

The State Board of Regents met on Wednesday and Thursday, November 20 and 21, 1996, at Iowa State University. The following were in attendance:

	<u>November 20</u>	<u>November 21</u>
<u>Members of State Board of Regents</u>		
Mr. Newlin, President	All sessions	All sessions
Mr. Arenson	All sessions	All sessions
Mr. Dorr	All sessions	All sessions
Mrs. Kennedy	All sessions	All sessions
Mr. Lande	All sessions	All sessions
Ms. Mahood	All sessions	All sessions
Mrs. Pellett	All sessions	All sessions
Mrs. Smith	All sessions	All sessions
Dr. Tyrrell	All sessions	All sessions
<u>Office of the State Board of Regents</u>		
Executive Director Richey	All sessions	All sessions
Deputy Executive Director Barak	All sessions	All sessions
Director Houseworth	Excused	All sessions
Associate Director Elliott	Excused	All sessions
Associate Director Racki	Excused	All sessions
Associate Director Sutton	Excused	All sessions
Associate Director Williams	Excused	All sessions
Assistant Director Tieg	Excused	All sessions
Minutes Secretary Briggie	All sessions	All sessions
<u>State University of Iowa</u>		
President Coleman	All sessions	All sessions
Provost Whitmore	All sessions	All sessions
Vice President Skorton	Excused	All sessions
Vice President True	All sessions	All sessions
Associate Vice President Small	All sessions	All sessions
Legislative Counsel Stork	Excused	All sessions
<u>Iowa State University</u>		
President Jischke	All sessions	All sessions
Provost Kozak	Excused	All sessions
Vice President Madden	All sessions	All sessions
Vice President Theilen	Excused	All sessions
Assistant to the President Bradley	Excused	All sessions
Assistant to the President Mukerjea	Excused	All sessions
Executive Assistant to President Dobbs	Excused	All sessions
Interim Director Anderson	Excused	All sessions
<u>University of Northern Iowa</u>		
President Koob	Excused	All sessions
Provost Marlin	Excused	All sessions
Vice President Conner	Excused	All sessions
Vice President Follon	Excused	All sessions
Executive Assistant to President Gadelmann	Excused	All sessions
Director Chilcott	Excused	All sessions
<u>Iowa School for the Deaf</u>		
Superintendent Johnson	Excused	All sessions
Director Heuer	Excused	All sessions
Interpreter Reese	Excused	All sessions
Interpreter Rapp	Excused	All sessions
<u>Iowa Braille and Sight Saving School</u>		
Superintendent Thurman	Excused	Arrived at 1:00 p.m.
Director Woodward	Excused	All sessions

GENERAL

The following business pertaining to general or miscellaneous business was transacted on Wednesday and Thursday, November 20 and 21, 1996.

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

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

MOTION CARRIED UNANIMOUSLY.

The Board having voted at least two-thirds majority resolved to meet in closed session beginning at 1:40 p.m. and adjourned therefrom at 3:15 p.m.

APPROVAL OF MINUTES OF BOARD MEETING OF OCTOBER 16-17, 1996. The Board Office reported that the minutes had not been completed.

ACTION: President Newlin stated the Board deferred approval of the minutes of the October 16-17, 1996, meeting, by general consent.

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

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

Receive the schedule of Board meetings; and

Refer the Iowa State University post-audit report on the off-campus Bachelor of Science degree program in Agriculture to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

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

INTERINSTITUTIONAL COMMITTEE ON EDUCATIONAL COORDINATION. (a) Name Change: Department of Educational Administration and Counseling, UNI. The Board Office recommended the Board approve the request for the name change in the Department of Educational Administration and Counseling to the Department of Educational Leadership Counseling and Postsecondary Education at the University of Northern Iowa.

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

University of Northern Iowa officials requested a change in the name of the Department of Educational Administration and Counseling to the Department of Educational Leadership, Counseling and Postsecondary Education. The reason for the change is to recognize the department's third area of responsibility -- postsecondary education.

The department offers masters level preparation for individuals aspiring to teaching positions and/or student personnel work in postsecondary institutions.

MOTION: Regent Kennedy moved to approve the request for the name change in the Department of Educational Administration and Counseling to the Department of Educational Leadership Counseling and Postsecondary Education at the University of Northern Iowa. Regent Mahood seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

(b) Discontinued Botany Programs, SUI. The Board Office recommended the Board approve the request to discontinue the minor program and the B.A. and B.S. in Botany at the University of Iowa effective immediately.

University of Iowa officials requested the discontinuance of the minor program and B.A. and B.S. in Botany. This proposal was reviewed by the Interinstitutional Committee on Educational Coordination and the Board Office and both recommended approval.

This request is a further action to the 1992 merger of the Department of Biology and the Department of Botany into the Department of Biological Sciences which was previously approved by the Board. This action would complete the one step yet remaining in the merging process, the elimination of "extraneous" degrees.

Enrollments in program areas in which discontinuance is sought has been very low. As of February 1996, there were 14 botany majors. The number of graduating botany majors in the previous ten years averaged 3.05 per year.

Students interested in plant biology will be able to tailor the new biology degree program to emphasize that area. Students interested in botany and current students may major or minor in the area until spring semester 2002.

Iowa State University offers undergraduate and graduate degree programs in botany.

ACTION: President Newlin stated the Board approved the request to discontinue the minor program and the B.A. and B.S. in Botany at the University of Iowa effective immediately, by general consent.

(c) Regents Registrars and Admissions Officers Annual Report. The Board Office recommended the Board receive the report.

The committee met eight times during the past year. Among the many topics and issues reviewed during the year were the following:

- admission requirements and procedures for non-degree undergraduate students;
- admissions policies and procedures for students with alternative high school curricula, including home schooling and high school equivalency diplomas;
- potential joint admission agreements with community colleges;

- full implementation of the electronic transmission of student academic records among the Regent Universities;
- interuniversity exchange of student record file tapes;
- uniform data reporting practices to external agencies;
- miscellaneous fees for such things as new student orientation, identification card replacement, and graduation;
- acceptance deposits upon admission to professional programs;
- new federal regulations on pro-rated refunds to federal financial aid recipients who withdraw during the course of a semester; and
- new state legislation on the creation or use of fraudulent academic records.

In all of these areas the committee encouraged the development of coordinated and consistent policies among the Regent universities whenever possible.

The committee also supported the articulation and credit transfer initiatives of the related Regent Committee on Educational Relations, which submitted its annual report to the Board last month.

The Regents Registrars and Admissions Officers Committee advises and makes recommendations to the Interinstitutional Committee on Educational Coordination (ICEC), which reviewed and approved this annual report. A copy of the committee's annual report is available for review in the Board Office.

The appreciation of the Board was extended to the committee for its efforts to coordinate procedures and policies to benefit students at the Regent universities.

Regent Tyrrell stated that at the December 1995 joint meeting with the State Board of Education, there was discussion about evaluating work experience as partial credit toward college courses. The Regents were asked to explore that possibility.

Dr. Dallam (University of Iowa Registrar) stated that the committee was just beginning to address that issue along with the whole idea of applied academics including school-to-work and home schooling. The admissions directors and faculty members are reviewing how those would interface with admission requirements. He said that effort will be addressed this year and would take two to three years to complete.

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

FALL ENROLLMENT REPORT - PART II. The Board Office recommended the Board (1) receive the report and (2) approve the enrollment projections for Fall 1997 - 2006 enrollments.

Of the 22 colleges at Regent universities, 16 colleges reported undergraduate or first professional degree enrollment increases while six colleges reported decreases.

Eleven colleges reported graduate enrollment decreases while nine colleges reported graduate enrollment increases. Two colleges reported no change in graduate enrollments.

Regent universities continue to attract entering freshmen who demonstrate academic ability in high school through high placement within their graduating classes. Over 75 percent of students show good potential for success in college as they score above state and national averages on college entrance examinations.

The percentage of women enrolled at Regent universities has continued to rise over the last decade to the present 49.7 percent of Regent universities' enrollment.

The 4,503 foreign students represent 140 nations and territories throughout the world. Foreign students are 7 percent of Regent enrollments.

The percentage of non-residents enrolled in Regent universities was down slightly from last year, but was above levels established 5 and 10 years ago.

Iowa area community colleges provided almost half the transfer students into the Regent universities. Although the Regent universities enroll the largest number of students of any sector of Iowa postsecondary education, the greatest growth is occurring in the area community college sector.

Enrollments at Regent universities are projected to grow into the next century before declining.

Enrollment by Collegiate Units

Undergraduate or first professional enrollments at the University of Iowa increased in seven of the nine colleges highlighted in the report. Only law and nursing reported enrollment declines in their entry level degree programs.

The Graduate College at the University of Iowa reported last month that enrollment was down 12 students. Increased enrollments were reported in graduate programs sponsored by the Colleges of Business and Dentistry.

Even though undergraduate enrollment increased 159 students, Iowa State University reported that undergraduate enrollment declined in the Colleges of Design and Engineering.

The Graduate College at Iowa State University reported enrollment increases of 66 students. The College of Liberal Arts and Sciences and the College of Veterinary Medicine had small declines (3 percent and 1 percent, respectively) in graduate studies sponsored by their colleges.

University of Northern Iowa undergraduate enrollment posted a gain of 117 students. The Colleges of Business and Education reported 10 students and seven students, respectively.

University of Northern Iowa graduate enrollment declined 46 students in Fall 1996. Graduate programs in the Colleges of Education, Natural Sciences, and Social and Behavioral Sciences reported enrollment declines.

The Quality of Entering Freshmen

New freshmen who graduated in the top half of their high school classes constituted 88 percent of the incoming freshman class at Regent universities. The percentage from the upper half of their high school classes was 3 percent lower in 1996 than in 1995, but a percentage point higher than in 1994.

The national mean on the ACT college entrance examination was reported as 20.9 in Fall 1996 while the state average for students in Iowa who took the ACT exam was 21.9.

The University of Iowa average score for new freshmen was 24.5, a growth of 2/10s over last year's scores. The median at the University of Iowa was 24.4. At Iowa State University, the average score was 24.4 and the median score was 24.7. For University of Northern Iowa freshmen, the mean was 23.2 and the median score was 23.4.

Applications from students in the lower half of their classes ranged from 12.7 percent of all applications at the University of Iowa to 17 percent of all applications at the University of Northern Iowa.

Less than half of the students from the lower half of their high school classes who applied were admitted. University of Northern Iowa admits the lowest percentage (28.8 percent) of students from the bottom half of their classes who apply. Of students admitted, more than half of these students actually enroll in the Regent universities.

Enrollments by students from the lower half of their graduating classes are less than 10 percent of incoming freshmen at the Regent universities.

Enrollment by Age, Gender, Ethnicity, and Disability

Enrollments by students over 25 years are 27 percent of university enrollments within Regent universities. They represent about 12 percent of undergraduates. These students are over 80 percent of the graduate students and 61 percent of professional students.

Enrollments by students older than 30 years total 9,595 students in the three Regent universities and are 15 percent of enrollments. These students are 6 percent of undergraduate enrollments (2,932), 48 percent of graduate enrollments (5,910), and 23 percent of professional student enrollments (753).

The percentage of women enrolled in the three Regent universities has risen to 49.7 percent. Women comprise 50.3 percent of undergraduate enrollments, 49 percent of graduate enrollments, and 44.3 % of professional student enrollments.

Enrollment by women has increased 4 percent over Fall 1986 levels. While there is almost no change for undergraduates, graduate and professional enrollments by women have increased 21 percent and 30 percent, respectively.

Minority enrollment has increased from 2,810 students (4.2 percent of all students) in Fall 1986 to 4,900 students (7.4 percent of all students) in Fall 1996.

Fall 1996 enrollments by minority students represent a new high number of minority enrollments. The Fall 1996 enrollment is 156 students more than the Fall 1995 enrollment and represents a 3.3 percent increase in students from racial and ethnic minorities on Regent campuses.

Within the Regent universities, 1,568 individuals identified themselves as having a disability. Many students with disabilities choose not to identify themselves as possessing a disability.

Students with permanent mobility impairment numbered 285 at Regent universities. Iowa State University reported 167 students who reported a mobility impairment while the University of Iowa reported 93 and the University of Northern Iowa 25 students.

Another disability grouping on campus pertains to the 52 students with visual impairments. Iowa State University reported the largest number (28) followed by the University of Iowa (16) and the University of Northern Iowa (8).

Regent universities also enrolled 110 students with acoustical impairments. Iowa State University reported 54 students, the University of Iowa reported 35 students, and the University of Northern Iowa reported 21 students.

The largest group of disabled students (1,424) claimed to be classified in the miscellaneous disability column that includes but is not limited to mental disabilities, speech impairments, and alcoholism.

Although the special schools specialize in education for deaf students or for blind students, each school enrolls students who have multiple disabilities such as an additional mobility concern (wheelchairs or crutches and braces) as well as students who compound deafness, blindness, mobility, and learning disabilities.

Enrollment of Foreign Students

Fall 1996 enrollments include 4,503 enrollments by students from 140 foreign nations and territories. These enrollments are 6.8 percent of Regent enrollments.

Undergraduate enrollments by 1,733 foreign students are 3.4 percent of Regent undergraduates. The 2,731 foreign students engaged in graduate studies are 22.4 percent of Regent graduate enrollments. Foreign professional students number 39 and are 1.2 percent of professional students.

Iowa has sister state agreements with 7 geographical regions throughout the world. Currently, 5 sister states are known to have students enrolled in Regent universities.

Enrollment by Residence

The percentage of non-residents is down slightly from last year, but is above the percentage of 5 and 10 years ago.

For Fall 1996, resident enrollments increased 551 students over Fall 1995. In 1996, non-resident enrollments increased much slower than resident enrollments as the increase was only 70 students.

Enrollment by resident new freshmen increased 171 students in Fall 1996 over Fall 1995 enrollments. Enrollments by non-resident new freshmen decreased 9 students. While there were 2 more foreign new freshmen, there were 11 fewer students from other states.

Enrollment by Transfer Students

New undergraduate transfer students numbered 4,387 persons in the Fall 1996 enrollment count. Most transfers (2,081 students) were received from Iowa area community colleges. Transfers from the community colleges were 47.4 percent of all transfers.

The next largest group of transfers included 1,509 students received from colleges and universities outside the state of Iowa. These students were 34.4 percent of the total number of transfers.

New undergraduate transfer students from the Iowa independent colleges and universities were 9.1 percent (401 students) of Fall 1996 transfers.

Only 7.9 percent of the transfers (348 students) were students who transferred to another Regent university.

The remaining 48 students (1.1 percent of transfers) were from Iowa independent two year colleges.

Iowa College and University Enrollments

The total postsecondary enrollment in Iowa for the Fall 1996 is 178,223 students. This figure is an increase of 3,096 students (1.8 percent) over the Fall 1995 report.

The three largest sectors — Regent universities, independent colleges and universities, and area community colleges — account for 96.5 percent of all post-secondary enrollments. These three sectors total 171,930 students.

Enrollment growth occurred in each of the three major sections, although growth may not have occurred at each institution.

Enrollments declined at 20 of the 33 independent colleges and universities and at three of the 15 area community colleges.

The sector of education with the fastest growing enrollments is the area community college sector.

Enrollment Projections

Iowa Department of Education Data

Annually, the Iowa Department of Education reports enrollments by grade levels at public and private schools within the state. Included with the report is the five-year projection for elementary and secondary enrollments.

Public schools also report the number of regular diplomas and other certificates awarded to students. The number of public high school graduates decreased from Spring 1979 to Spring 1991. Since then, the number of high school graduates has increased at a rate slower than the earlier decline occurred.

The Iowa Department of Education projects twelfth grade enrollment to increase through the 1999-2000 school year and then decline.

Assistant Director Tiegs presented highlights of the enrollment report.

Regent Arenson noted that according to the information provided by the Board Office, the universities project an approximate 10 percent increase in students within the next 10 years. He asked for the anticipated impact on resources and whether the universities are ready to accommodate the increased number of students.

President Jischke stated that a 10 percent increase in enrollment would stretch Iowa State University severely. An additional 2,500 students would be like creating a new college. If the increase was largely Iowans the concern would be that tuition and fees covers only 30 percent of the cost. In addition to financial considerations there are also space and personnel considerations.

President Koob stated that at the University of Northern Iowa the physical facilities in the five-year capital plan would accommodate the additional space requirements. However, the university is clearly at the margin now on operational support. University officials may need to put a limitation on enrollment.

President Coleman said she echoed the comments of her colleagues. The University of Iowa would be faced with the same pressures.

Regent Pellett asked if there were any statistics about the graduation rate of students who were in the lower one-half of their high school graduating classes. Mr. Richey responded that the institutions have furnished that information from time to time upon request. Ranking of a student within their high school graduating class was a reliable predictor of success at a university.

Regent Kennedy referred to Regent Arenson's question about the ability of the universities to accommodate the projected 10 percent increase in enrollments, noting that enrollments have declined since the 1980s. She questioned how much of a strain would be put on the universities since they are currently serving less students than they were ten years ago.

President Coleman responded that ten years ago the University of Iowa student enrollment was 1000 more than it is currently. During the period that enrollments increased dramatically the university underwent tremendous strain. What was projected would be more than 2,000 additional students which would be an all-time high. Although enrollments were higher ten years ago than what they are now, she questioned whether the university was operating at an optimal level then. It is at a much more reasonable level now in terms of what can be managed with the student population.

Mr. Richey stated that in order to provide the Regents with the figures on the budget formulas used for enrollment growth, the Board Office will recalculate those and determine exactly where that would cross. A program was instituted several years ago of state financing for resident undergraduate enrollment growth. At a certain point the enrollments began declining and the enrollment growth funding stopped. He said the Board Office would review the history of that funding and determine where it peaked for each of the universities and what level of enrollments they are financed for in terms of state appropriations. Those numbers will then be applied to these projections.

