing the approval, execution and delivery of certain financing documents, and related matters.

A report on the average annual interest rate of the notes, which will not exceed 5.5 percent, was provided at the Board meeting.

Proceeds from the notes are to be used for the renovation of the ground floor of the union and to refund existing promissory notes.

MOTION: Regent Dorr moved to approve the recommended action, as outlined above. Regent Tyrrell seconded the motion, and upon the roll being called, the following voted:
AYE: Dorr, Kennedy, Mahood, Newlin, Pellett, Pomerantz, Smith, Tyrrell.
NAY: None.
ABSENT: Collins.

MOTION CARRIED.

POLICY REVIEW OF IOWA STATE UNIVERSITY'S STUDENT ID CREDIT

PROGRAM. The Board Office recommended that ISU be authorized to continue its student billing system for their campus services, including the University Book Store, and not engage in extending credit to private sector businesses.

Representatives of the Campus Book Store in Ames, a privately-owned and operated entity, expressed concerns of competition by the Iowa State University Book Store.

The Executive Director of the Board of Regents and the President and Vice President for Business and Finance of Iowa State University have met with representatives of the Campus Book Store regarding their concerns.

Gordon C. James, the public relations firm representing Campus Book Store, requested that Iowa State University students be given the ability to access their university student credit account at the Campus Book Store.

Iowa State University has operated a book store since its beginning, the book store serves as a campus-based outlet for books, school supplies and other merchandise and services that meet the needs of Iowa State University students, faculty and staff.

Iowa State University has had a long history of making available a charge and deferred billing system available to students for a variety of services on the campus; similar procedures are followed at the other universities. During the past year, approximately 8,200 students utilized the charge program at the University Book Store.

University officials do not believe that it is appropriate for the university to engage in providing credit or collection services for off-campus enterprises, and there is no intent to treat Campus Book Store any differently than other off-campus enterprises.

Iowa State University officials have agreed to provide Campus Book Store electronic address information on Iowa State University students in order that Campus Book Store may proceed to establish its own billing and credit system; Campus Book Store has not followed up on that offer made in early September. In addition, as part of the university's effort to improve services, the university is in the process of implementing a new student identification and debit card, which may be used at any merchant connected to the "Shazam" system. The Campus Book Store may be interested in accessing this new system.

Vice President Madden reviewed the history of this matter with the Regents. He noted that interested merchants in the community are provided with listings of book and materials requirements of the individual courses. He stressed that serving students was the primary obligation of Iowa State University.

Regent Tyrrell asked for a comparison of the university's student billing interest rate compared to standard credit card charges. Vice President Madden responded that the university's rate was 1 percent/month (12 percent/year), which he said would be viewed as competitive. He noted that over the years the university's interest rate and charges have been approved annually.

Regent Tyrrell asked whether the advantage to students of purchasing books and materials at the University Book Store was the availability of extended credit. Vice President Madden responded affirmatively, noting that not all area merchants accept credit cards. He said there is an advantage to the merchants to utilize the Iowa transfer system where the costs per transaction to merchants are substantially lower than those of credit cards. The charges are negotiated between the merchants and the Iowa transfer system or the financial institutions.

Vice President Madden stated that the university's billing system is a convenience to the students. It is tied in with their financial aid package. Many students do not have all their financial aid available to them at the beginning of the term.

President Pomerantz stated that he suggested to the Campus Book Store representatives that the book store provide its own credit. They responded that there was too much of a bad debt ratio and therefore chose not to provide that service. President Pomerantz said the university's billing system was a way to support the marginal economic capabilities of some students who need all the sources of revenue they can muster to finance their education. He said there was a tradition and history of the university providing this service to students, and there was an economic and educational need that caused this issue to come before the Board. If the private sector would stock all the supplies, resource materials and books appropriate to run the university's academic and research programs, there would be no need for a university bookstore. However, there is a University Book Store and the Board subscribes to the purpose of the store and, therefore, the merchandising strategies become a question.

President Pomerantz said he believed that university money should not be used to make credit available for outside institutions.

Regent Dorr said the private sector will not provide credit because of the bad debt issue. The reason the University Book Store can provide credit is that it is backed up by government guaranteed loans and other credit sources to cover the debt. He said it was his understanding that the tradition of credit availability has been for tuition, board and room but credit for bookstore purchases has only been available for 1-1/2 years. He asked university officials if his understanding was correct.

Vice President Madden responded that students have been able to do a certain amount of charging in the past. The Federal student aid program has changed and as a result university officials have tried to consolidate all the students' accounts.

