

The Board of Regents, State of Iowa, met on Wednesday and Thursday, October 17 and 18, 2001, at Iowa State University, Ames, Iowa. The following were in attendance:

	<u>October 17</u>	<u>October 18</u>
<u>Members of Board of Regents, State of Iowa</u>		
Mr. Newlin, President	All sessions	All sessions
Ms. Ahrens	All sessions	All sessions
Dr. Arbisser	All sessions	All sessions
Dr. Becker	All sessions	All sessions
Mr. Fisher	All sessions	All sessions
Dr. Kelly	All sessions	All sessions
Mr. Neil	All sessions	All sessions
Ms. Nieland	Excused	Excused
Dr. Turner	Arrived at 4:14 p.m.	All sessions
<u>Office of the Board of Regents, State of Iowa</u>		
Interim Executive Director Barak	All sessions	All sessions
Director Elliott	All sessions	All sessions
Director Wright	All sessions	All sessions
Associate Director Brunson	All sessions	Excused
Associate Director Hendrickson	All sessions	All sessions
Associate Director Kniker	All sessions	Excused
Associate Director Racki	All sessions	All sessions
Assistant Director Gonzalez	All sessions	All sessions
Assistant Director Stratton	All sessions	All sessions
Minutes Secretary Briggle	All sessions	All sessions
<u>State University of Iowa</u>		
President Coleman	All sessions	All sessions
Provost Whitmore	All sessions	All sessions
Vice President Jones	Excused	All sessions
Vice President True	All sessions	All sessions
Director Coulter	All sessions	Excused
Director Parrott	All sessions	All sessions
Associate Director Braun	All sessions	All sessions
<u>Iowa State University</u>		
President Geoffroy	All sessions	All sessions
Provost Richmond	All sessions	All sessions
Vice President Hill	All sessions	All sessions
Vice President Madden	All sessions	All sessions
Executive Assistant to President Dobbs	All sessions	All sessions
Assistant to President Chidister	All sessions	All sessions
Director Bradley	All sessions	All sessions
Director McCarroll	All sessions	All sessions
Director Steinke	All sessions	All sessions
Associate Director Baumert	All sessions	All sessions
<u>University of Northern Iowa</u>		
President Koob	All sessions	All sessions
Provost Podolefsky	All sessions	All sessions
Vice President Romano	All sessions	All sessions
Interim Vice President Dell	All sessions	All sessions
Assistant Vice President Gaston	All sessions	All sessions
Associate Director Saunders	All sessions	All sessions
<u>Iowa School for the Deaf</u>		
Superintendent Johnson	All sessions	Excused
Director Heuer	All session	Excused
Interpreter Reese	All sessions	Excused
Interpreter Gerischer	All sessions	Excused
<u>Iowa Braille and Sight Saving School</u>		
Superintendent Thurman	All sessions	All sessions
Director Woodward	All sessions	Excused

THE CORRESPONDING DOCKET MEMORANDUM FOR  
EACH AGENDA ITEM IS AVAILABLE ON THE  
BOARD OF REGENTS WEBSITE AT:

[www.state.ia.us/educate/regents](http://www.state.ia.us/educate/regents)

COPIES OF THESE MEMORANDA CAN ALSO BE  
OBTAINED FROM THE BOARD OFFICE  
BY CALLING 515/281-3934.

## GENERAL

The following business pertaining to general or miscellaneous business was transacted on Wednesday and Thursday, October 17 and 18, 2001.

President Newlin welcomed everyone to the October meeting of the Board of Regents, State of Iowa.

### **APPROVAL OF MINUTES OF BOARD MEETING OF SEPTEMBER 12-13, 2001.**

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

**ACTION:** President Newlin stated the Board approved the minutes of the September 12-13, 2001, meeting, as written, by general consent.

### **CONSENT ITEMS.**

Approve the institutional and Board Office personnel transactions;

Approve the following additions to institutional lists of approved vendors with a potential conflict of interest: University of Iowa--Performance Dynamics and Iowa School for the Deaf--LINWELD; and

Approve the acquisition of a Bi-plane Neuroradiology Special Procedures Imaging System.