President Koob pointed out that the University of Northern Iowa enrollment was now within 200 students of its all-time high.

President Jischke stated that when Iowa State University experienced its peak enrollment, there was significant strain in offering what was needed to all students. He said it was not a good situation. He believes the university has the resources to accommodate 25,000 students.

Regent Dorr asked if it was fair to assume that the implementation of technology may change the demographics even if the enrollment numbers are up. He agreed to the need to plan for enrollment increases but cautioned that a signal not be sent that there will be an incredible strain on resources.

President Jischke said he agreed with Regent Dorr. He noted that the new technology will allow the universities to serve those who might otherwise not be served. The enrollment projection numbers were based on a traditional student body on campus.

Regent Tyrrell noted that the projected increases were for 8 to 10 years in the future. University officials will let the Board know as needs arise. Annual adjustments may need to be made. He said projections are not always accurate.

MOTION: Regent Mahood moved to (1) receive the report and (2) approve the enrollment projections for Fall 1997 - 2006 enrollments. Regent Kennedy seconded the motion. MOTION CARRIED UNANIMOUSLY.

GOVERNANCE REPORT ON STUDENT RETENTION AND GRADUATION RATES.

The Board Office recommended the Board receive the report.

The Regent universities have graduation rates that are consistently above the national average for public four-year institutions. The most recently reported data show that all three universities continue to exceed national aggregate norms.

The most recent six-year graduation rate at the University of Iowa increased slightly to 62.7 percent. The comparable rates at Iowa State University and the University of Northern Iowa each declined slightly, to 60.0 percent and 59.4 percent, respectively.

The University of Iowa and Iowa State University have reported six-year graduation rates below the median of those at comparable peer institutions for the past four years. The University of Northern Iowa's graduation rate is above those of all but one of its comparable peer institutions.

The Regent universities have relatively stable retention rates that are consistent with or somewhat better than national indices. Over 81 percent of last year's entering freshman class at each institution returned for their second year of studies.

Graduation and retention rates for racial and ethnic minority students continue to be below those for non-minority students in most instances. This pattern is generally confirmed in national studies, although graduation rates for African-American and Asian-American students at Regent institutions are below national and/or comparative peer university rates. Graduation rates for Hispanic students are above national and peer group averages.

Graduation rates for women are generally higher than those for men at Regent institutions and nationally. This trend has been inverted at the University of Northern Iowa for the past two years.

Regent Arenson stated that the performance of African American students was less than desirable. What actions can be taken, knowing there is a continuing problem, to increase the number of African American students who graduate?

President Coleman stated that a number of efforts have taken place at the University of Iowa including evaluation of programs being offered and the Opportunity at Iowa program. University officials are taking a multi-pronged approach. Upward-bound programs inform students of the preparation they need before they come to the university. Once students get to campus they need to be provided with academic support services. She said the people at Opportunity at Iowa are very aware of the need for networking and contacts. She views this as an area where the university needs to make improvements. There are a variety of issues that university officials will continue to work on.

President Jischke stated that there are a number of efforts taking place at Iowa State University to enhance recruitment and retention of minority students including financial aid and academic support. Minority liaison officers in each college have tried to increase the presence of minorities both among the student body and among faculty and staff. He said university officials are trying to deal with issues of climate outside the classroom.

Regent Arenson questioned whether the focus of Iowa State University's minority recruitment efforts had shifted from out of state to in state and what were the results. President Jischke responded that university officials work very hard on both in- and out-of-state recruitment, given the 8.5 percent minority enrollment goal.

Regent Smith noted that the needs were different between in-state and out-of-state students of color. President Jischke agreed, noting that the statement was true for students in general. One of the factors is the distance students are away from home.

Regent Kennedy questioned whether transfer students were being tracked to determine any trends. Associate Director Sutton responded affirmatively, noting that the data is monitored and will be included in the 5-year report to be presented next year. There will also be a migration study of students transferring from the community colleges to the Regent universities.

President Jischke stated that the comparison with peers groups is useful. Within Iowa State University's peer group the university appears to be a little below in the 6-year graduation rate. However, in comparing the peer group's freshman class standardized test scores, the average ACT score of Iowa State University entering students was just under 25 while the average ACT score of University of Illinois entering students was a couple of points higher. He said that if the graduation rates are correlated with entering ACT scores, it is found that Iowa State University is above the progression. Iowa State University actually does better than the correlation analysis would suggest. He said that while the comparison with peers is useful, the comparison should be thought through a little more carefully.

President Newlin asked that for next year's report a correlation between ACT scores of entering freshmen and graduation rates be provided as an addendum to the report on retention and graduation rates.

President Coleman stated that University of Iowa officials find exactly the same correlation with its peer institutions as was discussed by President Jischke.

President Jischke discussed what factors predict how well a student will perform at a university. He said the best indicator is high school performance which can be measured by class rank. The second is standardized test scores. Additional factors are socio-economic and college preparatory curricula. He said that one of the factors in determining retention rates is admission standards. If a university has extraordinarily high admission standards it will experience very high retention rates. Iowa State University is a public land grant university. He believes that philosophically the university ought to take risks with students. University officials ought to keep the door open and live with the consequence of having retention rates which may be less than

the peer group average. He noted that the Hixson scholarship students are doing better than the average student body.

Regent Lande stated that he would be interested in some time discussing how peer groups are selected. Two of the institutions included in Iowa State University's peer group are the University of Minnesota and Ohio State University. President Jischke responded that both of those are land grant universities.

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

PROGRESS REPORT ON ORGANIZATIONAL AUDIT. The Board Office recommended the Board receive the report from MGT of America, Inc.

MGT reported that it completed a number of tasks this past month, including the following:

- Completed a summary analysis of interviews with Board members, institutional officials and selected governmental officials.
- Completed the descriptive information relating to governance reports.
- Designed a questionnaire and identified a list of other higher education boards to be surveyed regarding governance issues.
- Developed a summary profile of Board agenda items by categories.
- Made progress on obtaining information about ad hoc legislative data requests, but are still working on information on these reports.
- Obtained information about presidential evaluation policies and procedures used in other selected institutions.
- Experienced some problems obtaining information about ad hoc requests from Board members since no one apparently keeps a log of these requests.

President Newlin stated that the Organizational Audit Oversight Committee met and discussed MGT's progress report in detail. He said the consultants are on schedule.

ACTION: President Newlin stated the Board received the report from MGT of America, Inc., by general consent.

STRATEGIC PLANNING PROGRESS REPORT - IOWA STATE UNIVERSITY. The Board Office recommended the Board receive the report.

In April 1995 the Board approved Iowa State University's strategic plan for the years 1995-2000. That plan established six major goals that in large part reflect the thirteen goals of the Board's own strategic plan.

The strategic plan provides a guide for institutional development and decision-making. Iowa State University officials note in the report that progress has been made in linking budget planning, program review, campus master planning, and capital planning to the goals of its strategic plan. It continues efforts to link other review processes, such as student outcomes assessment, to its strategic planning initiatives.

The progress report includes information both about university-wide activities and about specific initiatives in each of the university's colleges to achieve Iowa State University's strategic planning goals. The colleges have developed their own strategic planning efforts to tailor collegiate objectives to institutional goals.

ISU Strategic Planning Goals	Board's Strategic Planning Goals
<i>#1: Strengthen Undergraduate Teaching, Programs, and Services</i>	#1: Ensure that quality teaching remains a key priority within all Regent institutions... #2: Foster and maintain undergraduate instructional programs of high quality #6: Improve the facilities, equipment, and operating budgets basic to strong programs of teaching and research...
<i>#2: Strengthen Graduate, Professional, and Research Programs</i>	#3: Enhance the quality of graduate and professional education #4: Strengthen research and other creative work at the Regent institutions #6: Improve the facilities, equipment, and operating budgets basic to strong programs of teaching and research... #10: Emphasize efforts to raise private funds...
<i>#3: Strengthen Outreach and Extension Efforts</i>	#7: Improve access by all Iowans to Regent institutions

ISU Strategic Planning Goals	Board's Strategic Planning Goals
#4: <i>Sustain and Enhance an Intellectually Stimulating Environment and a Supportive University Community</i>	#5: Attract, develop, and retain faculty, staff, and students high in quality and diverse in composition #8: Escalate efforts to increase the participation of minorities in higher education #9: Develop and implement effective marketing strategies for each university
#5: <i>Establish International Leadership in the Integration and Effective Use of Information Technology and Computation Services</i>	#6: Improve the facilities, equipment, and operating budgets basic to strong programs of teaching and research...
#6: <i>Strengthen Initiatives to Stimulate Economic Development</i>	#12: Contribute to the economic development of the state
	# 11: Improve the flexibility, efficiency, and accountability of governance throughout the Regent system #13: Encourage cohesiveness and cooperation throughout the Regent system.

Iowa State University officials established benchmarks against which to measure progress toward each goal. These were presented to the Board last March. University officials have developed specific quantitative targets, as appropriate, for many benchmarks, although others do not have such articulated standards. Additional measures may be developed, and existing measures may be revised from year to year.

Goal 1: Strengthen Undergraduate Teaching, Programs, and Services		
<i>Benchmarks:</i>	<i>Target</i>	<i>Most Recent</i>
increase graduation rates	70%	slight drop to 60%
increase first-year retention rates	90%	steady at 81.5%
achieve stable total enrollment	25,000	24,899
senior faculty teaching at least 1 UG course	80%	exceeds target at 85.1%
intro courses taught by senior faculty	80%	62.0%
job placement of graduates	unspecified	76% empl/17.8% more educ.
faculty/staff participation in educational development programs	unspecified	60% in '95 "Succeeding with Students" program
Goal 2: Strengthen Graduate, Professional, and Research Programs		
<i>Benchmarks:</i>	<i>Target</i>	<i>Most Recent</i>
% of faculty with recent scholarship	unspecified	85.7%
% of faculty as grant PI or co-PI	67%	increased to 58%
total sponsored funding	\$170 million	decreased to \$142.9 mil
sponsored funding per faculty member	\$120,000	decreased to \$98,200

Goal 3: Strengthen Outreach and Extension Efforts		
<i>Benchmarks:</i>	<i>Target</i>	<i>Most Recent</i>
faculty involvement in outreach	unspecified	5 ICN classrooms; extended degree programs
enrollment in continuing education courses	4,300	increased to 2,342
credit	95,000	increased to 83,449
non-credit	60,000	42,314 evaluations; 3.8/5 ave.
clients served and satisfaction rates	unspecified	Vision 2020; college-specific partnerships
programs with community colleges		
Goal 4: Sustain and Enhance an Intellectually Stimulating Environment and a Supportive University Community		
<i>Benchmarks:</i>	<i>Target</i>	<i>Most Recent</i>
% of underrepresented minorities at ISU	unspecified	increase to 6.6%
students		slight decrease to 9.6%
faculty		increase to 7.6%
p&s staff		stable at 3.9%
merit staff		
% of women at ISU	unspecified	43%UG; 41%G; 58%DVM/Prof
students		increase to 27.6%
faculty		slight decrease to 45.4%
p&s staff		stable at 67.3%
merit staff		29.7% intl./17% diversity
students enrolled in intl./diversity courses	unspecified	various programs
faculty & staff in TQM programs	unspecified	
Goal 5: Establish International Leadership in the Integration and Effective Use of Information Technology and Computation Services		
<i>Benchmarks:</i>	<i>Target</i>	<i>Most Recent</i>
% of course sections using computers	unspecified	used by 96% of students
faculty using computers	unspecified	used by 84% of faculty
campus use of integrated technologies	unspecified	10,000 campus computers can access Project Vincent
Goal 6: Strengthen Initiatives to Stimulate Economic Development		
<i>Benchmarks:</i>	<i>Target</i>	<i>Most Recent</i>
new technologies licensed	55	48
licenses generating revenues	30 for \$1.5 million	20 for \$1.08 million
faculty & staff involvement in community/economic development	unspecified	CATD; CIRAS; ISU Research Park; technology transfer

Iowa State University officials identified a series of strategic planning initiatives for special attention in the current year. Internal reallocations, new state appropriations and increases in other revenues are providing nearly \$10 million to support those initiatives. Half of this funding will be directed toward the university's priority goal of strengthening undergraduate education; 20 percent will support graduate and professional programs; 15 percent will enhance outreach efforts; the remainder will be divided among the other three goals of the strategic plan.

Internal reallocation is one of the most demonstrable measures of institutional commitment to the implementation of strategic planning. Of the \$10 million directly

invested in Iowa State University's strategic plan for 1996-97, 63 percent comes from internal reallocations.

Iowa State University has been engaged in strategic planning since 1987 in support of its aspiration to become the nation's premier land-grant university.

President Newlin stated that in 1989 the Board of Regents prepared a set of goals and strategies on strategic planning for the entire Regent enterprise. In 1992 those goals were reaffirmed by the Board of Regents with some slight modification. In 1994 the Regents again reviewed and approved the goals with modest changes. Since 1989 the Board of Regents has been operating under a set of strategic goals and strategies for implementing those goals. He said each of the institutions developed strategic plans. This was the second iteration of those institutional strategic plans. In December 1996 University of Iowa officials will provide the university's latest version of the strategic plan for the Board's approval. In February 1997 University of Northern Iowa officials will provide the university's latest version of the strategic plan for Board approval.

President Newlin stated that few, if any, responsibilities of the Board of Regents were more important than monitoring the strategic plans of the institutions.

President Jischke provided the Regents with a strategic planning progress report for the 1995-96 period. He discussed the key benchmark indicators of progress for each goal. Highlights of goal 1 included Access Plus, making Iowa State University more convenient for nontraditional students, helping minority students succeed, gift for HDFS building, re-engineering engineering education, 4-year graduation plan, dramatic growth in honors program, and business college recruiting top executives for new program. Highlights of goal 2 included healthy livestock initiative, Miller graduate fellowships, Engineering Teaching and Research Complex, national academy awards, Markarian 501, College of Veterinary Medicine first in applications, and International Institute of Theoretical and Applied Physics.

Iowa State University strategic plan goal 3 highlights as discussed by President Jischke included finding out what Iowans need in the area of extension, "Fragile Giants" tour continuation, Vision 2020, Road Scholars, and programs initiated with community colleges. Highlights of goal 4 included Odyssey of the Mind, a record-setting private giving program, campus climate, Reiman Gardens, campus visits by President Bush, Senator Kassebaum and Representative Smith, Carrie Chapman Catt Center, faculty diversify and internationalize curricula, a good year to be a Cyclone. Goal 5 highlights included Iowa State University's web world, Project Vincent, Brenton Center, wide-area network for extension, high-speed network, and technologies in the classroom. Highlights of goal 6 included growing new business and jobs, an ISU success story:

Engineering Animation, Inc., faculty capture two R&D awards, CATD and technology transfer, improving industrial Iowa, and patents and licensing.

Regent Arenson thanked President Jischke for his great leadership. He said he had the pleasure of touring the Iowa State University campus and spending time with the deans and cabinets. He stated that it is easy to set goals and not as easy to get people to buy in and adopt those goals. Throughout the university the community has embraced the idea of making Iowa State University the premier land grant institution in the United States. It seemed to him that the university had a tremendous start. All the goals listed under strengthening undergraduate teaching are critically important. He thanked President Jischke for the concise summary of the longer report. He then thanked everyone at Iowa State University for their great efforts.

Regent Pellett complimented President Jischke on the efforts of his staff and the whole Iowa State University family. She then referred to information regarding student placement, and asked how accurate was the data relative to placement endeavors.

President Jischke responded that the data was very accurate and, if anything, understated the achievements.

Regent Pellett asked if university officials were able to determine whether the placements were in meaningful employment. President Jischke stated that Dean Crabtree reported that 99 percent of the students graduating from the College of Family & Consumer Sciences have employment in or are in graduate school in an area related to their field of study. He believes that students in general are employed largely in areas related to their field of study.

Regent Pellett noted that several of Iowa State University's colleges have very good placement rates. She asked what was being done to help the other colleges to improve their placement rates. President Jischke responded that several initiatives are underway including keeping better track of the data. Information will be fed back through the budget allocation process.

Regent Pellett asked whether President Jischke felt that all the deans have a high priority on placement. President Jischke responded that employment was the single most important measure of success for students. He noted that university officials have data college by college on placement percentages for those graduates who responded to surveys asking whether they were working or were in graduate school. He reviewed some of those statistics. The placement/graduate education rates range from 90 to 100 percent.

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

PRESENTATION ON IOWA STATE UNIVERSITY'S EXTENSION PROGRAMS. The Board Office recommended the Board receive the presentation.

At its past two meetings the Board has heard presentations by college deans and departmental faculty on selected planning and programmatic initiatives at the University of Iowa and the University of Northern Iowa. These presentations are an outgrowth of a Pappas report recommendation to provide periodic opportunities for the Board to obtain greater understanding of the major trends that are occurring in teaching, research, and service at the Regent institutions.

In lieu of a collegiate planning presentation, Iowa State University officials took this opportunity to introduce its new Vice Provost for Extension and to present a brief overview of extension programming and initiatives.

Stanley R. Johnson began his appointment as Iowa State University Vice Provost for Extension in September 1996. Dr. Johnson presented brief remarks about his vision for extension in the context of the changing environment in higher education. He provided examples of initiatives that are tailored to match the needs of outreach clients with the capacities of the university.

President Jischke stated that extension is the defining element of a land grant university. He said Iowa State University pioneered the extension program; extension was born here in Iowa. He said he could not be more pleased with an individual than he is with Stanley Johnson. Dr. Johnson is one of the most distinguished members of the Iowa State University faculty. He is a leader in agricultural and rural development. President Jischke is very excited about the new leadership that Dr. Johnson is bringing to the university.