Regent Dorr asked if it was true that students were not able to charge their University Book Store purchases on their university bill to be deducted from their Federal student

aid account prior to a year ago this past fall. Vice President Madden responded that the service was not extended to all students until recently.

Regent Dorr stated that if the Regents allow the proposed billing system to be put into place, there will ultimately be higher costs to students. Somebody has to pay the costs for carrying those loans; therefore, over a period of time there will be higher costs. He said he would approve of an action that the bookstore no longer be allowed to provide credit to students to buy books. The best and most effective way to keep books at cost competitive rates for students is to eliminate credit availability at the University Book Store.

Regent Tyrrell asked if the cost of carrying the students' accounts and corresponding defaults on the accounts were figured into the operational statement for the University Book Store. Vice President Madden responded affirmatively. He said any unpaid bills would be an issue for the bookstore although it has not been a significant problem because students pay their bills promptly. The 1 percent/month carrying charge is an incentive to do so. The purpose of the University Book Store is to serve the student body in accessing the kinds of materials and books they need. The university requires the book store to carry all the items that students need. He said the private stores in the community may or may not stock everything required for students. Inventory of the University Book Store is not based solely on economic turnover rates and profitability. The store does break even and cover its costs. Its rent payment to the Memorial Union helps support additional student educational needs, student office space, meeting rooms, and other facilities in the union building.

Regent Kennedy stated that if the ultimate goal is to serve the student at the best cost, there needs to be a more free system of competition. If they truly wish to work to the advantage of the majority of students, there should not be a line of credit at either book store.

Regent Smith stated that she agreed with the statements made by Regent Kennedy; however, there are 8,200 students who have taken advantage of the billing program. As a parent of a college student, she appreciates receiving a university bill that includes all charges in one billing. She said the single billing is a convenience for families.

Regent Newlin stated that, if appropriate, the Board should defer action until next month to allow more opportunity to review this matter.

MOTION: Regent Newlin moved to defer action on this matter until next month. Regent Kennedy seconded the motion.

Graham Gillette, representing the Campus Book Store, asked for an opportunity to explain their position. He noted that Pete Cannon, who also represents the Campus Book Store, was present.

President Pomerantz asked if their presentation could wait until next month to allow the Regents to review the background on this matter.

Mr. Gillette responded that he had a number of materials for the Board to consider. He suggested that after receiving those materials and hearing their position on the issue, it might then be appropriate to defer action.

Regent Smith stated that she would also like to hear from students.

Mr. Gillette stated that the Campus Book Store had petitions signed by over 3,000 students requesting that the university charge card program be expanded to allow students to use their card at the Campus Book Store.

President Pomerantz asked if it would be a great inconvenience to invite the Campus Book Store representatives to make their presentation next month. Mr. Gillette responded that the issue was one of life and death for the store. It was not inconceivable that the Campus Book Store would not survive another month. The issue needed to be resolved as soon as possible.

Discussion continued concerning whether to receive information from the Campus Book Store at this meeting.

President Pomerantz asked that university officials prepare their position and have students available to discuss the matter from their perspective. The Board would then entertain the position of the Campus Book Store representatives. He made a commitment to Mr. Gillette that the Board would take action next month.

Mr. Cannon referenced the Iowa Administrative Code and the Code of Iowa for the process for remedying these types of issues. He said Campus Book Store representatives have spent a number of months working through the institutional segment of that process and were now before the Board to seek relief in accordance with Iowa Administrative Code section 681. He noted that this process had been going on since August 1, 1994.

Regent Dorr stated that he was given the distinct impression by verbal communication that no Campus Book Store representative would be present at this meeting.

Mr. Gillette stated that he had requested to be on the docket and it was his understanding that they would be. He described the process he went through in getting to this point.

Regent Dorr expressed concern that the Regents were not informed of the request at the outset. He was also concerned about the way in which this matter is being handled. President Pomerantz responded that it was his belief that the matter had not been mishandled.

Regent Pellett asked if students buy books before going home for break. Mr. Cannon responded that students start buying their books in December before they go home for break. He noted that losses to the Campus Book Store in the last two years were in excess of \$600,000.

President Pomerantz asked whether all the loss was attributable to the competitive credit policies of the university. Mr. Cannon responded that their analysis determined that the majority of the losses were due to the credit policy of the university.