**MOTION:** Regent Fisher moved to approve the consent docket, as presented. Regent Arbisser seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

### **REPORT OF THE BANKING COMMITTEE.**

Regent Fisher stated that the Banking Committee met the morning of October 17 and had a full agenda. The Banking Committee received the annual investment and cash management report through June 30, 2001. He noted that a representative of the

Board's investment manager, Wilshire Associates, was unable to attend the meeting last month to report on the status of funds. He said that, although it was a good report, the returns in the stock and bond markets have not been good in the last year. The Banking Committee also received the semi-annual master lease report, a clean state audit for Iowa State University, and internal audit reports for Iowa State University. He then recognized Barry Fick, Springsted, Inc., to report on a bond sale.

Mr. Fick stated that, on the morning of October 17, bids were accepted on behalf of the Board of Regents for \$13,735,000 Dormitory Revenue Bonds, Series S.U.I. 2001. He said two bids were received, from U.S. Bancorp Piper Jaffray and Bank of America Securities, LLC. The winning bid had a true interest rate of 4.5183 percent and was received from U.S. Bancorp Piper Jaffray. The bonds were sold at par. The interest rates mirror compensation earned by the underwriter. He said he believed the bids reflected the general decline in interest rates during the past few months.

Ken Haynie, Ahlers law firm, discussed the two resolutions before the Board for adoption. He said there will be one change, at the bidder's option, in the resolution authorizing the issuance of bonds. In 2021, there will be one term bond to replace serial bonds in years 2019 through 2021.

MOTION:

Regent Fisher moved to adopt A Resolution providing for the sale and award of \$13,735,000 Dormitory Revenue Bonds, Series S.U.I. 2001, and approving and authorizing the agreement of such sale and award. Regent Neil seconded the motion, and upon the roll being called, the following voted:

AYE: Ahrens, Arbisser, Becker, Fisher, Kelly, Neil, Newlin.

NAY: None.

ABSENT: Nieland, Turner.

MOTION CARRIED.

MOTION:

Regent Fisher moved to adopt A Resolution authorizing and providing for the issuance and securing the payment of \$13,735,000 Dormitory Revenue Bonds, Series S.U.I. 2001, for the purpose of constructing necessary improvements to and equipping existing residence halls and related facilities, all located on the campus of The State University of Iowa, including funding

the debt service reserve fund and paying costs of issuing the Bonds. Regent Ahrens seconded the motion, and upon the roll being called, the following voted:

AYE: Ahrens, Arbisser, Becker, Fisher, Kelly, Neil, Newlin.

NAY: None.

ABSENT: Nieland, Turner.

MOTION CARRIED.

Regent Fisher presented the Banking Committee's recommendation to adopt a preliminary resolution for the refunding of University of Iowa Memorial Union Revenue Bonds. He noted that bond counsel advised this was an appropriate issuance for refunding.

MOTION:

Regent Fisher moved to adopt A Resolution authorizing the Executive Director to fix the date or dates for the sale of up to \$4,900,000 Memorial Union Revenue Refunding Bonds, Series S.U.I. 2001. Regent Neil seconded the motion, and upon the roll being called, the following voted:

AYE: Ahrens, Arbisser, Becker, Fisher, Kelly, Neil, Newlin.

NAY: None.

ABSENT: Nieland, Turner.

MOTION CARRIED.

Regent Fisher presented the Banking Committee's recommendation to adopt a preliminary resolution to sell University of Northern Iowa Fieldhouse Revenue bonds for the repair of the roof at the UNI-Dome.

MOTION:

Regent Fisher moved to adopt A Resolution authorizing the Executive Director to fix the date or dates for the sale of up to \$5,900,000 Field House Revenue Bonds, Series U.N.I. 2001. Regent Neil seconded the motion, and upon the roll being called, the following voted:

AYE: Ahrens, Arbisser, Becker, Fisher, Kelly, Neil, Newlin.