Dr. Johnson stated that he was honored to have been selected as Vice Provost for Extension at Iowa State University. He discussed the new environment for teaching, research and extension; the specific implications for extension; three special initiatives; and, the era of opportunity for extension. With regard to the initiative in continuing core credit education, Dr. Johnson stated that extension has always been supportive of the for-credit off-campus offerings of Iowa State University. He said extension personnel have never seen that as their job, however. He is going to conduct an experiment this spring with the field people in extension. The experiment will involve those personnel as part of the off-campus delivery of education. He expects to see substantial results in terms of enrollment and participation in the courses.

Regent Arenson asked whether there are currently faculty in the extension program. Dr. Johnson responded that there are faculty on the campus who have extension appointments. Many of those faculty are involved in offering for-credit off-campus courses. Examples of what extension has done in the past to support this effort is help to open an Iowa Communications Network facility or help with the registration of students. He said continuing education at Iowa State University is under extension and organizes these activities. However, he said they have to be more than organizers and reactors. Extension has to be a part of the delivery of education.

Regent Arenson asked whether Dr. Johnson saw those efforts taking place through the Iowa Communications Network. Dr. Johnson responded affirmatively, noting that even the courses taught through the Iowa Communications Network are much more effective if there is some personal contact.

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

GOVERNANCE REPORT ON TECHNOLOGY TRANSFER. The Board Office recommended the Board receive the planning reports on technology transfer and economic development from the three Regent universities.

University of Iowa

Goal I. Provide leadership in developing and disseminating intellectual property policies that maximize opportunities for technology transfer in a manner consistent with the academic missions of the university.

The University of Iowa has initiated a number of activities that address the various objectives established to meet this goal. These activities include compliance with national practice on intellectual property, the preparation of policies on the treatment of “tangible research properties” such as chemical and biological materials, and the development of various educational programs, publications and World Wide Web materials.

Goal II. Ensure maximal coordination of formal technology transfer activities with other, more broadly based, corporate relations activities.

Monthly meetings are held with University of Iowa administrators and the University of Iowa Foundation to coordinate major gift and grant proposals to ensure that the requests coincide with institutional priorities and capabilities.

Goal III. Increase technology transfer activities by increasing the number of corporate research contracts.

Over the last year corporate sponsored research at the University of Iowa increased from \$20.7 million to \$27.2 million. About 300 corporate agreements were also negotiated and over 250 contacts from over 165 companies were handled by the grants staff. The staff also developed various descriptive materials and participated in various trade meetings which enabled them to promote University of Iowa opportunities.

Goal IV. Enable commercial use of University of Iowa intellectual property.

For the third time in four years the number of invention disclosures received by the University of Iowa Research Foundation reached an all-time high with 74 disclosures in FY 1996. Other activities under this goal include various efficiencies in the procedures of the foundation's activities.

Goal V. Encourage creation of new businesses able to take advantage of University of Iowa resources.

A wide array of strategies encourage business start-ups at the University of Iowa Technology Innovation Center (TIC) by improving procedures and increasing contacts with tenant firms. Of the four private firms with headquarters on the Oakdale Campus three are "graduates" of TIC. Five current TIC affiliate firms have the research park under consideration for future expansion. Various educational and informational efforts have been underway on commercializing technologies.

Goal VI. Encourage business location in Iowa.

The university's report includes a number of specific activities of the "magnet centers" including the Center for Biocatalysis and Bioprocessing, Center for Advanced Drug Development, and the National Advanced Driving Simulator. Various activities were initiated to make the University of Iowa facilities attractive locations for business enterprises. The public prominence of the Oakdale Research Park was increased through various articles in significant publications and the hosting of various events. The University of Iowa has also been involved in various community, regional, and state activities aimed at economic development.

Goal VII. Maintain consistency between academic planning and planning for technology transfer.

Regular consultation and planning at the University of Iowa facilitates the maintenance between academic planning and planning for technology transfer.

Iowa State University

Goal I. As part of the goal of strengthening its overall research efforts, Iowa State University will strengthen research programs related to technology development and economic development.

As a part of its goal of strengthening its overall research efforts, the university has adopted two major objectives. First, the university seeks to strengthen research giving rise to new technology. This objective has been met this past year by disclosing the new technologies on a regular basis, about a third of which result in a new patent. Iowa State University is typically among the top ten universities in the number of patents issued to it each year. Iowa State University researchers are conducting basic studies that could lead to the development of more effective and environmentally-friendly synthetic herbicides. \$212,308 were distributed to 19 research groups at Iowa State University in Spring 1996, through a competitive grant program funded by the Roy J. Carver Charitable Trust, the Iowa State University Biotechnology Program, and the Iowa State University Graduate College Assistance Fund.

A second objective was achieved through an internal Iowa State University economic development symposium in which researchers informed each other about their research findings that relate to economic development in the state.

Goal II. Strengthen outreach and extension efforts related to technical assistance, community and economic development.

Iowa State University notes significant examples of progress in meeting this goal by the following objectives: by providing technical assistance to companies, by supporting efforts to diversify the economic base of Iowa, by supporting efforts to strengthen the economic base of Iowa by helping already strong companies develop new products and remain competitive, by providing management assistance to companies, by supporting community resource development, and by providing assistance to government, community groups, business, and individuals in using research results.

Goal III. Strengthen initiatives to stimulate economic development.

This goal is being met at Iowa State University by undertaking new initiatives to assist in diversifying Iowa's economy, by emphasizing new initiatives for developing Iowa agriculture, by providing technical assistance to existing Iowa industry to maintain current strengths, by assuring that results of Iowa State University research and technology are used for public benefit, by developing advanced manufacturing methods leading to products/processes designed to be market-competitive, by cooperating with others to increase local and regional economic competitiveness and assess needs, and by participating in partnerships with local, state, regional, national, and international organizations.

University of Northern Iowa

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

The activities of the University of Northern Iowa Applied Technology Program, Small Business Development Center and Institute for Decision Making (IDM) continue to make important contributions to economic development through their direct services to Iowa business and industry. In addition the Target Industry Analysis unit completed six comprehensive target industry analyses which helped Iowa communities pinpoint their strongest assets that match known needs of specific industries.

The IDM cooperated with a number of Iowa organizations to publish a practitioner's manual on speculative industrial buildings and conducted a target market study of industries using rail transportation, developed a model to assess the economic impact of community festivals including a guidebook to communities conducting independent studies of their own festivals, and, in conjunction with faculty in the economics department, is investigating the use of agglomeration as a tool for economic development.

Other activities related to this goal include work being done by the Applied Technology Program with 118 clients located in 65 different communities in 44 counties, a pilot project funded by the U. S. Department of Agriculture that provided information to businesses making site location decisions, and the Metal Casting Center which has regularly conducted interactive training programs that include over 630 topics or modules.

Goal II. Participate cooperatively with all organizations and participants involved with technology transfer and economic development.

This goal has been addressed by a number of initiatives including the development of an "Iowa Training Opportunities Program" which has been approved by a congressional committee, various activities involving committees and partnerships in northeast Iowa, client referrals to the Market Development Program as a result of various partnerships, and a large number of partnership initiatives for the Institute for Decision Making such as Positively Iowa, Community Development Work Study, Forte, Rural Development Council and the Marketing Advisory Group for Iowa Communities.

Goal III. Increase applied research opportunities for faculty to combine their academic knowledge with practical expertise in their field.

A number of University of Northern Iowa activities are oriented toward this goal including the Market Development Program's "Experimental Learning Classroom" which exposes students and faculty to business problems, incorporation of faculty and students into the activities of the Institute for Decision Making, and faculty involvement in the Recycling Reuse Technology Transfer Center.

Faculty and student exposure to specific technologies was gained through the work of the Applied Technology Program and the Center for Energy and Environmental Education with in-plant training seminars and energy saving activities.

Faculty have also served in research assignments with industry and in regular consultantships.

A number of projects have successfully secured state and federal funds.

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

Opportunities for students have been provided in a number of the foregoing projects exposing students to research projects, experimental design, laboratory set-up, data collection, survey development, laboratory testing, and small business work related to their academic majors.

Vice President Skorton presented highlights of the University of Iowa's report. He stated that technology transfer was intimately linked to the research mission of the university.

Regent Dorr expressed appreciation for the university's fine effort.

Vice Provost Swan presented highlights of Iowa State University's report. She stated that university officials are starting to track companies whose sales are directly related to

technology licensed from Iowa State University to determine the increase in economic activity.

Regent Dorr asked how many companies were associated with those sales. Vice Provost Swan responded that the number of companies licensed within Iowa was approximately 50. In terms of significant license returns, the number was around 10.

Regent Dorr asked for the number of employees of these businesses. Vice Provost Swan responded that the number of employees was unknown.

Regent Tyrrell stated that he had the privilege of serving on the Iowa State University Research Board. He said there has been much aggressive and innovative management taking place, and that everyone should be proud.

Associate Dean Bergquist provided examples of activities that have taken place at the University of Northern Iowa. Those activities included efforts of the Iowa Waste Reduction Center (which he said was the finest such entity in the country) and the Institute for Decision Making.

President Newlin expressed appreciation to university officials for their very successful efforts.

ACTION: President Newlin stated the Board received the planning reports on technology transfer and economic development from the three Regent universities, by general consent.

GOVERNANCE REPORT ON FIRE AND ENVIRONMENTAL SAFETY. The Board Office recommended the Board (1) receive the governance 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.

In recent years, the institutions have made major efforts to correct fire safety deficiencies identified by the State Fire Marshal's office and campus personnel.

From FY 1993 through FY 1996, fire safety projects totaling \$11.5 million were completed in general fund facilities; this sum does not include fire safety projects addressed as components of major renovation projects.

A variety of fund sources, including proceeds from the sale of academic building revenue bonds, building renewal (repair) funds, capital appropriations and other funds, have been used to complete the projects.

The institutions are committed to continuing to address fire safety deficiencies.

Projects totaling \$2 million are planned for FY 1997 in general fund facilities; these projects will be funded with internal funds, including building repair funds and income from treasurer's temporary investments.

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 commitments for fire and environmental safety.

(Insert table)

MOTION: Regent Smith moved to (1) receive the governance 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 Kennedy seconded the motion. MOTION CARRIED UNANIMOUSLY.

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

Deferred maintenance, which is the repair or replacement of all, or a part of, an existing capital asset that was not repaired or replaced at the appropriate time because of a lack of funds, has been a high priority of the Board of Regents for a number of years.

The institutions have made major efforts to correct deferred maintenance in general fund facilities and utility systems, which are the focus of this report.

The institutions have used the proceeds from the sale of academic building revenue bonds, operating budget building renewal (repair) funds, capital appropriations and other funds to complete deferred maintenance projects.

Deferred maintenance items may be corrected individually or as part of renovation/renewal projects.

From FY 1993 through FY 1996, deferred maintenance projects totaling \$47.1 million were completed by the Regent institutions; this amount includes projects totaling \$16.5 million completed in FY 1996.

Projects planned for or continued in FY 1997 total \$14.3 million.

During the same period of time, renovation projects totaling \$51.3 million corrected significant amounts of deferred maintenance.

Although significant sums of money have been expended to address deferred maintenance, it continues to exist.

(Insert table)

Regent Pellett asked if deferred maintenance was an area for which lottery funds could be used. Mr. Richey responded that it was a potential area for lottery funding. He had not yet seen the details of the Governor's proposal. Discussions during the deliberations of the Fisher Commission seemed to concentrate on building repairs and deferred maintenance. He said that if funds are available, the institutions would look to those to supplement the institutional operating funds.

Regent Pellett asked how soon the extra funds might be available. Mr. Richey responded that FY 1999 would probably be the earliest the funds would be available to the Regents because of the agreement with the Governor last session that the Regents would not ask for funds for FY 1998.

Regent Pellett asked if this would supersede the agreement or would the new funds still be exempt.

Mr. Richey responded that the new funding source would not supersede the agreement. He said the funding of \$66 million last session carried into FY 1998 very substantially. The Regents have several high priority building projects that cannot be handled within the institutional operating budgets. Institutional officials can address the high priority deferred maintenance problems from operating funds and from other institutional funds. The Regents have identified projects such as the Intensive Livestock Research Facilities Phase 2 at Iowa State University, the Medical Education & Biomedical Research Facility at the University of Iowa, Lang Hall Renovation at the University of Northern Iowa, and the Engineering Teaching and Research Complex, Phase 2 at Iowa State University for funding through capital appropriations. Those projects cannot be financed internally. He said the Fisher Commission has proposed establishment of a Rebuilding Iowa Infrastructure Board which will develop a methodology to allocate funds. Funds for deferred maintenance may become available in the process, but the Infrastructure Board will not be operational until almost a year from now.

Regent Pellett said it was distressing that the institutions cannot even stay even with maintenance needs in order to avoid deferred maintenance.

Mr. Richey said the responsibility for carrying out deferred maintenance and fire safety falls very heavily on the institutions. Institutional officials have been meeting those challenges by allocating increasing sums to these important priorities.

Regent Pellett encouraged the Regents to take 1 to 2 hours to tour each of the campuses because there are some big needs in the area of deferred maintenance. She said the public school systems would not tolerate some of the building problems that are being experienced on the Regent campuses. The Regents need to see some of the deferred maintenance needs.

ACTION: President Newlin stated the Board, by general consent, (1) received the governance report on deferred maintenance and (2) encouraged the institutions to continue to correct identified deficiencies within the limits of available resources.

STRATEGIC PLANNING FOR DISTANCE EDUCATION. The Board Office recommended the Board receive the presentations by representatives of the Iowa Department of Education and the area community colleges.

This was the third in a series of discussions the Board is holding to consider issues related to distance education. The Board has committed itself to develop a strategic, future-oriented approach to distance education and to adopt any appropriate policies to support that effort.

Representatives from the Iowa Department of Education and the area community colleges were invited to address the Board. The following individuals made presentations:

Frederick M. (Ted) Stilwill, Director, Iowa Department of Education

Richard Gross, Instructional Technology Consultant, Office of Technology, Iowa Department of Education, and a long-time member of the Educational Telecommunications Council

Dr. David Buettner, President, North Iowa Area Community College

Regents this month heard from another sector of Iowa post-secondary education that has been actively involved in distance education. Many of Iowa's fifteen community college districts employ advanced information technologies to reach students at remote sites.

Plans for upcoming Board meetings include presentations by the Iowa Braille and Sight Saving School, the Iowa School for the Deaf, and representatives of K-12 education and area education agencies. At the conclusion of these fact-finding sessions, the Board expects to have acquired sufficient information and perspective to determine the best course of action for the future development of distance education by the Regent institutions.

Mr. Stilwill stated that the adult learning environment that now faces educators is a changing environment. It is changing rapidly because of technology. He said the challenge to all of them is how best to meet the needs of Iowans. He discussed the changing learning needs of the adult population in Iowa, which he said was profound. There are rapidly changing workplace needs. Much more productive conversation is taking place between education, business and labor. Employees need to possess more than good basic skills. Individuals will have to be trained to a much higher level than they have been in the past. The necessary sets of skills will change quickly as workplace needs change. There is a need for continuous retraining to maintain employment and to advance in the work place. Educational programs need to offer shorter-term training. Retraining opportunities need to be customized to a particular business or sector. He noted that much of the growth in employment opportunities has occurred in small businesses. In order to meet the needs of small business, educators have to develop adult training systems that are responsive to the needs of groups of small businesses.

Mr. Stilwill said he had presented an important platform on which to build the rest of the discussion. He presented two questions which he said Mr. Gross and Dr. Buettner would answer. First, are the best educational practices going to be the more purely high-tech distance learning or a combination of distance learning and more human interactions? He said there was good evidence that the latter is the case. Second, what sort of delivery system is needed and how should it be organized? Should they let the market drive it entirely or would it be better to establish a collaborative system by combining the resources of all the players in the educational system?

President Newlin noted that Bob Lutz and Jolene Phelps, representing the private colleges, were also in attendance at this meeting.

Mr. Gross discussed the original vision of the Iowa Communications Network and how it may have changed with some of the new realities in the marketplace. He emphasized the importance of collaboration regarding the Iowa Communications Network including resource sharing and existing educational infrastructure. There are new economic realities. Technology is changing faster than the time it takes to train someone on the technology. Educators need to prepare students to be life-long learners. He stated that some studies indicate that the total number of students entering the higher education arena in the next 10 years will increase. He suggested that the numbers will increase even more dramatically than what was being predicted.

Dr. Buettner addressed the proposal for a more aggressive development of distance education by the Regent institutions. He noted that he represented one community college view, not all community college views. He said the Regents' discussion of distance education has made his life more interesting lately. At the last meeting of the

Iowa Coordinating Council's strategic planning committee, the topic was distance education and the distance education plan of the Regents, although he had a highly sequential agenda. He stressed the extent to which the Regents' decision may affect the very existence of other higher education institutions in the state. Like most persons facing change, the strategic planning committee resists it, denies it, resists it some more and then faces reality. That is where the committee is today. The messages are becoming more clear. For some the focal point was the Iowa Communications Network. He said the Internet does not seem to be a fad. Competition used to be geographically distant. Traditional credentials will be less meaningful in the future. For many of the educational institutions in the state, the only real question is whether or not the Regent institutions will participate in the delivery of expanded educational opportunities through distance learning techniques. They hope the Regents do and in constructive ways.

Dr. Buettner stated that the early work of the Iowa Coordinating Council's strategic planning committee indicates that expanding educational opportunities is good. However, insensitive expansion is not good. He said the suggestion that the Regents bring the BLS degree to the countryside is a direct assault on the independent colleges and universities. Bringing lower division courses to the countryside is also offensive to the community colleges. It was not clear if the Regent institutions were willing or able to effect this approach. He suggested they carefully select programs and sites that are far less offensive. Such collaboration could bring advantages of the other institutions' market knowledge and support systems.