President Pomerantz asked if the Campus Book Store had been expanded in the last two to three years. Mr. Cannon responded affirmatively, noting that analysis data shows that the cost of the expansion was not a factor in the losses. The Campus Book Store has also duplicated the charge card program as much as possible, offering 1 percent/month credit with the first 30 days interest free. Their charge card program replicates the university program as closely as possible; however, it cannot match the university's incentive for students to pay their bill.

Mr. Cannon stated that there were other issues in addition to the credit issue. There is course material which supplements the text books that students have to buy. Campus Book Store representatives have tried to gain timely access to the supplemental course textbooks; however, the University Book Store is the sole source for purchasing those materials. Last fall the Campus Book Store ordered approximately 5,200 of the supplemental textbooks and the University Book Store sent them 1,250 books of the 5,200 ordered. Based on those orders, the University Book Store charged the Campus Book Store over \$10,000 when the retail cost of those same items in the University Book Store cost about \$9,500. The University Book Store charged the Campus Book Store more than the retail price in their store for the same items.

President Pomerantz stated that it appeared to be more than just a credit issue. It was the whole competitive environment and practices.

Regent Newlin asked whether there was a need to change the policy Regent-wide and not just at Iowa State University. Regent Dorr responded that there had not been a Regent-wide policy on this issue up until now.

President Pomerantz directed the Board Office to review the additional issues that had been brought up and make those a part of the entire review.

Mr. Cannon requested that there be a suspension of the university's credit card program until the Regents have had an adequate opportunity to explore the issues and until the Campus Book Store has a fair opportunity for a hearing.

Regent Dorr stated that if there is an inappropriate policy in effect at Iowa State University, the university needs to remedy the situation. If, during the next month, university officials determine that it is prudent to suspend the credit policy, they should take it upon themselves to do so.

Vice President Madden stated that Iowa State University officials believe they are in compliance with the appropriate policies in this area. This matter has been reviewed within the university and he was not aware of any legal challenge.

Regent Dorr recommended that the university and its legal counsel thoroughly review this matter within the next day or two. If university officials are comfortable with their decision, fine. If there is some question about it, they should do whatever is the correct thing to do.

VOTE ON THE MOTION: The motion carried unanimously.

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

UNIVERSITY OF NORTHERN IOWA

The following business pertaining to the University of Northern Iowa was transacted on Wednesday, November 15, 1995.

RATIFICATION OF PERSONNEL TRANSACTIONS. The Board Office reported that the Register of Personnel Changes for October 1995 had not been received and would be reported next month.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office recommended the Board approve the Register of Capital Improvement Business Transactions, as presented.

PROJECT DESCRIPTIONS AND BUDGETS

Commons North Parking Lot \$518,000

Preliminary Budget

Contracts/Purchase Orders	\$ 432,000
Consultant/Design Services	65,000
Contingencies	<u>21,000</u>

TOTAL \$ 518,000

Source of Funds:

Parking Operations	\$ 460,000
Property Rental Income	<u>58,000</u>

TOTAL \$ 518,000

University officials requested approval of a project description and budget to provide an additional 150 to 180 paved parking stalls to the Commons North Parking Lot. The project will also include the installation of lighting and a storm sewer.

Hillside Courts Parking Lots/E, F and G Streets \$417,000

Preliminary Budget

Contracts/Purchase Orders	\$ 347,000
Consultant/Design Services	52,000
Contingencies	<u>18,000</u>

TOTAL \$ 417,000

Source of Funds:

Parking Operations	\$ 327,000
Residence System Improvements Funds	20,000
Building Repairs	<u>70,000</u>

TOTAL \$ 417,000

University officials requested approval of a project description and budget to improve parking lots which serve the Hillside Courts student housing complex located in the south area of campus. The project will provide improvements to 11 small parking lots located along E, F and G Streets which serve the housing complex and will enlarge the north parking lot from 26 to approximately 75 stalls. Patching of concrete and the removal or replacement of deteriorated curbs and gutters, as well as improvements to walkways, storm water drainage and lighting, will be included.

Institutional Roads 1996/E, F and G Streets \$453,000

Source of Funds: 1996 and 1997 Institutional Roads Funds

Preliminary Budget

Contracts/Purchase Orders	\$ 369,000
Consultant/Design Services	66,000
Contingencies	<u>18,000</u>

TOTAL \$ 453,000

University officials requested approval of a project description and budget to improve E, F and G Streets to accommodate vehicle access to the Hillside Courts student housing complex. The project will include patching of concrete and the removal or replacement of deteriorated curbs and gutters. The project will also provide improvements to walkways, storm water drainage and lighting.