NAY: None.

ABSENT: Nieland, Turner.

MOTION CARRIED.

Regent Fisher presented the Banking Committee's recommendation to adopt a resolution regarding a letter of intent to issue bonds for the University of Iowa utility system.

MOTION: Regent Fisher moved to adopt A Resolution declaring an official intent under Treasury Regulation 1.150-2 to issue debt to reimburse the University of Iowa Utility System for certain original expenditures paid in connection with specified projects. Regent Becker seconded the motion, and upon the roll being called, the following voted: AYE: Ahrens, Arbisser, Becker, Fisher, Kelly, Neil, Newlin.  
NAY: None.  
ABSENT: Nieland, Turner.

MOTION CARRIED.

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

President Newlin asked Vice President True how many boilers there are at the University of Iowa. Vice President True responded that the main campus has two coal-fired boilers and three smaller boilers.

#### **FALL ENROLLMENT REPORT – PART I.**

Assistant Director Gonzalez provided the Board of Regents members with a PowerPoint presentation of the fall enrollment report, part I. She noted that this month's report was done in the information mapping format. Headcount enrollment is at an all-time high of 70,661 students, with a combined total increase of 1,731 students (+2.5 percent). She reviewed enrollment data by educational level, by new freshmen, by residence, by race/ethnicity. She provided information on on-campus and off-campus enrollment by educational level, enrollment by grade/age at the special schools and Price Lab School.

Regent Fisher asked for the definition of “off-campus” offerings. Assistant Director Gonzalez responded that off-campus offerings included: 1) face-to-face classes offered at remote sites, 2) Iowa Communications Network classes, and 3) independent studies.

Regent Neil asked if off-campus enrollments have increased or decreased in the last year. Assistant Director Gonzalez responded that off-campus enrollments have increased.

Regent Neil congratulated the institutions on the enrollment increases. He then asked if there were any special techniques used to recruit the students. President Coleman said the “word is out” nationally about the excellence of higher education in Iowa and the value for the money. Surrounding states are experiencing a large increase in the number of citizens going to college, and Iowa is attractive to those students. University officials have aggressively gone to schools to encourage students to prepare for college. She asked that Joe Coulter, University of Iowa’s Associate Provost for Diversity, address the issue of recruiting minority students.

Regent Neil asked if tracking takes place of the number of Iowa high school graduates who go on to 4-year institutions. President Coleman responded affirmatively.

Regent Neil asked for the trend in the number of Iowa high school graduates who go on to 4-year institutions. President Coleman responded that there has been a leveling off and slight decline in the number of high school graduates in Iowa, which is balanced by a larger number of graduates going to college than was experienced 20 years ago. Provost Whitmore said the University of Iowa has a fairly aggressive program of scholarship enhancement in order to increase access for students.

Associate Provost Coulter stated that the University of Iowa’s overall numbers of minority students are approximately flat. However, breaking out undergraduate from graduate and professional indicates the largest enrollment of African American and Latino undergraduates than the University has ever had.

Regent Arbisser noted that all of the institutions experienced a decline in Native American enrollments. President Coleman stated that there are very small numbers of Native American students; therefore, she questioned how meaningful are the fluctuations in numbers.

Associate Provost Coulter stated that the University of Iowa has always had a rather substantial Native American enrollment. He said that, some years ago, the Board of Regents embarked on an initiative that will soon begin to “pay off”. Members of tribes that are historically linked to the state of Iowa are granted resident tuition. The policy

has produced more Native American enrollments at all of the Regent universities although the total numbers are always small.

Regent Kelly asked for clarification of the Native American initiative. Associate Provost Coulter responded that, if an individual belongs to one of 13 tribal groups that have historically-evidenced links to the state of Iowa, those individuals are granted resident tuition.

Regent Kelly asked if there was some reason why all Native American tribes could not be included. He also asked what percentage of the Native American students are female.