Dr. Buettner extended an invitation for the Regents to consider conducting one of their regular meetings on the campus of the North Iowa Area Community College. He said he would be pleased to continue ambassador status on this issue. By accepting the invitation the Regents would give him an opportunity to show them first hand how the institution has built an extensive support system for the delivery of upper-division and graduate-level programs on the campus. Those areas are clearly not the center of the institution's mission but they are areas that are clearly of interest and importance to the people of north Iowa. Many institutions including the Regent institutions operate on the campus.

Dr. Buettner stressed the importance of not behaving in a way that is offensive to the educational partners. He said there are unanswered questions about the Regents' ability to control, restrain and encourage work along these lines. There are questions about whether the independent colleges and universities and community colleges will in fact be receptive and cooperative. There also remains a question about whether the sectors can learn to not offend and not be offended easily. He stated that the Board of Regents appears to be in a key position to encourage the Regent institutions to develop

the means, the incentives and the restraints necessary to establish cooperation and communication as the predominant characteristics of their distance education effort.

Mr. Stilwill suggested there be discussion about how to accommodate the needs of the various institutions involved. He said it was not a question of institutional interests. It was a question of the elected and appointed leadership of the state managing their collective resources to best meet the needs of the state. There were economic development questions, workforce development questions, and quality of life questions.

President Newlin expressed appreciation to all of the presenters. He noted that this was the third in a series of discussions the Regents are having regarding distance education. The Regents are committed to developing a policy on distance education.

Regent Lande asked about the membership of the Regional Telecommunications Councils. Mr. Gross responded that the membership of the regional telecommunications councils by Code mirrors representation on the Educational Telecommunications Council.

Regent Lande referred to Dr. Buettner's comments about the offering of upper-level courses by the community colleges and lower-level courses by the Regent institutions. He asked how clearly was the line of demarcation between what is considered community college education and what is provided in the junior and senior years.

Dr. Buettner said he believes the line is clear. In the vein of not being easily offended or offending, he said the institutions seem to have vehicles to work out those disagreements. As an example, he said the North Iowa Area Community College prepares students to enter directly into the accounting business. It is also one of the major feeder schools for the accounting program at the University of Northern Iowa. One perspective would be that offering intermediate cost accounting is certainly responsive to the clientele. On the other hand, it is not necessarily in the best interest of a student headed for the University of Northern Iowa's accounting program to take those courses with the community college. He reiterated that the lines are clearly drawn.

Regent Arenson referred to the draft strategic plan for off-campus education that was presented by the State Extension and Continuing Education Council to the Board of Regents at its meeting last month. He asked if the presenters concurred with the views presented in that draft plan.

Dr. Buettner offered a couple of observations for the Regents' consideration. He said the broad offering of the BLS degree appears to be very offensive to the independent colleges and universities. The Regents may want to consider more selective offerings.

He noted that the BLS is not a highly-valued degree. He encouraged the Regents also to look for specialty opportunities to supplement educational opportunities already in the outlying areas. For instance, they could look for additional programs to bring to people in the north Iowa area. He said another consideration is what role cost plays in access and suggested that issue had not been resolved. He suggested there should be a reevaluation of the broad role of the BLS degree offering and a concentration on specialties that make sense in the local marketplace.

Mr. Stilwill said he believes there needs to be a larger plan in the future. There needs to be a much clearer agreement of what the needs are before addressing the potential solutions. After coming to agreement on what the needs are, they have a better chance of moving forward. Secondly, a hallmark seen in successful collaboratives is formalized plans and agreements. Without those processes and a clear, agreed-upon understanding of what the needs are, it is difficult for collaboratives to be successful.

Regent Arenson asked for views about external competition such as from out of state. Mr. Stilwill expects they will continue to see those incursions. However, Iowa has arguably the best systems of education of any state. They should marshal those assets.

Regent Kennedy said she agreed with Mr. Stilwill's comments that if they manage their collective assets and focus on the needs of Iowans, they will probably do a better job of getting through the next transition period. With regard to Regent Lande's comments about the lines of demarcation, she said she believes there has been successful articulation. It works best on a program-by-program basis. There will not be a quick and easy solution. She referred to Dr. Buettner's earlier comments about the three sectors supplementing and collaborating with each other and what they need to do. She asked for his views of what some of those issues are.

Dr. Buettner responded that in accordance with the basic principles of partnership, they have to spend some time committing to writing some formalities and basic ground rules on how to treat each other and how to work as partners. If they forge partnerships that are built on a lack of such ground rules, what is to prevent one of them from taking the golden ring when such an opportunity comes along, without regard for the partners? He said this is not going to be an absolute arrangement. They should not think that collaboration and supplementation will make all of the problems of the distance education program by the Regents go away. He assured the Regents, however, that members of his staff and probably members of other community colleges and independent colleges may take very unreasonable positions that might make it very difficult for the Regents to have a distance education program. He stated that the Regents have to make some prudent considerations and decisions about what is responsible and in the best interest of the public in Iowa.

Regent Arenson asked about the view that there will be a new market group, a new audience. Does Dr. Buettner agree or are they simply shifting around the same students? Dr. Buettner said it was potentially both. He believes that the Iowa Coordinating Council's strategic planning committee has agreed to try to channel the focus of distance education and the role of the Regent institutions in the collaborative efforts to expanding the opportunities to a new audience in the state. He said the new audience may or may not be people who are in a higher education community. It may be new opportunities for some who are in a higher education community. The opportunity is there for the distance education plans of the Regents to clearly intervene in the orderly service of community colleges and private colleges and universities to their existing clients, as well. He said that could happen and it would be unfortunate. As chair of the strategic planning committee of the Iowa Coordinating Council, he believes that if the Regents' distance education plan is in fact insensitive and broadly duplicative of efforts, it probably is for all practical purposes the end of meaningful discussion by the committee. The opportunity is there to discuss means of collaboration and supplementation. The opportunity is there to discuss restraints, not absolute restraints but at least discouragements. The opportunity is also there to discuss some incentives for meaningful collaboration with local institutions. He believes that his institution will develop a support system that will add value to the Regents' efforts in the north Iowa region. That can include some lower division activity. However, if the Regent institutions bring those offerings in independently, it is going to be offensive.

Regent Kennedy asked for an example of how a Regent institution could offer a lower-level course and provide new opportunities in cooperation with other sectors. Dr. Buettner stated that his institution has perfectly sound lower-division programs that he would not like to see undermined or destroyed. However, the Regent institutions brand name is very powerful and very strong in Iowa. If, for example, Regent institutions collaborate with North Iowa Area Community College to bring via the Internet a series of lower division classes to the local high schools to significantly upgrade the advanced placement work that is going on there now, there could be a mutually beneficial result.

Regent Kennedy asked how students can be transferred more smoothly from community colleges to 4-year colleges. Dr. Buettner stated that 98 percent of the relationships between the community colleges and Regents are very highly refined, positive and constructive. He said they were talking about "polishing a very shiny apple".

Regent Arenson asked if Dr. Buettner was suggesting that the Regent institutions abandon the lower division enrollments that would come from distance education.

Dr. Buettner responded that he was not. He would like the Regent institutions to work with the community colleges as a way to add value and strength to the offerings for the citizens of Iowa.

Regent Arenson asked about courses offered by institutions outside the state to lower division students through the Internet. Dr. Buettner responded that those courses are widely available. He did not see them as a major threat.

Regent Arenson stated that President Koob keeps reminding the Regents that in Iowa only 16.9 percent of the citizens have 4-year degrees while the national average is 20 percent. What was Dr. Buettner's view about the impact of distance education on that number?

Dr. Buettner said he sees that as an opportunity as does President Koob. However, they should not rely on the current ideas of distance education. Technology is changing and expanding while the support system is expanding. He said the community colleges are in a position to receive the Regents' initiative and to help add value to it.

Regent Dorr said they should honestly address whether there was surplus capacity in higher education. As they look at changing needs and demands, he wondered whether anyone had ever given consideration to a statewide catalog or registration system so that all institutions are subject to the marketplace.

Mr. Stilwill responded that he thought Regent Dorr was talking about the game moving to a higher level. When that happens, he was not sure that everyone would be able to play. They will then know if there is excess capacity or not, or they may find there is not enough capacity and may have to build.

President Newlin asked Dr. Lutz from Drake University if he would like an opportunity to add to the discussion.

Dr. Lutz said the collaborative efforts of Drake University with North Iowa Area Community College and with Buena Vista University to offer graduate education and degree completion programs have been extremely successful over the years. He stated that the combined efforts of all the sectors of higher education in dealing with distance education and delivering programs throughout the state are clearly the way we have to go.

President Jischke stated that with regard to lower division education, the rather specialized programs of the Regent institutions can provide opportunities for place-bound students, such as offering lower-level engineering courses. Iowa State University currently is working on developing freshman chemistry with all but one

community college. He believes there is a role for the Regent institutions in lower-level education. With regard to whether there is the capacity to reach a consensus on these issues in higher education, he said the tools are available in the Regent system because of the governance structure. There are similar governance structures with the community colleges and the Department of Education. However, the independent colleges are independent. How to gain consensus with the independent sector is challenging. There will be difficulty coming to full agreement. If they try to get to full agreement it may take so long that the Regent institutions will not be a player. In the long run it will undermine their ability to meet the needs of Iowans. He stressed the importance of being timely and responsive. Technology does not respect geographic or political boundaries.

A final point which President Jischke made was that while he was sympathetic with much of what was said by Dr. Buettner, he believes the debate and the policy should be driven by the needs of Iowa and not the survival or the needs of institutions. The order needs to be changed. The Regent universities are public-serving institutions. The question is what are the needs of the people of Iowa educationally and how can we wisely serve them. How can we use the assets we have to carry out that work? He suggested they should not start with the question of how do those in higher education figure out how to agree; the first question is what do the people of Iowa need. He said the Regents, as representatives of the public, should start from that point of view and then bring these resources to bear on it. Remember who the customer is.

Regent Kennedy stated that if they truly focus on the needs of Iowa they will not be totally insensitive and duplicative. She said she agreed that they cannot get consensus among the private institutions.

Regent Tyrrell stated that he serves on the strategic planning committee of the Iowa Coordinating Council with Dr. Buettner. He acknowledged that there was probably no one who had been more diligent in attempting to solve this dilemma than Dr. Buettner.

He said the Regent universities are concerned about the urgency of the new paradigm which must be established in higher education in the state. Regent Tyrrell is concerned about the desire to maintain the status quo. The new paradigm may not guarantee that the status quo will continue. If they accept those two basic premises, it gives them an idea of how to proceed. They have to deliver quality education to the people of Iowa. There has been considerable discussion about the quality of off-campus courses being at least equal to on-campus course quality. The lack of ability to visit with other students is a serious problem that has to be addressed if off-campus courses are going to be comparable. He believes the arrangements are going to have to be selective and collaborative; they are going to have to consider one or two institutions that wish to collaborate. They have to look at the needs of the communities they serve. He hoped they do not forget the western part of Iowa. There are more sparsely populated areas where it is more difficult to get to an educational institution.

President Newlin expressed appreciation to everyone who participated in the discussion.

ACTION: President Newlin stated the Board received the presentations by representatives of the Iowa Department of Education and the area community colleges, by general consent.

REPORT OF THE BANKING COMMITTEE AND THE RISK MANAGEMENT PRIORITY ISSUE STUDY GROUP. The Board Office recommended the Board (1) accept the report of the Banking Committee and approve the master lease financing for telecommunication system (UNI), addendum to financial advisor contract, and selection of a fixed income manager; and (2) accept the report of the Priority Issue Study Group on Risk Management and approve a reduction in the deductible for property insurance for university academic/general funded buildings.

Regent Kennedy provided highlights of the committee meetings which were held the previous day. She said the Baking Committee reviewed a request for master lease financing of the University of Northern Iowa telecommunication system; approved an addendum to the financial advisor contract; received the quarterly investment and cash management reports; interviewed potential fixed income managers; received a report by Wilshire Associates on the Invesco merger; and received a report by Gail Seneca of GMG/Seneca on the performance of the institutional endowment funds under its management.

Regent Kennedy stated that formal Board action was required to authorize an addendum to the contract with Springsted, Inc.; to authorize the University of Northern Iowa to utilize master lease financing in the amount of \$2.9 million for its

telecommunication system (estimated project cost is \$5.175 million); and to hire BlackRock Financial Management as the fixed income manager. She noted that Mr. Stern of Wilshire Associates had contacted representatives of the firms that were finalists in the selection of a fixed income manager to determine their fee schedules. Based on the information received by Mr. Stern, she said the members of the Banking Committee recommended hiring BlackRock Financial Management.

MOTION: Regent Kennedy moved to accept the report of the Banking Committee, approve the master lease financing for the UNI telecommunication system (UNI), approve an addendum to the financial advisor contract with Springsted, Inc., and approve the selection of BlackRock Financial Management as a fixed income manager. Regent Lande seconded the motion, and upon the roll being called, the following voted:
AYE: Arenson, Dorr, Kennedy, Lande, Mahood, Newlin, Pellett, Smith, Tyrrell.
NAY: None.
ABSENT: None.

MOTION CARRIED UNANIMOUSLY.

Regent Kennedy stated that the Priority Issue Study Group on Risk Management met briefly the previous day. The group recommended setting the deductible for property insurance at \$2 million for the universities and \$1 million for the special schools, subject to a satisfactory meeting with State Auditor Johnson.

MOTION: Regent Kennedy moved to accept the report of the Priority Issue Study Group on Risk Management and approve a reduction in the deductible for property insurance for university academic/ general funded buildings to \$2 million for the universities and \$1 million for the special schools, subject to an agreement on risk management issues being reached with the State Auditor. Regent Smith seconded the motion, and upon the roll being called, the following voted:
AYE: Arenson, Dorr, Kennedy, Lande, Mahood, Newlin, Pellett, Smith, Tyrrell.
NAY: None.
ABSENT: None.

MOTION CARRIED UNANIMOUSLY.

GOVERNANCE REPORT ON FRINGE BENEFITS FOR EMPLOYEES. The Board Office recommended the Board receive the annual governance report of fringe benefits for employees for fiscal year 1996.

Total employer cost of insurance and retirement programs at the five Regent institutions and the Board Office was \$214 million (all funds) for fiscal year 1996. This was an increase of about four percent over the previous year.

The report details the cost of sick and vacation leave used by employees of the Board of Regents in fiscal year 1996. (The University of Northern Iowa was unable to provide leave usage data due to computer programming difficulties.) The cost of sick leave (1.0 million hours) used in fiscal year 1996 by employees of the Board of Regents was \$15.2 million.

The cost of vacation leave (2.5 million hours) used in fiscal year 1996 by employees of the Board of Regents was \$48.4 million.

TOTAL FISCAL YEAR 1996 COSTS

Total employer costs for specific programs for fiscal year 1996 were as follows:

Retirement Plans:	
Social Security	\$ 61,114,125
TIAA/CREF	79,876,696
Substitute Plans	307,501
IPERS	1,894,594
Federal	1,247,446
TIAA/CREF Waiver of Premium	1,495,885
Unemployment Compensation	418,262
Workers Compensation	1,718,204
Health Insurance	54,816,753
Life Insurance	5,470,014
Long-term Disability Insurance	5,866,463
Accidental Death and Dismemberment	484,641
Dental Insurance	3,296,987
TOTAL	218,007,571
Less interest received on cash reserves maintained by carriers	3,535,124
TOTAL	\$214,472,447

Costs for major components of insurance and retirement programs are:

Retirement programs -- \$144.4 million

Life Insurance, Long-Term Disability, and
Accidental Death, TIAA/CREF waiver -- \$13.3 million

Health and dental insurance costs are significant expenditures with both employer and the employee paying a share of the premiums. Employer and employee costs for health and dental insurance for fiscal year 1996 were:

	HEALTH	DENTAL
Employer	\$54.8 million	\$3.3 million
Employee	\$15.2 million	\$1.7 million
Total cost	\$70.0 million	\$5.0 million

The detailed report is on file in the Board of Regents Office.

Regent Dorr asked if any progress had been made in discussions with retiring employees who wished to roll over their TIAA-CREF accumulations into their own IRAs. Mr. Richey responded that the Board had adopted an interim early retirement incentive policy at the University of Iowa which allowed for TIAA-CREF cashability under TIAA-CREF rules. There has not yet been a report on the response to that opportunity at the University of Iowa. He said the Board has previously approved the withdrawal of up to one-third of the funds accumulated in CREF upon retirement.

Regent Dorr said it appeared that there was still a fair amount of controversy about the issue. Are there any plans to review the matter? He continually receives letters from employees requesting the opportunity to move their funds into a different account.

Mr. Richey responded that considering the number of Regent employees, the Regents receive very few requests to move retirement funds. He stated that the Board Office has expressed to the Board a significant amount of concern about what a change in the policy might do to the integrity of the Regents' retirement program. He said a lump sum pay out is not an annuity program.

Regent Lande asked if any thought had been given to reporting the fringe benefit cost as a percentage of base pay instead of as a percentage of payroll. Mr. Richey responded that the Board Office would provide that type of information in the next fringe benefits report.

Vice President Madden stated that at Iowa State University employees are provided a summary statement twice each year. The information is very detailed and summarizes the actual participation of each personnel in fringe benefit programs and the costs of such. University officials try to educate staff about the value of their benefits.

Associate Vice President Small stated that at the University of Iowa employees are provided with information about the university contribution for each benefit every month in their paycheck.

Vice President Conner stated that the University of Northern Iowa practice of employee notification of university cost for fringe benefits is similar to what was described for Iowa State University. That type of information is provided with the salary change notification.

ACTION: President Newlin stated the Board received the annual governance report of fringe benefits for employees for fiscal year 1996, by general consent.