Russell Hall Exterior/Interior Repairs \$424,000
Source of Funds: FY 1996 Capital Appropriation

Preliminary Budget

Contracts/Purchase Orders	\$ 354,000
Consultant/Design Services	52,000
Contingencies	<u>18,000</u>
 TOTAL	 <u>\$ 424,000</u>

University officials requested approval of a project description and budget to provide exterior and interior repairs to Russell Hall. The exterior repairs will include cleaning, tuckpointing and sealing and/or repair of brick and pre-cast concrete panels. The underside of the roof system will be structurally reinforced in selected areas to meet current code requirements.

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ARCHITECT/ENGINEER AGREEMENTS

Baker Hall--Exterior and Electrical Repairs--Exterior Repairs Contract \$19,800
Wehner, Pattschull and Pfiffner, Iowa City, Iowa

University officials requested approval to enter into an agreement with Wehner Pattschull and Pfiffner to provide design services for the exterior repairs to the building. The agreement provides for a fee of \$19,800, including reimbursables.

Bartlett/Lawther Halls Exterior Repairs--Phase I \$21,800
Grimes, Port, Jones Schwerdtfeger, Waterloo, Iowa

University officials requested approval of an agreement with Grimes, Port, Jones Schwerdtfeger to provide design services for the project. The agreement provides for a fee of \$21,800, including reimbursables.

Commons North Parking Lot \$61,500
Kirkham Michael and Associates, Cedar Falls, Iowa

University officials requested approval to enter into an agreement with Kirkham Michael and Associates to provide design services for the project. The agreement provides for a fee of \$61,500, including reimbursables.

Hillside Courts Parking Lots/E, F and G Streets \$29,000
Van Winkle-Jacobs, Coralville, Iowa

University officials requested approval to enter into an agreement with Van Winkle-Jacobs to provide design services for the project. The agreement provides for a fee of \$29,000, including reimbursables.

Institutional Roads 1996/E, F and G Streets \$36,500
Van Winkle-Jacobs, Coralville, Iowa

University officials requested approval to enter into an agreement with Van Winkle-Jacobs to provide design services for the project. The agreement provides for a fee of \$36,500, including reimbursables.

Russell Hall Exterior/Interior Repairs--Exterior Repairs Contract \$23,400
Wehner Pattschull and Pfiffner, Iowa City, Iowa

University officials requested approval to enter into an agreement with Wehner Pattschull and Pfiffner to provide design services for the exterior repairs to the building. The agreement provides for a fee of \$23,400, including reimbursables.

ACCEPTANCE OF COMPLETED CONSTRUCTION CONTRACTS

Library Addition \$5,395,844
Story Construction Company, Ames, Iowa

West Gym Exterior Waterproofing--Phase II \$281,028
Prairie Construction Company, Waterloo, Iowa

FINAL REPORTS

Center for Energy and Environmental Education \$3,976,602.30

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

APPROVAL OF LEASE. The Board Office recommended the Board approve the lease, as presented.

University officials requested approval to extend its lease agreement as lessee with Coronet Communication Company for the university's use of a portion of a communication tower located in Rock Island, Illinois, as a transmitter site for KUNI-FM, at the rate of \$354.59 per month for a one-year period.

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

MOTION CARRIED.

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

IOWA SCHOOL FOR THE DEAF

The following business pertaining to Iowa School for the Deaf was transacted on Wednesday, November 15, 1995.

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

Register of Personnel Changes for October 1995.

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

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office reported that there were no transactions on the school's capital register.

President Pomerantz 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, November 15, 1995.

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

Register of Personnel Changes for the period of September 24 through October 21, 1995.

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

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

Iowa Braille and Sight Saving School officials presented the following project description and budget for Board approval.

<u>Replacement of Telephone System</u>	<u>\$80,000</u>
<u>Source of Funds</u>	
FY 1996 Capital Appropriation	\$ 45,000
Anticipated FY 1997 Capital Appropriation	<u>35,000</u>
TOTAL	<u>\$ 80,000</u>

This project will replace the school's outdated telephone system with one equipped with the necessary features to meet the school's immediate and future needs. The project

will require a substantial amount of rewiring since most of the existing wiring is inadequate or unusable. The improved cable distribution system will provide voice, data, and fiber optic transmission. Completion of the project is planned for the summer of 1996.

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

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

ADJOURNMENT.

The meeting of the State Board of Regents adjourned at 12:48 p.m., on Wednesday, November 15, 1995.

R. Wayne Richey
Executive Director