Associate Provost Coulter responded that two-thirds of the Native American students are women. With regard to the question of granting all Native Americans resident tuition, he said the rationale was that the members of the thirteen tribes identified had, at one time, been residents of the state of Iowa.

Regent Fisher noted that, at the University of Northern Iowa, even though enrollment increased, new freshman enrollment had decreased somewhat. President Koob stated that the University of Northern Iowa has had a consistent market share of students for a decade. Enrollment has continued to grow over the last 6-7 years due to: 1) an increase in new freshmen, 2) an increase in transfer students, and 3) an increase in retention rates. Last year, the University experienced a significantly higher-than-normal market share of new freshman. This year's new freshman enrollment is above or near the long-term trend. Also, retention numbers are growing faster than graduation rates with a net effect of more students on campus.

President Koob referred to Regent Neil's earlier question about special techniques used to recruit students. He said the University of Northern Iowa's enrollment increase is almost entirely due to concerted efforts of academic affairs and student affairs. There has been increased recruitment of students of under-represented groups, significantly from out of state.

Regent Neil asked if there was any correlation between the lower number of freshmen and students taking freshman courses at the community colleges. President Koob said he did not believe there was a correlation. Typically, the universities recruit from a different pool than does the community colleges. Also, the community colleges have very small numbers of out-of-state students.

President Newlin congratulated all three universities on the increased enrollments. He acknowledged that one factor for the increased enrollments is the universities' efforts toward retention.

President Geoffroy said he echoed comments of others that the enrollment increases are a reflection of the excellence of the universities, particularly that they offer a great education for a very affordable price. Other reasons for Iowa State University's increased enrollment include hard work by the admission staff, very good scholarship programs, and a large increase in retention. He stated that retention contributed 50 percent to the overall enrollment increase from last year.

Regent Fisher stated that, each Spring, the Des Moines Register highlights high-achieving Iowa high school students. He was pleased that so many of those students choose to attend a Regent university.

President Geoffroy stated that University officials work extremely hard to induce those students to come to Regent universities.

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

#### **ANNUAL REPORT ON LIBRARIES/REPORT ON SCHOLARLY COMMUNICATIONS.**

Iowa State University Dean of Library Services, Olivia Madison, presented the Board members with highlights of the annual report on libraries. She said the Interinstitutional Library Committee FY 2001 annual report contained four major sections, as follows: 1) scholarly communication, 2) cooperative interinstitutional library programs, 3) statewide cooperative activities and 4) institutional reports. The annual report also contains a report from the Interinstitutional Task Force on Scholarly Communication, established two years ago by the Interinstitutional Committee on Educational Coordination.

President Newlin asked for the status of development of a policy on copyright. Dean Madison said the draft policy was sent to Interinstitutional Committee on Educational Coordination. She was not sure where the policy now stood.

Provost Richmond responded that the Interinstitutional Committee on Educational Coordination is considering the policy at its meeting being held in conjunction with this month's Board of Regents meeting. He believes the policy contains very good recommendations. Copyright laws are currently in flux. University officials are encouraging faculty to pay closer attention to retention of copyright. The provosts plan to ask the Task Force on Scholarly Communication to develop guidelines that faculty can follow.

President Newlin noted that library staff are making greater usage of technology. He asked what was the most important technology for the libraries. Dean Madison

responded that, at this time, access to scholarship, particularly to journal articles, is the most important.

President Newlin asked if the licensing of software was a problem. Dean Madison responded that licensing was not a problem if one is willing to pay the cost.

President Newlin expressed appreciation for the cooperative work of Dean Madison and her colleagues. He hoped the cooperation would continue with the same vigor as in the past.

**ACTION:** President Newlin stated the Board, by general consent, (1) received the report, (2) encouraged Regent university libraries to continue their collaborative activities and, where feasible, extend such efforts, and (3) encouraged the Task Force on Scholarly Communication to continue campus discussions of a common Regent policy on copyright.