NEW MERIT SYSTEM CLASSIFICATIONS. The Board Office recommended the Board approve the classifications of HELPER and CLERICAL HELPER in pay grade 101 (\$5.91 per hour) for temporary and emergency use (less than 780 hours per fiscal year).

The institutions currently use Clerk I (in pay grade 503 -- \$7.10 per hour) and Laborer (in pay grade 203 -- \$7.71 per hour) for temporary appointments. These temporary employees for the most part provide assistance during camps, workshops, conferences and other special events and projects. The classifications of Clerk I and Laborer exceed the work performed by individuals in these temporary capacities, but no other appropriate classifications currently exist in the Regents Merit System.

The classifications would be in pay grade 101 -- \$5.91 per hour. The Clerical Helper classification would be used to provide temporary clerical assistance such as making copies and registering attendees at conferences. The Helper classification would assist permanent staff in setting up for special events and with other special short-term projects.

The proposed classes due to their pay grade and temporary use would be outside of AFSCME bargaining units. The AFSCME agreement covers employees who work in excess of 780 hours per fiscal year.

Based on fiscal year 1996 usage of temporary help, the institutions estimated that approximately \$75,000 would have been saved had the proposed classifications been in place. About 90 percent of the estimated savings would have been from nonappropriated funds.

MOTION: Regent Smith moved to approve the classifications of HELPER and CLERICAL HELPER in pay grade 101 (\$5.91 per hour) for temporary and emergency use (less than 780 hours per fiscal year). Regent Arenson seconded the motion. MOTION CARRIED UNANIMOUSLY.

BOARD OFFICE PERSONNEL TRANSACTIONS. The Board Office recommended the Board (1) ratify the register of personnel transactions as presented follows and (2) add TERM APPOINTMENT to the Board Office Professional and Scientific Policy Manual.

Appointment: Rebecca Stadlman as Director of Human Resources for a two-year term beginning December 2, 1996, and extending through November 30, 1998, at an annual salary of \$70,000 plus the usual fringe benefits.

Revise Board Office Professional and Scientific Policy Manual to include TERM APPOINTMENT as follows (revisions underlined):

All staff appointments will be made on a regular, term, or temporary basis. Regular appointments imply a commitment for continuous employment, subject to the other provisions of these policies. Term appointments may be for a specified period of time, not to exceed three years, and may be renewed for up to an additional three years.

Regent Pellett asked for an explanation of term appointment. Mr. Richey responded that in this instance, with his retirement scheduled for June 30, 1998, he decided to make the appointment of the Director of Human Resources a term appointment to allow the Board and the new Executive Director an opportunity to review the appointment.

MOTION: Regent Arenson moved to (1) ratify the register of personnel transactions as presented follows and (2) add TERM APPOINTMENT to the Board Office Professional and Scientific Policy Manual. Regent Pellett seconded the motion. MOTION CARRIED UNANIMOUSLY.

RESIDENCY APPEAL. The Board Office recommended the Board disapprove the request for residency appeal.

A student from Iowa State University appealed to the Board of Regents a decision by the university to deny residency status for purposes of tuition.

The Regent Residency Appeal Committee composed of the three Vice Presidents/ Dean of Students reviewed this request and recommended that the Board deny this appeal.

The review of the materials submitted by the appellant by the Committee and the Board Office indicated that there was no compelling evidence of residency.

MOTION: Regent Lande moved to disapprove the request for residency appeal. Regent Smith seconded the motion. MOTION CARRIED UNANIMOUSLY.

HARTVIG J. AND ALMA O. HARTVIGSEN STUDENT LOAN FUND. The Board Office recommended the Board (1) pursuant to Iowa Code Chapter 262.9, subsection 7 accept, in trust, funds from the Hartvig J. and Alma O. Hartvigsen trusts and delegate administration of the trust to the Iowa State University Foundation; (2) pursuant to the terms of the trust agreement, request that the Iowa State University Foundation establish the "Hartvig J. and Alma O. Hartvigsen Student Loan Fund" to be used for the granting of loans to public high school graduates of Audubon County, Iowa, attending the University of Iowa and Iowa State University; and (3) request that the financial aid officers of the University of Iowa and Iowa State University develop guidelines for distribution of the income from the Student Loan Fund and provide a report to the Board Office and the Iowa State University Foundation.

The Iowa Board of Regents is the beneficiary of trusts established in 1982 by Hartvig J. Hartvigsen and Alma Ovidia Hartvigsen. The value of the Regents' share of the trusts is slightly less than \$1 million.

Under terms of the Hartvigsens' trusts, the funds are to be held as an educational or charitable trust, to be known as the "Hartvig J. and Alma O. Hartvigsen Student Loan Fund" (the Student Loan Fund).

The property of the Student Loan Fund is to be held, managed, invested and reinvested by the Regents; however, the Regents may delegate this duty such as to the Iowa State University Achievement Fund or to the State University of Iowa Foundation. The Board Office and the institutions recommended delegation of this authority to the Iowa State University Foundation, which will establish the "Hartvig J. and Alma O. Hartvigsen Student Loan Fund."

The trust agreements specify how the net income and principal are to be distributed.

Since students from more than one institution will be eligible for the loans and since preferences for award are detailed in the Hartvigsen trust agreements, the Board Office recommended that the financial aid officers of the University of Iowa and Iowa State University develop guidelines for distribution of the income of the Student Loan Fund to ensure that the terms of the trust agreements are met.

The principal of the Student Loan Fund is to be held by the Regents or its delegate until such time as the Regents determine that all or any part of the income of the Fund can no longer be utilized for its intended purpose. At that time, any part of the principal of the Student Loan Fund may, at the sole discretion of the Regents, be used in whatever manner the Regents deem to most closely carry out the intentions of Mr. and Mrs. Hartvigsen.

The Hartvigsens desired that the Regents use an investment policy in investing the principal and any accumulated income of the Student Loan Fund not being used for student loans to provide reasonable current income with reasonable capital appreciation in order to at least partially protect the Fund against inflation.

Mr. and Mrs. Hartvigsen were born in Audubon County, Iowa. They farmed and raised cattle outside of Lee's Summit, Missouri, for a number of years before moving to Harlan, Iowa, in 1985.

The generosity of the Hartvigsens is most appreciated.

MOTION:

Regent Dorr moved (1) pursuant to Iowa Code Chapter 262.9, subsection 7 accept, in trust, funds from the Hartvig J. and Alma O. Hartvigsen trusts and delegate administration of the trust to the Iowa State University Foundation; (2) pursuant to the terms of the trust agreement, request that the Iowa State University Foundation establish the "Hartvig J. and Alma O. Hartvigsen Student Loan Fund" to be used for the granting of loans to public high school graduates of Audubon County, Iowa, attending the University of Iowa and Iowa State University; and (3) request that the financial aid officers of the University of Iowa and Iowa State University develop guidelines for distribution of the income from the Student Loan Fund and provide a report to the Board Office and the Iowa State University Foundation. Regent Kennedy seconded the motion. MOTION CARRIED UNANIMOUSLY.

PUDIL TRUST SCHOLARSHIP FUND. The Board Office recommended the Board (1) pursuant to Iowa Code Chapter 262.9, subsection 7 accept, in trust, proceeds from the sale of real estate owned by Fern Pudil and delegate administration and investment of the trust to the University of Iowa; (2) authorize the University of Iowa to establish the "Pudil Trust Scholarship Fund" and to distribute equally among the three universities on an annual basis income from the trust to be used for scholarships for students studying the areas of wildlife conservation or environmental management.

Fern C. Pudil of Charles City, Floyd County, Iowa, bequeathed to the Board of Regents the proceeds from the sale of any real estate which she owned. A house and the land on which it sits in Charles City have been sold; the sale price was \$60,000.

Under provisions of Ms. Pudil's will, the proceeds from the sale are to be used to establish the "Pudil Trust Scholarship Fund"; the scholarship funds are to be awarded to students studying the areas of wildlife conservation or environmental management at the University of Iowa, Iowa State University or the University of Northern Iowa.

Only income from the trust may be used for scholarship purposes. The principal is to be retained and invested; income which is not distributed in any year is to become part of the principal.

The Board Office recommended that administration and investment of the "Pudil Trust Scholarship Fund" be delegated to the University of Iowa. The University of Iowa will distribute equally among the three Regents' institutions on an annual basis income from the trust to be used for scholarships during that year as specified in the will.

The generosity of Fern Pudil is much appreciated.

MOTION: Regent Dorr moved (1) pursuant to Iowa Code Chapter 262.9, subsection 7 accept, in trust, proceeds from the sale of real estate owned by Fern Pudil and delegate administration and investment of the trust to the University of Iowa; (2) authorize the University of Iowa to establish the "Pudil Trust Scholarship Fund" and to distribute equally among the three universities on an annual basis income from the trust to be used for scholarships for students studying the areas of wildlife conservation or environmental management. Regent Mahood seconded the motion. MOTION CARRIED UNANIMOUSLY.

VENDORS WITH POTENTIAL CONFLICT OF INTEREST. The Board Office recommended the Board approve the request from Iowa State University to add the names of Dr. Arvid E. Osterberg and Bonnie Trede to the list of approved vendors with potential conflicts of interest.

Iowa State University officials requested that Dr. Arvid E. Osterberg, and Bonnie Trede be added to the list of approved vendors with potential conflicts of interest.

Dr. Osterberg is an independent architectural consultant and a Professor of Architecture in the College of Design at Iowa State University. Dr. Osterberg wishes to provide consulting services to Iowa State University which include building evaluations and

assessments addressing such issues as preservation, conservation, restoration, accessibility, safety, maintenance, and improvement. Dr. Osterberg has no influence on decisions to initiate or issue contracts for such services for any department and/or the university; the decision-making authority rests solely with the Physical Planning Department.

Bonnie Trede operates a home-based data entry business; her husband, Larry D. Trede, is an Associate Professor of Agriculture Education in the College of Agriculture at Iowa State University. Ms. Trede wishes to provide data input services for the co-directors of the School Improvement Model (SIM) project in the College of Education at Iowa State University. Ms. Trede states that her husband's position in the College of Agriculture does not create a conflict of interest, since he has no influence over projects in the College of Education.

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

Regent Lande asked if Dr. Osterberg is a full-time professor. Vice President Madden responded that Dr. Osterberg is a 9-month faculty member; therefore, he engages in outside opportunities in the summer.

MOTION:

Regent Kennedy moved to approve the request from Iowa State University to add the names of Dr. Arvid E. Osterberg and Bonnie Trede to the list of approved vendors with potential conflicts of interest. Regent Mahood seconded the motion, and upon the roll being called, the following voted:
AYE: Arenson, Dorr, Kennedy, Lande, Mahood, Newlin, Pellett, Smith, Tyrrell.

NAY: None.
ABSENT: None.

MOTION CARRIED UNANIMOUSLY.

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

Anticipated expenditures are projected to be very close to the budgeted amount for fiscal year 1997.

ACTION: This report was received by consent.

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

December 17, 1996	Hotel Fort Des Moines	Des Moines
January 15-16, 1997	Board of Regents Retreat	West Des Moines
February 19-20	University of Iowa	Iowa City
March 19-20	Iowa State University	Ames
April 15	Iowa Braille and Sight Saving School	Vinton
April 16	University of Northern Iowa	Cedar Falls
May 21-22	Iowa School for the Deaf	Council Bluffs
June 18-19	Lakeside Laboratory	Okoboji
July 22-23	Iowa State University	Ames
September 10-11	University of Northern Iowa	Cedar Falls
October 15-16	University of Iowa	Iowa City
November 18-19	Iowa State University	Ames
December 17-18	(To be determined)	Des Moines

The December meeting of the Board of Regents will be held at the Hotel Fort Des Moines, Des Moines, Iowa.

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

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

STATE UNIVERSITY OF IOWA

The following business pertaining to the State University of Iowa was transacted on Wednesday and Thursday, November 20 and 21, 1996.

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

Register of Personnel Changes for September 1996.

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

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office recommended (1) that the Register of Capital Improvement Business Transactions for the University of Iowa be approved and (2) that the university be authorized to raze the building located at 1 West Prentiss Street, Iowa City, Iowa.

PERMISSION TO PROCEED WITH PROJECT PLANNING

Bowen Science Building--Remodeling for Physiology and Pharmacology

University officials requested permission to proceed with project planning to remodel a portion of the Bowen Science Building for the Departments of Physiology and Pharmacology. The remodeling work for the Departments of Physiology and Pharmacology will comprise approximately one-half of the area of the Bowen Science Building to be renovated under the plan. Remodeling for the Department of Physiology will encompass 19,150 net square feet on the fifth floor and 14,635 net square feet on the sixth floor of the building. Remodeling for the Department of Pharmacology will take place in 1,155 net square feet on the first floor and 34,245 net square feet on the second floor of the building. The remodeling for both departments will be carried out in a series of phased projects using as a successful model the recently completed Microbiology Laboratory renovation program.

The cost of the project is estimated to be \$6 million with the costs to be divided evenly between the two departments. Funding will be identified as part of the Capital Plan for the Health Sciences Campus.

Remodel Pre-Clinical Teaching Laboratory Complex--Dental Science Building

The Dental Science Building was constructed in 1973 and equipped with then state-of-the-art equipment supporting a new innovative curriculum design. No major renovation of the teaching laboratories in the facility has occurred since that time. The pre-doctoral teaching laboratories no longer provide facility support for a technically modern curriculum. Due to the obsolescence of the existing facilities and advances in technology, the College of Dentistry plans to upgrade its pre-clinical teaching laboratories to incorporate patient simulation into the dental curriculum.

New dental educational technologies provide an opportunity to improve the methods used to teach dental students. The new technologies, which combine lifelike mannequins with computer technology, will allow students to gain a significantly higher level of technical and treatment expertise during their first two years of dental school (the pre-clinical period) before their first real patient experiences.

The College of Dentistry proposed to renovate the two existing pre-clinical teaching laboratories into a Simulation Clinic/Laboratory and a Bench Laboratory. The Simulation Clinic/Laboratory will provide students with interactive computer capabilities to analyze, diagnose and simulate the treatment of dental disease on lifelike mannequins. The Bench Laboratory will provide facilities supporting traditional instruction in dental prosthodontics and use of dental materials.

Since a high proportion of the work will consist of the acquisition of instructional equipment and casework, university officials proposed to use staff architects to provide the architectural design, and staff mechanical engineers for the mechanical work (depending on workload). The university plans to retain an engineer for the electrical work.

The university's initial estimate of the total project cost is \$2.4 million. This estimate includes the specialized equipment to be installed in addition to construction costs. The project will be funded by a combination of gifts to the university, tuition surcharges and other university contributions.

APPROVAL OF PROGRAM STATEMENTS AND DESIGN DOCUMENTS

National Advanced Driving Simulator

The National Advanced Driving Simulator is designed to conduct state-of-the-art research on the interaction between driving behavior, motor vehicle performance and highway conditions. There are more than 40,000 motor vehicle deaths and 1 million reportable injuries per year.

This \$46 million project was awarded by the National Highway Traffic Safety Administration after a National Science Foundation competition. In advance of its application, the University of Iowa sought and received commitments by the state to support costs of constructing the building if the grant application was successful.

The project cost estimate for the facility alone, including the concrete motion base, is \$5.7 million. This cost estimate does not include the costs of the driving simulator, hexapod, controls, or computers being designed and fabricated by TRW Integrated Engineering Division under contract from the National Highway Traffic Safety Administration.

In June 1996 the university received approval of an agreement with Neumann Monson to provide design services for the development of the National Advanced Driving Simulator to be constructed at the Oakdale Research Park. University officials presented the program statement and schematic design for Board approval.

The project will consist of construction of a one-story office area containing approximately 20,500 gross square feet of space. This area will be wrapped around a 40 foot high, 13,100 gross square foot space that will contain the motion base and simulator module. Mechanical/electrical spaces below the office area add 4,200 gross square feet, resulting in a total area of 37,800 gross square feet.

The building will be located on Lot 20 of the Oakdale Research Park just to the south of the existing microwave tower and just north of Oakdale Boulevard currently under construction. The building will be constructed on a concrete foundation with a metal clad steel frame structure. The project will include the extension of utilities to the building and the development of the site.

Kevin Monson of Neumann Monson presented the Regents with information concerning the schematic design of the facility. He noted that this was a one-of-a-kind facility in the world.

Biological Sciences Renovation/Replacement

University officials presented the program statement and schematic design for the total project and design documents for Phase 1 of the project. The schematic design report

included a summary of the program for the entire project and schematic designs for the Phase I components.

The project will renovate the Biology Complex which includes Old Biology and the Annex both constructed in 1902, Biology I constructed in 1963, and Biology II constructed in 1969; and provide for construction of a new building. Many areas of the existing buildings remain unchanged since their construction and do not meet the needs of modern science programs.

Construction of the new facility will enable the phasing of the renovation work to take place in a timely manner and allow for the consolidation of the Biological Sciences Department at one location at the completion of the project. The Biological Sciences Department was created by merging the former Biology and Botany Departments. Currently, the biologists are housed in the Biology Building and Biology Annex and the botanists are located in the Chemistry Building, three to four blocks away.

The project consists of two phases. Phase 1 includes construction of a 55,000 gross square foot new building and remodeling of the Annex. Phase 2 of the project includes work in Old Biology and Biology I and II. Old Biology will be extensively remodeled and work in Biology Buildings I and II will resolve fire code and life safety deficiencies and upgrade mechanical and electrical systems. Phase 2 work cannot begin until Phase 1 is completed and the new space occupied.

The following is a program summary of the project:

PHASE I

New Building

Teaching Facilities	8,690 NASF	*
Research Facilities	15,125 NASF	
Departmental Facilities	4,335 NASF	
Greenhouse	5,820 NASF	
Total Net Square Feet	33,970 NASF	
Net to Gross Ratio	60%	
Total Gross Square Feet	55,617 GSF	**

Biology Annex

Library	5,550 NASF
Net to Gross Ratio	54%
Total Gross Square Feet	10,250 GSF

PHASE 2

Old Biology

Teaching Facilities	1,045 NASF
Research Facilities	13,955 NASF
Departmental Facilities	390 NASF
Total Net Square Feet	15,390 NASF
Net to Gross Ratio	64%
Total Gross Square Feet	24,430 GSF

Biology I and II

Renovation	76,000 GSF
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* net assignable square feet

** gross square feet

The estimated cost for Phase 1 of the project is \$17,710,000. The 1996 General Assembly authorized funding for Phase 1 in the amount of \$14,900,000. A portion of the university's FY 1996 capital appropriation was used for planning the project. The university plans to utilize institutional funds and private gifts and grants to provide the additional funding needed for this phase of the project.

The current estimated cost for the Phase 2 work is \$13,151,250. The Board's FY 2000 capital request includes \$12,402,000 for this phase of the project.

Bill Anderson of Brooks Borg and Skiles presented the Regents with information on the project design. He noted that the efficiency of the building was 60 percent net to gross.

Regent Dorr asked whether 60 percent efficiency was commonly accepted as being a good figure. Mr. Anderson responded that 60 percent efficiency was good for a laboratory building, especially one of this size.

Regent Lande referred to the Pappajohn Business Administration Building which was recently constructed. He said he was struck by how very much it looks at home with Macbride Hall, Shaffer Hall and Old Capitol although it was just built. He expressed concern that the proposed architecture of the biological sciences project did not seem to fit in well with its surroundings.

Mr. Anderson stated that the building was designed to reflect the research taking place inside of it. They were not trying to copy the style of another building.

Regent Lande said he was struck by the heavy use of glass. He failed to see how the glass ties to the Pentacrest area. Mr. Anderson said he appreciated that observation, noting that it points to advantages and disadvantages of the medium they used for the design presentation (computer imaging).

Regent Dorr questioned whether the Regents have any kind of architectural policy. He said Regent Lande had raised an interesting question. Rather than building completely different buildings, should they maintain some kind of architectural integrity?

Mr. Gibson stated that in the case of the Pappajohn Business Administration Building, there was a very deliberate attempt to be respectful of the Pentacrest area. As buildings are designed, university officials strive to adhere to the environment where a building will be located. He said it is virtually impossible to replicate turn-of-the-century buildings. Normally when a project is brought to the Board, most of the factors which they were now discussing had been considered and addressed.

President Coleman referred to Regent Lande's comment about the amount of glass on the building, and said she was assured by the architects that they are still at the schematic design phase. The architects are aware of her concern about the glass, also.

Regent Kennedy said she understood that the functions within the various buildings on campus are different. She referred to Regent Dorr's question about architectural policy and asked if there was any plan or philosophy about what the campuses will look like over a period of 100 years.

Regent Lande urged officials of each of the institutions to think about this discussion. He said he was struck some years ago when he went through the parade of campuses with his children. The schools in which there was a theme -- red brick or gray limestone -- seemed to have some advantages.

Mr. Gibson stated that university officials were listening to the Regents. He said they are constantly aware of the issues which the Regents were mentioning. He noted that university officials inherited the campuses 99 percent built. Also, 1990s buildings have to meet different functional needs than buildings built in earlier decades.

Regent Tyrrell stated that at the time the building designed by Frank Gehry (Iowa Advanced Technology Laboratories) was built, it was felt that it pulled together all the elements of the surrounding campus. The Des Moines Register commended it as being the most exciting building built on campus in 50 years. The Regents had considerable debate when the "Gehry" building was built. He stated that there is a certain moving ahead and leadership in architecture that universities are supposed to exhibit.

PROJECT DESCRIPTIONS AND BUDGETS

National Advanced Driving Simulator \$ 5,700,000

Preliminary Budget

Construction		\$ 4,500,000
Design, Inspection and Administration		
Consultant	\$ 460,500	
Other Costs	<u>186,000</u>	
		\$ 646,500
Art in State Buildings		28,500
Furniture and Equipment		200,000
Contingencies		<u>325,000</u>
TOTAL		<u>\$ 5,700,000</u>

Source of Funds:

Special Purpose Appropriations (capital component)		
FY 1996	\$ 311,700	
FY 1997	<u>350,000</u>	
		\$ 661,700
Capital Appropriations, FY 1997 - FY 1999, authorized by the 1996 General Assembly		\$
4,300,000		
FY 1998 Special Purpose Appropriation Request (capital component)		<u>738,300</u>
TOTAL		<u>\$ 5,700,000</u>

University officials requested approval of the project budget, which includes funding from state appropriations.

Biological Sciences Renovation/Replacement--Phase I \$17,710,000

Preliminary Budget

Construction		
New Building and Skywalk	\$ 11,305,000	
Renovate Annex	1,800,000	
Utility Extensions	375,000	
Asbestos Abatement	20,000	
Telecommunications	<u>35,000</u>	
		\$ 13,535,000
Design, Inspection and Administration		
Consultant	\$ 1,481,500	
Other Costs	<u>460,000</u>	
		\$ 1,941,500
Equipment Allowance and Moving		835,000
Art in State Buildings		88,500
Contingencies		<u>1,310,000</u>
TOTAL		<u>\$ 17,710,000</u>

Source of Funds:

Capital Appropriations		
FY 1996	\$ 550,000	
FY 1997	<u>14,900,000</u>	
		\$ 15,450,000
Income from Treasurer's Temporary Investments or Building Renewal Funds		1,260,000
Gifts and Grants		<u>1,000,000</u>
TOTAL		<u>\$ 17,710,000</u>

University officials requested approval of the project budget. The project will be funded by capital appropriations, Income from Treasurer's Temporary Investments or Building Renewal funds, and gift and grants.

The new building will be constructed on a presently vacant lot at the corner of Iowa Avenue and Dubuque Street just east of the existing Biological Sciences complex. The new facility, which will be connected to Biology II by a pedestrian bridge at the buildings' second levels, will have three floors with a partial basement and a fourth floor greenhouse and mechanical space. The new building will contain 56,617 gross square feet and

33,970 net square feet for a net-to-gross ratio of 60 percent. The lower floor will contain an auditorium to replace the one that will be lost with the remodeling of Old Biology, and four undergraduate teaching laboratories and support space. The second and third floors will consist of research laboratories and support space and faculty offices. The present plans are to clad the building in limestone with painted metal panels.

The three story Annex building will be extensively remodeled to house the Biology library which will be relocated from Old Biology. The remodeled building, which will include all new building support systems, will house 86 user stations, stacks, support space, and a small classroom. The Annex contains 10,250 gross square feet and 5,550 net square feet.

Power Plant--Demolish East Stack \$800,000
Source of Funds: Utility Enterprise Improvement and Replacement Funds

Preliminary Budget

Construction	\$ 675,000
Design, Inspection and Administration	57,500
Contingencies	<u>67,500</u>
TOTAL	<u>\$ 800,000</u>

University officials requested approval of a project description and budget to demolish the east stack of the university power plant. In the early-1990s the university commissioned an in-depth review of the condition of the east stack by the firm of Wiss, Janney, Elstner of Chicago, Illinois. The report on the 70-year-old, 210 foot concrete stack indicated that the concrete and reinforcing were rapidly deteriorating. It was recommended that the university continue to monitor the condition of the stack. An additional report this year notes that the stack has reached the end of its useful life and university officials recommended demolition of the stack as quickly as possible. Asbestos containing materials are present in the stack and appropriate abatement procedures will be used during the demolition process.

The east stack serves the two oldest boilers in the power plant. These boilers have received minimal use since the installation and operation of Boiler #11. Removal of the east stack will result in the decommissioning of these boilers.

University Hospitals and Clinics--Electronic Lighting
Ballast Installation \$796,000

Source of Funds: University Hospitals Building Usage Funds

Preliminary Budget

Construction	\$ 636,000
Architectural/Engineering Support	64,000
Planning and Supervision	32,000
Contingencies	<u>64,000</u>

TOTAL \$ 796,000

University officials requested approval of a project description and budget to install new electronic solid state ballasts to replace the existing electro-magnetic ballasts in over 40,000 fluorescent light fixtures. The project will also include modifications to the fixtures to accept new generation T-8 fluorescent lamps mandated by the Environmental Protection Agency. Installation of the electronic ballasts will result in higher reliability and efficiency and lower energy consumption. In addition, the electronic ballasts will be integrated into the University Hospitals building automation system for more efficient lighting control.

University Hospitals and Clinics--Installation of Addressable
Fire Alarm Systems--Phase A \$795,000

Source of Funds: University Hospitals Building Usage Funds

Preliminary Budget

Construction	\$ 636,000
Architectural/Engineering Support	63,600
Planning and Supervision	31,800
Contingencies	<u>63,600</u>

TOTAL \$ 795,000

University officials requested approval of a project description and budget for the first phase of a three-phase project to replace the current fire detection/warning systems with a state-of-the-art addressable system. The current fire alarm systems are nearing obsolescence, have reduced reliability and require increased maintenance.

Installation of this addressable fire alarm system will enhance fire safety, provide compliance with current fire safety codes, reduce maintenance and false alarms, and

provide improved system reliability. The project includes installation of a base system in each building consisting of the central processing unit, fire command center, printers, area panels, alarm system risers and selected detection devices.

East Campus Chilled Water System--Biology Building Extension \$744,000
Source of Funds: Utility Enterprise Improvement and Replacement Funds

Preliminary Budget

Construction	\$ 595,000
Design, Inspection and Administration	89,500
Contingencies	<u>59,500</u>
TOTAL	<u>\$ 744,000</u>

University officials requested approval of the project description and budget. The project will consist of the installation of a pair of 18 inch chilled water lines along the south side of Jefferson Street (from Capitol Street to Dubuque Street) and along Dubuque Street between Jefferson Street and Iowa Avenue. Piping will be provided to serve the existing Biology Building, the new Biology addition, and a future connection to Van Allen Hall. The project will also provide for the replacement of a deteriorated domestic water line located under Dubuque Street.

University Hospitals and Clinics--Off-Hour Lighting Shutdown-- \$450,000
Phase A
Source of Funds: University Hospitals Building Usage Funds

Preliminary Budget

Construction	\$ 360,000
Architectural/Engineering Support	36,000
Planning and Supervision	18,000
Contingencies	<u>36,000</u>
TOTAL	<u>\$ 450,000</u>

University officials requested approval of a project description and budget for the first phase of a multi-phased project to provide an off-hour lighting shutdown lighting system for University Hospitals. The project will include installation of ambient light sensors, occupancy sensors and timers, and a centralized control system to monitor lighting levels and adjust the lamp output to match the needs of the occupants. A portion of these sensors are capable of switching off unnecessary lights in unoccupied areas and

other electrically powered devices, minimizing energy consumption. Timing devices will adjust the lighting levels to optimum required levels depending on the time of the day. Override provisions will be made to meet any emergency situations. The system is comprised of sensors, control devices and a personal computer based centralized control system.

* * * * *

University officials presented nine project budgets with budgets of less than \$250,000. Included was the following project to raze a university building in accordance with Chapter 7.11 of the Board of Regents Procedural Guide which requires Board approval to dispose of any real property valued in excess of \$1,000.

1 West Prentiss Street--Raze Building \$58,000
Source of Funds: Income from Treasurer's Temporary Investments

Preliminary Budget

Construction	\$ 44,200
Design, Inspection and Administration	9,130
Contingencies	<u>4,670</u>
TOTAL	<u>\$ 58,000</u>

University officials requested approval of a project description and budget in the amount of \$58,000 to raze Building #402 located at 1 West Prentiss Street in Iowa City. The building was acquired by the university in 1985 to obtain the site for long-term purposes consistent with the university's Campus Planning Framework. Since 1986 the building has been utilized as space for faculty art studios. Although the building has served well in this capacity, more intensive use by other units would require extensive and impractical renovation and repair. With the relocation of the School of Art faculty to new facilities at the Oakdale Research Campus, it is now possible to raze the building.

Iowa Advanced Technology Laboratories--Construct
Laboratory in E121

Original Budget \$917,000
Revised Budget \$1,160,000

Source of Funds: Building Renewal Funds

Project Budget

	Original Budget <u>May 1996</u>	Revised Budget <u>Nov. 1996</u>
Construction	\$ 723,000	\$ 959,000
Design, Inspection and Administration	121,200	153,500
Contingencies	<u>72,800</u>	<u>47,500</u>
TOTAL	<u>\$ 917,000</u>	<u>\$ 1,160,000</u>

University officials requested approval of a revised project budget in the amount of \$1,160,000, an increase of \$243,000, to allow award of the construction contract.

Four bids were received for this project on October 24, 1996. All of the bids exceeded the engineering estimate of \$578,000 by at least 18.9 percent and had a range of approximately 6.2 percent. University officials attribute the low estimate to the underestimation of the complexity and highly technical and specialized nature of the project. More costly specifications were progressively revealed as the project design neared completion; this resulted in design changes prior to the bid opening and increased design and construction administration costs.

University officials believe the bids are a fair representation of the work and therefore requests approval of the revised project budget in the amount of \$1,160,000 to allow award of the contract to the low bidder in the amount of \$692,000. The revised budget will also provide for additional project components excluded from the proposed contract including upgraded humidity control, casework, fumehoods and nitrogen piping.

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ARCHITECT/ENGINEER AGREEMENTS

Capital Plan for the Health Sciences Campus, Related Medical Education and Biomedical Research Facility

University officials presented the following architect/engineer agreements for several individual projects.

Medical Education and Biomedical Research Facility \$3,750,700
Payette Associates, Boston, MA

The agreement provides for full services through construction documents. This will include construction services for the new facility, programming and schematic design services for the renovation of Bowen Science Building Auditoria I and II, and schematic design services for total health sciences campus landscaping.

The agreement provides for a fee of \$3,750,700 (including \$554,600 for reimbursables) as follows:

- Compensation for the Medical Education and Biomedical Research Facility will be a fixed fee of \$3,637,000 which includes \$543,000 for reimbursable expenses;
- Compensation for Bowen Science Building Auditoria I and II will be \$46,600, which consists of an amount not to exceed \$21,000 for programming, a fixed fee of \$22,100 for schematic design, and \$3,500 for reimbursables;
- Compensation for the Health Science Campus--Surface and Landscaping Improvements will be an amount not to exceed \$67,100 for the schematic design, which includes \$8,100 for reimbursables.

Health Science Campus--Utility Relocation \$65,000
Stanley Consultants, Muscatine, Iowa

University officials requested approval to enter into an agreement with Stanley Consultants to provide design services for utility relocations at the Health Science Campus. Following permission to proceed in May 1996 the university interviewed four firms to provide design services for this project. University officials recommended the selection of Stanley Consultants to provide conceptual design services based on the firm's established record on many other university projects and its familiarity with existing utilities.

The agreement provides for a fee of \$65,000, including reimbursables. This includes a \$10,000 contingency (and \$5,000 in additional reimbursables) which will provide for the expansion of the scope of services if necessary. This will allow the university to address any unanticipated findings in the underground utilities in this area once the project begins.

Health Sciences Campus--Chilled Water Plant \$51,500
Burns and McDonnell Engineers, Kansas City, MO

University officials requested approval to enter into an agreement with Burns and McDonnell to provide design services for the chilled water plant at the Health Science Campus. Following permission to proceed in May 1996 the university interviewed four firms to provide design services for this project. The university recommends the selection of Burns and McDonnell to provide conceptual design services based on the firm's experience with chilled water plants.

The agreement provides for a fee of \$51,500, including reimbursables.

Health Sciences Campus--Newton Road Relocation \$23,000
Shive-Hattery, Iowa City, Iowa

University officials requested approval to enter into an agreement with Shive-Hattery to provide design services for the relocation of Newton Road. The firm was selected based on its established record of performance on previous Newton Road projects, its status as an approved Department of Transportation consultant, and its familiarity with the process.

The agreement provides for a fee of \$23,000, including reimbursables.

East Campus Chilled Water System--Biology Building Extension \$53,040
Shive-Hattery, Iowa City, Iowa

University off presented a negotiated agreement for Board approval. The agreement provides for a fee of \$53,040, including reimbursables.

Power Plant--Demolish East Stack \$38,986
Shive-Hattery, Iowa City, Iowa

University officials requested approval to enter into an agreement with Shive-Hattery for the demolition of the east stack of the power plant. The agreement provides for a fee of \$38,986, including reimbursables.

Amendments:

Schaeffer Hall--Remodeling and Renewal
\$20,000

Amendment #3

Herbert Lewis Kruse Blunck, Des Moines, Iowa

University officials requested approval of Amendment #3 in the amount of \$20,000 to the agreement with Herbert Lewis Kruse Blunck. The amendment will provide for additional reimbursable expenses including additional printing costs and the cost of record drawings which were not included in the original estimate of reimbursable expenses.

Amendment #3 will not result in an increase in the total project budget.

CONSTRUCTION CONTRACTS

Iowa Advanced Technology Laboratories--Construct Laboratory in E121

\$692,000

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

University officials requested award of the construction contract to the low bidder, McComas-Lacina Construction Company, in the amount of \$692,000 as follows:

Base Bid of \$687,000, plus Alternate #7 of \$5,000 =

TOTAL AWARD OF: \$692,000

Alternate #7 will provide an additional vacuum pump for the liquid nitrogen piping system and will include additional piping, valves, control and electrical connections.