#### **ANNUAL COMMITTEE ON EDUCATIONAL RELATIONS REPORT.**

Kathleen Jones, Iowa State University Registrar, presented the Board members with highlights of the Committee on Educational Relations' annual report. She stated that, for academic year 2000-2001, the Committee established three goals: 1) Respond to the general education and articulation issues for the state and specific concerns from the Interinstitutional Committee on Educational Coordination; 2) Continue to champion the electronic exchange of academic records among all educational levels within the state; and 3) Facilitate exchange visitations between and among representatives of the Iowa community colleges and Regent universities. She presented the Board members with the brochure entitled, "Your Courses Count" and a new brochure entitled, "Building Your Future" which will encourage students to maximize their high school experience, so that they can "thrive, not just survive" in college.

Regent Ahrens asked for additional information on how the Regent universities are working with community colleges to increase the electronic transfer of records. Ms. Jones responded that electronic data interchange has been in place for 10 years. The three Regent universities have exchanged transcripts electronically for a number of years. More recently, transcripts have been exchanged with community colleges and high schools. She said one of the challenges is getting the institutions ready to exchange data in the Electronic Data Interchange format. More and more community colleges are becoming ready to use that data format; North Iowa Area Community College is being brought on this week.

Regent Arbisser asked if this type of data interchange takes place only within the state of Iowa or nationally. Ms. Jones responded that there is a national standard. The server for the data exchange is in Texas; many institutions nationally send their information to that server. She noted that Iowa's Regent universities are not currently exchanging a large volume of information with universities outside of the state.

Regent Fisher referred to the brochure entitled, "Your Courses Count" and said it was well formatted. He asked how to get the brochure to high school counselors throughout the state.

Ms. Jones responded that admissions officers are developing specifics of a plan for distribution of the information. There is a desire to get the information to students at the 8<sup>th</sup> grade level. The brochure will also be sent to every high school across the state and will be available on the World Wide Web. The goal is for high schools, parents and families to be able to print the information.

Regent Kelly said "Your Courses Count" was a marvelous compilation of information. He asked that consideration be given to including high school student advisors on the distribution list. Ms. Jones said it was her understanding that the brochure will be distributed to high school counselors through school administrators.

Regent Neil asked how long the minimum requirements for admission to the Regent universities have been in place. Ms. Jones responded that the minimum requirements for admission to the Regent universities have been in place since 1988.

Regent Neil said that, in addition to getting the information to student advisors, the information also has to get to the parents. Ms. Jones said the information will be available on the Web where it will be easy for the parents and families to find.

Regent Neil said the school boards also need the information. He challenged the Committee to spread the information far and wide, including the use of public service announcements.

Regent Becker stated there may also be opportunities to disseminate the information through the Department of Education. School districts will be required to report the number of their graduates who have taken core courses in preparation for college. The Department of Education's Website might include a link to the Regent institutions in the same area where the school districts include data on core courses.

Ms. Jones stated that representatives of the Department of Education's Division of Community Colleges participate on the Committee on Educational Relations.

Additionally, the three universities report annually to many of the Iowa high schools with curricular reviews of how their students did at the universities.

President Newlin referred to the electronic transfer of records. He asked about the progress that has been made and that is expected to be made, particularly with the community colleges and high schools. Ms. Jones responded that five of the community colleges are currently exchanging data in the Electronic Data Interchange format as will North Iowa Area Community College in the near future. With regard to the high schools, those in the Des Moines school district are actively involved with the effort. Other high schools, such as those in the Jefferson school district, have been involved in a project sponsored by the Department of Education.

Regent Becker stated that 250 out of 370 school districts are doing some kind of electronic transfer of data.

Ms. Jones noted that electronic data transfer is used broadly for reporting purposes, not just for transcript exchange.

President Newlin asked about getting the remaining community colleges on board. Ms. Jones said that goal continues to be the effort of the Regent Committee on Educational Relations. It is a time-consuming effort as well as a budget issue. There is competition with other needs of the community colleges which the community colleges may consider more important.

Regent Kelly stated that, when he recently visited an Iowa welcome center, he noticed there was no information available about Iowa education. It was a shame Iowa's educational system is one of its finest attributes.