Campus Fiber Optic Network--Project 5, Contract 4--Bowen Science Building

\$294,998

Award to: Communication Innovators, Inc., Altoona, Iowa
(5 bids received)

ACCEPTANCE OF COMPLETED CONSTRUCTION CONTRACTS

Campus Fiber Optic Network--Project 4, Contract 2--Exterior Ductbank Route

L. B. Inc., Iowa City, Iowa

Campus Fiber Optic Network--Project 4, Contract 1--Entrance Facilities Construction

Merit Electric, Ltd., Iowa City, Iowa

Madison Street Utility Tunnel Rehabilitation
Mid-America Construction Company of Iowa, Iowa City, Iowa

Calvin Hall--Replace Windows
Robinson Energy Efficient Products, Inc., Baxter, Iowa

Expansion of East Campus Chilled Water Distribution System--Interior Pipe Installation
American Piping Groups, Inc., Bettendorf, Iowa

Campus Fiber Optic Network--Project 1, Contract 1--Entrance Facilities
Gerard Electric, Inc., Iowa City, Iowa

Bowen Science Building--Microbiology Laboratory Remodeling--Cores 3-400 and 3-500
Selzer-Werderitsch Construction Company, Inc., Iowa City, Iowa

Campus Fiber Optic Network--Project 3, Contract 1--Entrance Facilities Construction
Gerard Electric, Inc., Iowa City, Iowa

FINAL REPORTS

Lower Finkbine--Repair Flood Damage \$610,301.17

Agricultural Medicine Research Facility--Inhalation Toxicology Suite Remodeling \$548,942.07

Bowen Science Building--Microbiology Laboratory Remodeling--Core 3-700 \$381,403.08

Engineering Building--Remodel College Administrative and Student Services Areas \$318,923.59

University Hospitals and Clinics--Emergency Medical Services Learning Resources Center Relocation \$296,636.76

Iowa Center for the Arts Campus--Replace Electrical Cable \$291,841.32

Regent Lande asked that the Health Science Campus -- Utility Relocation project design services agreement be voted on separate from the remainder of the university's capital register.

MOTION: Regent Tyrrell moved (1) that the Register of Capital Improvement Business Transactions for the University of Iowa be approved with the exception of the Health Science Campus -- Utility Relocation design services agreement and (2) that the university be authorized to raze the building located at 1 West Prentiss Street, Iowa City, Iowa. Regent Pellett seconded the motion, and upon the roll being called, the following voted:
AYE: Arenson, Dorr, Kennedy, Lande, Mahood, Newlin, Pellett, Smith, Tyrrell.
NAY: None.
ABSENT: None.

MOTION CARRIED UNANIMOUSLY.

MOTION: Regent Tyrrell moved to approve the Health Science Campus -- Utility Relocation design services agreement. Regent Smith seconded the motion. MOTION CARRIED WITH REGENT LANDE ABSTAINING.

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

IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Wednesday and Thursday, November 20 and 21, 1996.

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

Register of Personnel Changes for October 1996 which included seven requests for early retirement.

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

ACCEPTANCE OF POST-AUDIT REPORT. The Board Office recommended the Board refer the post-audit report on the Off-Campus Bachelor of Science Degree Program in Agriculture to the Interinstitutional Committee on Education Coordination and the Board Office for review and recommendation.

The Off-Campus Bachelor of Science degree in Agriculture was proposed five years ago to provide an opportunity for individuals to achieve their educational goals using distance learning technology. The individuals to be served by the program are agriculturists who due to individual situations and/or obligations cannot participate in any on-campus program.

A preliminary review of the Regents post-audit review questions indicated that the program meets or exceeds all of the Board's criteria. The program does not duplicate any program offerings in the state and the program relies on partnering with the community colleges.

Enrollments in the program are less than anticipated but appear to be sufficient to sustain a viable program. There are 46 majors who are progressing toward a degree. Enrollments are expected to continue to grow, eighty majors are anticipated in Fall 1999.

As might be anticipated in this type of program, the students who have dropped out of the program cite -- home and/or financial situation, time constraints, personal problems and job relocation.

Graduates of the program have found employment in the field, typically they are already employed. A survey of graduates found some going on to the graduate school and new job opportunities, several have indicated that they have improved their farming operations as a result of knowledge acquired in the program.

Costs of the program are consistent with those proposed when the program was initially approved.

ACTION: This item was referred by consent.

APPROVAL OF THE TITLE VICE PRESIDENT EMERITUS FOR DR. THOMAS B. THIELEN. The Board Office recommended the Board approve the proposed title Vice President Emeritus at Iowa State University.

Iowa State University officials requested that the Board of Regents approve the title Vice President Emeritus for Dr. Thomas B. Thielen upon his retirement. Dr. Thielen will step aside as Vice President for Student Affairs on December 31, 1996, and take up his faculty position in the College of Education. He will begin early retirement on May 31, 1997.

Dr. Thielen assumed the duties of Vice President for Student Affairs in January 1977. When he steps aside as vice president, he will have completed twenty years of remarkable service. He has provided exceptional and distinguished leadership to Student Affairs and to Iowa State University.

In an age of great individual mobility, Dr. Thielen made a real commitment to Iowa State University. He will leave a rich legacy behind him: a nationally-recognized residence system, a strong Greek housing and life system, a strengthened and reorganized enrollment cluster, a highly regarded financial aid system, and a true commitment of welfare and well-being of students at Iowa State University.

Dr. Thielen's distinguished service and accomplishments have been recognized internationally as he has been the only American representative to the annual meeting between German-French university students services directors since 1983 when, as a Fulbright scholar, he studied the educational system in West Germany.

Iowa State University congratulates Vice President Thielen on his remarkable contributions and believes he is truly deserving of the recognition as Vice President Emeritus.

President Jischke stated that at the end of this calendar year Vice President Thielen will be retiring after 20 years of exemplary service. Vice President Thielen has led the student affairs division with remarkable skill for which he and the university have been recognized.

MOTION: Regent Pellett moved to approve the proposed title Vice President Emeritus at Iowa State University. Regent Arenson seconded the motion.
MOTION CARRIED UNANIMOUSLY.

Vice President Thielen thanked President Jischke for recommending the title and the Regents for considering and approving it. He said he has been very fortunate at Iowa State University. He could not think of a better place to have spent the last 20 years.

President Newlin congratulated Vice President Thielen on his 20 years of service and wished him the best for his future.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office recommended (1) that the Register of Capital Improvement Business Transactions for Iowa State University be approved; and (2) that the university be authorized to raze the Veterinary Obstetrics Laboratory.

APPROVAL OF PROGRAM STATEMENTS AND DESIGN DOCUMENTS

Palmer Human Development and Family Studies Building

University officials presented the program document for Board approval.

The new Palmer Human Development and Family Studies Building will provide a modern facility for teaching, research and outreach efforts of the Human Development and Family Studies Department of the College of Family and Consumer Sciences. The new facility will house the Child Development Laboratory School, the Family Financial Counseling Clinic and the Marriage and Family Therapy Clinic. The integration of these three program components will allow for significant economies of scale in building design and program sharing through the sharing of a reception area, clerical support, observational laboratories, space for students and seminar rooms.

The building will serve as a regional and community service center for families while providing a learning laboratory for students and faculty. Currently, 400 undergraduate and 120 graduate students are enrolled in the Department of Human Development and Family Studies. By integrating the three service components into one facility the College will demonstrate a unique model for offering a wide range of services for families and children. Additional space provided by this building will allow further program enrichment such as the development of an infant-toddler laboratory and more intergenerational activities.

The Child Development Laboratory School includes four laboratory classrooms that provide model early childhood education programs for educators of young children. Current programs include two multi-age pre-school programs, an integrated program for four-year-olds with and without special needs, a full-day kindergarten, and a school age after-school program. About 100 children are enrolled in the academic year programs and approximately 60 children are enrolled each summer. The facilities offer observation areas and playground adjacent to each classroom, videotaping capabilities in each classroom, a kitchen for use by children and staff, and the Engel/Lillie Children's Library with a teacher resource section.

The Family Financial Counseling Clinic provides a research-based instructional laboratory for undergraduate and graduate students preparing for careers as financial counseling and planning professionals. Established in 1986, the clinic was one of the first developed on a college campus and serves as a model for other university programs. The clinic provides a valuable service to Iowa State University students and the community through its counseling and outreach efforts.

The Family Therapy Clinic, a center for research and training of doctoral students, provides family counseling reviews for Iowa State University students, faculty and staff, and the Ames community. The clinic operates as an integral component of the Doctoral Specialization in Marriage and Family Therapy which is one of only 11 doctoral programs in the nation accredited by the Commission on Accreditation for Marriage and Family Therapy Education.

The following is a space summary of the program areas.

	<u>Net Assignable Square Feet</u>
Child Development	8,968
Family Therapy	1,466
Financial Counseling	896
Support Services	<u>1,587</u>
 TOTAL	 <u>12,917</u>

The building will consist of a total of 21,528 gross square feet of space, for a net-to-gross ratio of 60 percent.

PROJECT DESCRIPTIONS AND BUDGETS

Palmer Human Development and Family Studies
\$5,900,000

Preliminary Budget

Contracts	\$ 3,750,000
Design Services	448,500
Project Administration	241,650
University Services	37,500
Miscellaneous	18,750
Landscaping	37,500
Utility Extensions	296,000
Movable Equipment	412,500
Art Work	29,500
Building Automation	56,500
Telecommunications	37,500
Project Reserve	<u>534,100</u>
 TOTAL	 <u>\$ 5,900,000</u>

Source of Funds:

ISU Foundation	\$ 5,100,000
Treasurer's Temporary Investments	<u>800,000</u>
 TOTAL	 <u>\$ 5,900,000</u>

University officials requested approval of the project budget in the amount of \$5,900,000 to be funded by the ISU Foundation and Income from Treasurer's Temporary Investments.

Bessey Hall--Richard W. Pohl Conservatory Renovation \$700,000

Preliminary Budget

Contracts	\$ 605,000
Design Services	20,000
Project Administration	28,000
University Services	5,000
Miscellaneous	4,500
Telecommunications	5,000
Project Reserve	<u>32,500</u>

TOTAL \$ 700,000

Source of Funds:

National Science Foundation Grant	\$ 350,000
Facilities Overhead Use Allowance	<u>350,000</u>

TOTAL \$ 700,000

University officials requested approval of a project description and budget in the amount of \$700,000 to upgrade the Richard W. Pohl Conservatory. The conservatory, which consists of a 10,000 square foot research and teaching facility located on the roof of Bessey Hall, contains the second largest greenhouse collection of plant species west of the Mississippi River. This project will convert the facility into a state-of-the-art research conservatory with the construction of 2,000 square feet specifically designated for biotechnology and transgenic plant research. The project will also update obsolete environmental controls and replace the glass roof and side wall panels with more energy efficient materials.

Iowa State Center--Steam Line Loop

\$550,000

Source of Funds: Utility Repairs

Preliminary Budget

Contracts	\$ 475,000
Design Services	36,400
Project Administration	8,250
Miscellaneous	500
Landscaping	2,000
Utility Extensions	5,000
Project Reserve	<u>22,850</u>

TOTAL \$ 550,000

University officials requested approval of a project description and budget in the amount of \$550,000 to install a new direct buried steam and condensate line to serve the Iowa State Center. The Iowa State Center heating requirements are currently served by a direct buried steam line. The various sections of the line range in age between 20 and 30 years. The reliability of the steam line has been reduced due to corrosion, and a failure of the line could seriously affect the activities of the Iowa State Center. Damage to the buildings could result in a line failure occurred during a period of extreme cold temperatures.

Fire Safety Improvements--FY 1997

\$500,000

Source of Funds: Building Repairs

Preliminary Budget

Contracts	\$ 257,430
Design Services	42,150
Project Administration	14,240
University Services	133,780
Miscellaneous	2,400
Project Reserve	<u>50,000</u>

TOTAL \$ 500,000

University officials requested approval of a project description and budget in the amount of \$500,000 to address various fire safety deficiencies identified by the State Fire Marshal and the university Department of Environmental Health and Safety. Areas of

work for the individual project components include fire alarm and sprinkler systems, egress issues, smoke detection, fire stopping, fire doors, heat detection and door hardware.

None of the individual project components are expected to exceed \$250,000 and therefore the university requests approval to select the architects for these projects in accordance with the Board's procedures for projects under \$250,000. Design services will be performed either by consultants or university personnel; construction will be contracted or performed by university personnel.

* * * * *

University officials presented the following project to raze a university building in accordance with Chapter 7.11 of the Board of Regents Procedural Guide which requires Board approval to dispose of any real property valued in excess of \$1,000.

Veterinary Obstetrics Laboratory--Raze Building \$55,000
Source of Funds: Income from Treasurer's Temporary Investments

Preliminary Budget

Contracts	\$ 36,300
Design Services	5,000
Project Administration	7,200
University Services	500
Miscellaneous	1,000
Project Reserve	<u>5,000</u>
TOTAL	<u>\$ 55,000</u>

University officials requested approval of a project description and budget to raze the 7,795 gross square foot Veterinary Obstetrics Laboratory located near the Industrial Education II building in the north area of campus. The laboratory has deteriorated to the point where it is unsafe and repair expenses would be excessive. The building has been identified for razing in the space study completed by the university's Committee to Study the Use and Productivity of Space. The site will be used to expand an existing parking lot.

The building is currently used by the university's Asset Recovery program for the storage of items prior to disposal. However, the university's use of the building has decreased as its condition has deteriorated. The university anticipates that without the use of this building it may occasionally be pressed for storage space. The university

plans to compensate for this loss by making additional use of other storage areas, including the nearby purchasing warehouse, and scheduling large deliveries so that storage requirements are minimized.

Armory--Roof and Curtain Wall Replacement
\$1,150,000

March 1994 Budget

\$1,095,000

Revised Budget

	<u>Project Budget</u>	
	March 1994 Budget	Revised Budget Nov. 1996
Contracts	\$ 960,000	\$ 894,218
Design Services	56,000	92,040
Project Administration	30,150	36,955
University Services	1,000	10,500
Miscellaneous	5,000	0
Landscaping	0	3,000
Project Reserve	<u>97,850</u>	<u>58,287</u>
TOTAL	<u>\$ 1,150,000</u>	<u>\$ 1,095,000</u>
 <u>Source of Funds:</u>		
General University Funds	\$ 405,506	\$ 405,506
Treasurer's Temporary Investments	<u>744,494</u>	<u>689,494</u>
TOTAL	<u>\$ 1,150,000</u>	<u>\$ 1,095,000</u>

University officials requested approval of a revised project budget in the amount of \$1,095,000, a decrease of \$55,000. The project is nearing completion and the revised budget more closely represents the actual project costs. The revised budget also represents a decrease in funding from Treasurer's Temporary Investments.

Bilsland Swine Breeding Farm--Renovate Facilities--
\$990,000
Phase I
\$1,035,000

Feb. 1996 Budget

Revised Budget

Project Budget

	<u>Feb. 1996 Budget</u>	<u>Revised Budget Nov. 1996</u>
Contracts	\$ 879,953	\$ 933,028
Design Services	36,640	36,640
Project Administration	19,850	19,965
University Services	5,000	6,625
Miscellaneous	10,000	10,000
Project Reserve	<u>38,557</u>	<u>28,742</u>
TOTAL	<u>\$ 990,000</u>	<u>\$ 1,035,000</u>
 <u>Source of Funds:</u>		
Academic Building Revenue Bonds	\$ 990,000	\$ 990,000
Agriculture Experiment Station	<u> </u>	<u>45,000</u>
TOTAL	<u>\$ 990,000</u>	<u>\$ 1,035,000</u>

University officials requested approval of a revised project budget in the amount of \$1,035,000, an increase of \$45,000, which will provide additional site work and drainage modifications. The increase in the project budget will be funded by the Agriculture Experiment Station.

* * * * *

ARCHITECT/ENGINEER AGREEMENTS

Engineering Teaching and Research Complex--Phase I \$748,000
 Brooks Borg and Skiles, Des Moines, Iowa

University officials requested approval to enter into an agreement with Brooks Borg and Skiles to provide design services for the bidding and construction phases. The agreement provides for a fee of \$748,000, including reimbursables.

Palmer Human Development and Family Studies Building \$68,850
RDG Bussard Dikis, Des Moines, Iowa

University officials requested approval to enter into an agreement with RDG Bussard Dikis to provide schematic design services for the project. The agreement provides for a fee of \$68,850, including reimbursables.

Iowa State Center--Steam Line Loop \$31,400
Brown Engineering Company, West Des Moines, Iowa

University officials requested approval to enter into an agreement with Brown Engineering Company to provide engineering services for this project. The agreement provides for a fee of \$31,400, including reimbursables.

Hilton Coliseum--Replace Roof Area A \$10,125
Benchmark, Inc., Cedar Rapids, Iowa

University officials requested approval to enter into an agreement with Benchmark, Inc., to provide design services for the project. The agreement provides for a fee of \$10,125, including reimbursables.

CONSTRUCTION CONTRACTS

Gilman Hall--Remodel Various Teaching Labs \$189,856
Award to: Koester Construction Company, Des Moines, Iowa
(4 bids received)

Animal Science Teaching Farm Facilities--Site Work \$68,250
Award to: S. L. Baumeier Company, Gladbrook, Iowa
(7 bids received)

Maple-Willow-Larch Commons--Telecommunications Upgrade \$49,816
Award to: Communication Technologies, Huxley, Iowa
(3 bids received)

Library Storage Building/Administrative Services Facilities Office Building--Utility Raceway System \$234,624
Award to: Communication Technologies, Huxley, Iowa
(4 bids received)

Iowa State University officials presented the following supplemental item to the capital register:

<u>Intensive Livestock Research and Instruction Facilities-- Kildee/Meats Lab Addition--Bid Package #10 (Masonry)</u>	<u>\$1,655,800</u>
Award to: Boucher Masonry Contracting, Boone, Iowa (3 bids received)	

Three bids were received for the above-referenced project on October 24, 1996. The low bid as submitted by Boucher Masonry Contracting, of Boone, Iowa, in the amount of \$1,655,800, is approximately 55 percent above the construction manager's estimate of \$1,069,775.

The other bids submitted for the work were \$1,707,000 and \$1,848,412. The three bids have a range of approximately 7.7 percent. University officials reported that the high bids can be attributed to a combination of three factors:

- The quantities used in the estimate were approximately 10 percent lower than what was actually needed;
- The unit prices used in the estimate were much lower than what the bidders used;
- The masonry industry is currently very busy in Iowa and throughout the Midwest, contributing to higher costs.

The estimate of the construction manager understated the work both in terms of the amount and prices of materials. It did not take into consideration adequately the state of the current construction market. The three bids appeared to be competitive, given their range. University officials believe they are a fair representation of the work. The project needs to proceed and university officials requested award of the contract to the low bidder, Boucher Masonry Contracting, in the amount of \$1,655,800. The award can be made within the project budget.

In view of the above circumstances, the Board Office recommended approval of the contract award to the low bidder.

Vice President Madden stated that the bids were relatively competitive although they were substantially above the construction manager's original estimates. He said the

university has been fortunate that some of the other components of this project have cost less than the original estimates; therefore, this unanticipated additional cost can be financed within the project budget. University officials do not believe that requesting new bids would yield better results nor do they believe there are any changes which could be made in the project design.

Regent Lande asked what this mis-estimate of cost does to the construction manager's work and what that firm is paid to do. Vice President Madden said it obviously affects university officials' perspective on the firm as they deal with it. He noted that the other components of the project have been within budget. The firm in question is Taylor Ball which was retained as construction manager for this \$20 million project. University officials have had some fairly frank conversations with representatives of Taylor Ball about the mis-estimate on the bids.

Regent Dorr asked about the role of a construction manager. Is the construction manager on board at the time the architects are hired or is the architectural work completed before the construction manager is brought in?

Vice President Madden responded that the goal, as the project is designed, is to have the architect and construction manager work together to try and bring about efficiencies and savings in the design. For this project the architect and construction manager worked together. He said this was a complex site. The addition to Kildee Hall has to fit into a confined part of campus.

Regent Arenson asked for the fee paid to Taylor Ball. Vice President Madden responded that it was about one-half of one percent of the construction budget.

Regent Arenson asked if the Regents were in a position to negotiate on the construction manager's fee due to this estimate being so far off. Vice President Madden responded that the contract has been completed and negotiations on this particular project are done. In fairness to the firm, he said the other parts of the project have been going along well. The costs are still within the project budget so the firm has done a good job on some of the other components.

ACCEPTANCE OF COMPLETED CONSTRUCTION CONTRACTS

Armory--Roof and Curtain Wall Replacement--Phase 3
Wood Roofing Company, Des Moines, Iowa

MOTION: Regent Kennedy moved (1) that the Register of Capital Improvement Business Transactions for Iowa State University be approved, including the

supplemental item; and (2) that the university be authorized to raze the Veterinary Obstetrics Laboratory. Regent Mahood seconded the motion, and upon the roll being called, the following voted:

AYE: Arenson, Dorr, Kennedy, Lande, Mahood, Newlin, Pellett, Smith, Tyrrell.

NAY: None.

ABSENT: None.

MOTION CARRIED UNANIMOUSLY.

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

University officials requested approval to enter into a lease as lessor with Western PCS I Corporation for its use of space on the roof of Buchanan Hall for placement of a communications tower at the initial rate of \$250 per year, until the lessee begins installation of equipment, with the rate at \$9,600 per year after installation begins, for a five-year period.

MOTION:

Regent Tyrrell moved to approve the lease, as presented. Regent Kennedy seconded the motion, and upon the roll being called, the following voted:

AYE: Arenson, Dorr, Kennedy, Lande, Mahood, Newlin, Pellett, Smith, Tyrrell.

NAY: None.

ABSENT: None.

MOTION CARRIED UNANIMOUSLY.

DISPOSITION OF BUILDINGS ON IOWA STATE UNIVERSITY FARMS. The Board Office recommended the Board authorize Iowa State University to dispose of three farm management buildings located in Ames, Iowa.

Iowa State University officials sought approval to dispose of three farm management buildings located on Arbor Street in Ames, Iowa.

Chapter 7.11 of the Board of Regents Procedural Guide requires Board approval to dispose of any real property valued in excess of \$1,000. The total inventory value of the three buildings is \$2,000.

The buildings suffer from functional and economic obsolescence and physical depreciation. The buildings have been inspected for asbestos and other hazardous materials. Any salvageable materials will be removed from the buildings prior to disposal.

The buildings will be demolished and disposed of in an approved landfill in accordance with Board of Regents surplus property disposal procedures. The cost of demolition and disposal of the buildings is estimated at \$7,000 which will be paid by the Agriculture Experiment Station.

The site will be graded and restored as a lawn.

MOTION: Regent Mahood moved to authorize Iowa State University to dispose of three farm management buildings located in Ames, Iowa. Regent Arenson seconded the motion, and upon the roll being called, the following voted:
AYE: Arenson, Dorr, Kennedy, Lande, Mahood, Newlin, Pellett, Smith, Tyrrell.
NAY: None.
ABSENT: None.

MOTION CARRIED UNANIMOUSLY.

FLIGHT SERVICE REPORT. The Board Office recommended the Board receive the report from Iowa State University regarding downsizing of flight service operations.

Iowa State University officials plan to downsize current flight service operations from four airplanes to a single plane over the next several months. Current utilization of the university flight service is less than is needed to break even.

Downsizing will eliminate the need for two pilots and a secretary, will reduce the utilization of aircraft mechanic hours, and will permit the disposal of three airplanes and one hangar facility.

University officials project that the sale of the three planes, funded from flight service operations and unrestricted gift funds, will net approximately \$396,000. Annual operating savings, based on the downsizing and the reduced number of flight hours, is estimated at \$224,000.

University officials plan to use the single airplane primarily for administrative and fundraising travel. Although the airplane would continue to be available for utilization by other state agencies, Regent meeting travel would need to be coordinated with private charter services.

University officials will continue to evaluate the operation of the remaining aircraft and the alternatives available in the marketplace to meet the university's overall travel needs.

Since the flight service has been receiving a subsidy from the university to maintain operations, the university should address the annual savings from the downsizing.

Regent Dorr asked whether any discussions had taken place with the other two Regent universities relative to their needs for planes or pilots. Vice President Madden responded that such discussions had taken place with representatives of the other institutions. The volume of travel was not significant enough to impact these decisions, however.

Regent Kennedy asked if the two pilots were going to take early retirement and the secretary had other employment opportunities. Vice President Madden responded that the two pilots would take early retirement. He said the secretary has enough seniority that she will move to another area of the university. The mechanic is still looking at other employment opportunities. He is a very good mechanic.

ACTION: President Newlin stated the Board received the report from Iowa State University regarding downsizing of flight service operations, by general consent.

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

UNIVERSITY OF NORTHERN IOWA

The following business pertaining to the University of Northern Iowa was transacted on Wednesday and Thursday, November 20 and 21, 1996.

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

Register of Personnel Changes for October 1996.

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

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

PERMISSION TO PROCEED WITH PROJECT PLANNING

UNI-Dome Roof Replacement/Improvements--Phase III

University officials requested permission to proceed with project planning for Phase III of the project which will provide for replacement of the roof structure as well as permanent repairs and improvements to the facility. The air supported, fiberglass roof of the UNI-Dome deflated and was extensively damaged in December 1994 during a winter storm. The university proceeded with temporary repairs under the Phase I and II projects which included repair and inflation of the roof and inspection of the roof, building structure and building systems. The firm of Light Structures Design Consultants of White Plains, New York, was employed to assist in determining repairs and later to conduct and prepare a feasibility study to determine roof replacement options and related costs.

Based on the feasibility study, university officials recommend replacement of the existing air-supported, fabric roof with a roofing structure consisting of a structural support system and a combination of metal and fabric roof membranes. Approximately 83 percent of the roof will be metal with the balance being fabric, allowing natural light into the building. Both roofing materials will be supported by a metal structural support system. A life cycle cost analysis shows operations and maintenance savings from this newer roof structure technology.

The project will also include improvements to the building such as cleaning and caulking joints of the exterior walls, replacing exit doors as necessary, and modifying the HVAC, lighting and sound systems to accommodate the new roof system.

University officials also requested approval to negotiate an agreement with Light Structures Design Consultants to serve as project engineer for the roof replacement project. The staff of Light Structures Design Consultants includes Mr. Horst Berger who was with Geiger Berger Associates, one of the original building consultants instrumental in designing the UNI-Dome in the early 1970s. Mr. Berger visited the university in 1994 and 1995 and has been very active in preparing the feasibility study and providing information to the university since the roof deflation in December 1994.

The project cost is estimated at \$10.9 million. University officials propose to fund the project with insurance funds, UNI-Dome Surplus Funds and Field House Revenue Bonds. University officials are negotiating with its insurance carrier at the present time and the amount from each fund source has yet to be determined.

Regent Arenson observed that university officials were considering a metal and fabric combination for the roof. He asked if the Regents would have a proposal for review in February.

Vice President Conner responded that a combination of metal and fabric was one option. University officials are asking for more detail on such a combination in the schematic design. He noted that the UNI-Dome had become a landmark; therefore, university officials want to be consistent in the appearance of the building. The current fabric roof provides a good deal of natural lighting for the facility.

Regent Arenson asked if the university would be provided with an all-metal roof option. Vice President Conner said he believed they would be provided with such an option.

PROJECT DESCRIPTIONS AND BUDGETS

UNI-Dome Roof Replacement/Improvements--Phase III \$10,900,000
Source of Funds: Insurance Funds, UNI-Dome Surplus
Funds, Field House Revenue Bonds

Preliminary Budget

Contracts/Purchase Orders	\$ 8,866,700
Consultant/Design Services	964,800
UNI Physical Plant	29,200
Project Financing	61,700
Contingencies	<u>977,600</u>
TOTAL	<u>\$ 10,900,000</u>

University officials requested approval of the project budget in the amount of \$10,900,000. The amount from each fund source has yet to be determined.

Telecommunication System \$5,175,000

Preliminary Budget

Contracts/Purchase Orders	\$ 4,800,000
Consultant/Design Services	100,000
Contingencies	<u>275,000</u>
TOTAL	<u>\$ 5,175,000</u>

Source of Funds:

Master Lease	\$ 2,900,000
Network Services Reserve	1,075,000
Residence System	<u>1,200,000</u>
TOTAL	<u>\$ 5,175,000</u>

University officials requested approval of a project description and budget in the amount of \$5,175,000. The Banking Committee considered master lease financing for this project at its meeting on Wednesday, November 20.

The existing telephone system, which has been in place since 1981, is not capable of carrying current traffic loads and cannot be upgraded to serve the needs of the

university. The replacement of the telephone system is an initial step in the university's effort to fully integrate voice, data, and video communications into a telecommunications system.

The telecommunication system will support a full set of telephone features, digital telephones, voice mail, ISDN connections, desktop video conferencing, computer/telephone integration and other modern features. The system will also provide for the distribution of video and multimedia communications across campus to under-served buildings and constituencies and data communications to all on-campus student residence halls.

Physical Education Center--HVAC System \$360,000
Source of Funds: Building Repairs

Preliminary Budget

Contract and/or Purchase Orders	\$ 305,000
Consultant and Design Services	36,200
Contingencies	<u>18,800</u>
 TOTAL	 <u>\$ 360,000</u>

University officials requested approval of a project description and budget in the amount of \$360,000 to repair and upgrade the HVAC system of the Physical Education Center. The project will require general, mechanical and electrical work.

* * * * *

University officials reported one new project with a budget of less than \$250,000. The title, source of funds and estimated budget for the project was listed in the register prepared by the university.

ARCHITECT/ENGINEER AGREEMENTS

Physical Education Center--HVAC System \$36,200
Gilmor and Doyle, Waterloo, Iowa

University officials requested approval to enter into an agreement with Gilmor and Doyle to provide design services for the project. The agreement provides for a fee of \$36,200, including reimbursables.

Amendments:

School of Music Classroom Building/
Performing Arts Center Amendment #1 \$227,000
Hammel Green and Abrahamson, Minneapolis, MN

University officials requested approval of Amendment #1 in the amount of \$227,000 to the agreement with Hammel Green and Abrahamson which was approved by the Board in April 1995. The Board gave final approval to the schematic design in April 1996 and the university now requests approval of Amendment #1 which will address additional design services to be incorporated into the original agreement.

The amendment includes \$80,000 as provided in the agreement for the design of three separate performing areas (major performance space, concert hall and organ recital hall). In addition, the amendment includes \$118,000 for design services for additional equipment for which the university is seeking additional private funds. This additional equipment will support the building's use as a multi-purpose facility. The amendment also includes \$39,000 in design services for storage under the stage area and the extension of telecommunication and electrical conduits, vaults and cables to the building.

In order to reduce the cost for the additional design services the project architects have agreed to reduce certain services as defined in the agreement which will result in savings of approximately \$10,000. This will result in a total of \$227,000 for the additional design services.

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

ACCEPTANCE OF COMPLETED CONSTRUCTION CONTRACTS

<u>Campanile Plaza</u>	<u>\$246,466.00</u>
Story Construction Company, Ames, Iowa	
<u>Strayer-Wood Theatre--Replace Skylights</u>	<u>\$229,504.00</u>
Prairie Construction, Waterloo, Iowa	

FINAL REPORTS

<u>Power Plant--Turbine Generator System</u>	<u>\$285,278.48</u>
<u>Russell Hall--North Parking Lot</u>	<u>\$355,113.55</u>
<u>Steam Distribution System--West Gym</u>	<u>\$249,948.23</u>
<u>West Gym--East Plaza</u>	<u>\$264,346.89</u>

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

LEASE: TOWER SPACE AT ROCK ISLAND, ILLINOIS, FOR FM TRANSLATOR. The Board Office recommended the Board approve the lease, as presented.

University officials requested approval to extend its lease agreement as lessee with Coronet Communications 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 \$372.32 per month (\$4,467.84 per year) for a one-year period.

MOTION: Regent Tyrrell moved to approve the lease, as presented. Regent Kennedy seconded the motion. MOTION CARRIED UNANIMOUSLY.

MASTER LEASE FINANCING OF THE TELECOMMUNICATIONS SYSTEM. The Board Office recommended that the Board authorize the University of Northern Iowa to utilize master lease financing in the amount of \$2.9 million to assist in funding a new telecommunication system.

University of Northern Iowa officials requested authorization to utilize master lease financing in the amount of \$2.9 million to assist in funding a new telecommunication system.

In March 1996 the Board authorized the university to proceed with project planning for the telecommunication system project to replace the existing telephone system which has been in place since 1981. The telephone system is out of manufacture, functionally incapable of carrying current traffic loads, and cannot be upgraded to integrate the voice, data and video communications needs of the university.

IOWA SCHOOL FOR THE DEAF

The following business pertaining to Iowa School for the Deaf was transacted on Wednesday and Thursday, November 20 and 21, 1996.

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

Register of Personnel Changes for October 1996.

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

REQUEST FOR APPROVAL OF RECOMMENDED HOLIDAYS, FY 1998. The Board Office recommended that the Board approve the holidays proposed for fiscal year 1998 as follows:

July 4, 1997	Independence Day
September 1, 1997	Labor Day
November 27, 1997	Thanksgiving
November 28, 1997	Thanksgiving
December 25, 1997	Christmas
December 26, 1997	Winter Vacation**
January 1, 1998	New Years Day
January 2, 1998	Winter Vacation**
May 25, 1998	Memorial Day

**Designated by the Iowa School for the Deaf

Board policy provides for seven specified holidays annually, two additional days that are designated by the head of the institutions, and two more days to be accrued as vacation.

The proposed fiscal year 1998 holiday calendar for the Iowa School for the Deaf was consistent with Board policy and applicable collective bargaining agreements.

MOTION: Regent Kennedy moved to approve the holidays proposed for fiscal year 1998, as presented. Regent Mahood seconded the motion. MOTION CARRIED UNANIMOUSLY.

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

PROJECT DESCRIPTIONS AND BUDGETS

Southwest Iowa Regents Resource Center--Phase II \$25,000
Source of Funds: State Extension and Continuing Education Council

School officials requested approval of a project description and budget for Phase II of the project to develop an instructional area for university class offerings of the Southwest Iowa Regents Resource Center. The area consists of 3,000 square feet of space located on the second floor of the Careers Building. Phase II will include the installation of doors and hardware, floor coverings, acoustic ceiling, plumbing, cabinetry and associated components.

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

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

IOWA BRAILLE AND SIGHT SAVING SCHOOL

The following business pertaining to Iowa Braille and Sight Saving School was transacted on Wednesday and Thursday, November 20 and 21, 1996.

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

Register of Personnel Changes for the period of September 22 to October 19, 1996.

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

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

EXECUTIVE SESSION. President Newlin requested the Board enter into closed session pursuant to the Code of Iowa section 21.5(1)(c) to discuss a matter with counsel which is either in litigation or where litigation is imminent; and, pursuant to the Code of Iowa section 21.5(1)(i) upon the request of an employee whose performance was being considered.

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

ABSENT: None.

MOTION CARRIED UNANIMOUSLY.

The Board having voted at least two-thirds majority resolved to meet in closed session beginning at 3:28 p.m. on Thursday, November 21, 1996; recessed therefrom at 3:50 p.m.; reconvened at 3:55 p.m. and adjourned therefrom at 4:55 p.m. on that same date.

ADJOURNMENT.

The meeting of the State Board of Regents adjourned at 4:55 p.m., on Thursday, November 21, 1996.

Robert J. Barak
Deputy Executive Director