President Newlin suggested the Regent Committee on Educational Relations determine whether it would be possible to include information in the Iowa welcome centers. Ms. Jones said the matter would be included on the Committee's agenda for its November meeting.

President Newlin congratulated Ms. Jones on the accomplishments of the Regent Committee on Educational Relations.

**ACTION:** President Newlin stated the Board received the report of the Committee on Educational Relations, by general consent.

## **ANNUAL REPORT OF REGISTRARS AND ADMISSIONS OFFICERS.**

Phil Patton, University of Northern Iowa Registrar and chair of the Regent Registrars and Admissions Officers, presented the Board members with highlights of the group's annual report. The report described several actions taken by the committee, including expanding the annual study of persistence to include more academic performance data. The Committee discussed changes that will need to be made relative to student identification numbers, i.e., using numbers other than social security numbers.

Regent Fisher asked what are the major issues for the group going forward. Mr. Patton responded that articulation was the major issue. Articulation issues included transfer of credit and communication of that information back to the students and parents.

Regent Fisher asked if there were any concerns about record keeping. Mr. Patton responded that there were no concerns other than those related to changes at the federal level. He said the student information systems are all robust.

President Newlin asked about the activity related to alternatives to the use of social security numbers. Mr. Patton responded that the University of Northern Iowa makes use of a random six digit number. Iowa State University is experimenting with the use of a random digit number.

Regent Ahrens stated that Iowa State University uses an 11 digit card number. Professors are making a conscious effort to change to the new numbering system.

President Newlin asked if similar activities were taking place at the University of Iowa. Provost Whitmore responded that a student identification system that does not use social security numbers has not been implemented but is under consideration.

Regent Becker referred to the admission of students with disabilities to the Regent institutions. She asked about requirements for documenting the disability. She said the area education agencies a system for identifying students with disabilities.

President Coleman asked if Regent Becker's question was how are students with disabilities identified and confirmed. Regent Becker said her question, in part, related to the smooth transition from high school to university for students with learning disabilities.

President Coleman responded that students requesting accommodation for learning disability go through the Center for Learning Disability. Students have to be diagnosed in order to qualify for the accommodation from the professor.

Associate Provost Lopes stated that students who come to the University of Iowa planning to self identify go through the disability services office. Students are required to provide documentation for purposes of determining the appropriate accommodation. Students who come to the university without having disclosed a learning disability can go to this office if they want to gain accommodations.

Regent Becker stated that she has heard comments from families whose children have received services in K-12 education for many years. Those families question why they have to spend more money in order to prove they have a disability.

Associate Provost Lopes said she believed the rules are different between high school and universities.

President Newlin suggested that Interim Executive Director Barak and his staff develop a memorandum on this subject and distribute it to all of the Regents.

**ACTION:** President Newlin stated the Board received the Annual Report of the Regent Registrars and Admissions Officers Coordinating Committee, by general consent.

### **ANNUAL DISTANCE EDUCATION REPORT.**

Associate Director Kniker presented the Board members with highlights of the annual report on distance education. He said credit and non-credit enrollments have increased. BLS enrollment is stable. The report included information on courses, programs and enrollments; collaborative activities; outcome assessments; and incremental costs. Key findings for 2000-2001 with regard to courses/programs are as follows: 60 credit programs were offered with 2,586 individual courses/sections; there were 35,125 student registrations; 1,030 student enrollments in the BLS program; and 4,600 students taking Iowa Communications Network courses. He stated that key findings with regard to non-credit programs are as follows: 515,296 individuals participated; the number of Regent university programs offered at regional study centers increased while enrollments declined. Costs were reported at \$10,264,292, as follows: instruction \$6,615,901; technology \$1,313,624; and administrative \$2,334,767. He referred the Board members to a map contained in the report which showed, county by county, the cities in each county where courses were offered. He concluded by stating that Regent universities provide access and service. Distance education is more than continuing education.

Regent Fisher referred to the \$10 million cost of distance education, and asked if there was any information available on the revenue streams toward that \$10 million cost. Associate Director Kniker responded that, contained in the report were individual revenue figures for each of the three universities.

President Newlin noted that, for the University of Iowa, the total incremental costs of distance education was identified as \$4,402,190, while revenue (tuition, fees, and contracts/grants) was identified as \$4,128,418. Associate Director Kniker responded that there is some difference in accounting at each of the universities.

Provost Richmond stated that, at Iowa State University, faculty who are involved in delivering courses are faculty in the academic units. Distance education responsibilities are included as a portion of their salaries. He said that, at the other universities, faculty are sometimes paid extra for those responsibilities. Associate Provost Duin stated that distance education is considered part of the load of Iowa State University faculty.

President Newlin asked if it would be possible to figure expenses and revenues the same way at the universities. Associate Provost Duin said one could add what is on load and over load. It was a philosophical question of whether the teaching of a distance course should be considered an ongoing part of a faculty member's teaching load or as additional responsibility.

President Geoffroy said there are fundamental differences in the way the universities approach distance education. The universities are also structurally different; therefore, it would be difficult to develop an accurate "apple-to-apple" comparison.

Regent Neil asked if the regional study center costs were included in the distance education cost figures. Associate Provost Duin responded affirmatively.

Regent Neil asked if the regional study center costs included building costs and fixed costs. Associate Provost Duin responded that it did not. Interim Executive Director Barak stated that the regional study center costs for the Regent institutions included only the programming costs.

Regent Neil suggested that the Board of Regents should be provided with all of the distance education costs of the Regent study centers when it receives the annual report. Interim Executive Director Barak said the problem with identifying the costs of the two regional centers on the state borders is that the centers include universities from other states. There is a direct appropriation from the Iowa legislature to the regional study centers; therefore, it is not really Regents money.

President Newlin noted that Iowa State University's numbers of credit course distance education students were lower than those of the other two universities. President Geoffroy responded that the data for Iowa State University reports only those students who flowed through the University's continuing education division. Associate Provost Duin stated that if one were to include Iowa State University's evening and Saturday programs, another 9,000 enrollments would be added.

Regent Neil referred to the handout provided in the meeting materials which indicated that the number of faculty trained to use Web-based technology is much larger at Iowa State University than at the other two universities.

Associate Provost Duin stated that the number reported for Iowa State University was faculty who have initiated either Web CT or Classnet accounts. She said the discrepancy may be in looking at how many of those faculty are teaching purely distance education courses versus how many faculty are using Web CT and other platforms to enhance their on-campus classes.

Regent Neil referred to the handout on distance education prepared by Associate Director Kniker which was distributed to the Board members, and said it "tells a story". He asked that some thought be given to putting distance education information in a brochure for public and political consumption.

President Newlin referred to the 6 percent reduction in appropriations at the beginning of the fiscal year and the anticipated mid-year cuts. He asked how those cuts would impact the universities' efforts in distance education.

President Geoffroy stated that Iowa State University are very concerned about the University's extension activities. Extension will be hard hit by the budget cuts.

President Coleman said it was clear that, at the University of Iowa, money will be taken from off-campus activities to focus more on the on-campus programs.

President Koob asked to tie together his response to President Newlin's question with the discussion of distance education being an on-load responsibility of faculty. He said on-load courses taught by faculty may have enrollment on and off campus. All students view faculty at the same time but those differences are not reflected budgetarily. As University officials have to cut the number of instructors in response to budget cuts, there will be less opportunity for off-campus offerings. He noted that the University's continuing education division has volunteered to help support the University's activities during this time of budget difficulties.

Regent Fisher asked if the budget cuts will have an impact on the Des Moines Higher Education Center. President Koob stated that the Des Moines Higher Education Center was developed in response to the request of an important community in Iowa. The Universities have put money into a program that, if developed, over time would pay for itself. If there is not a commitment from the city of Des Moines or the state of Iowa to make the outreach effort work, the effort will be affected. He said it is always more expensive to teach off campus on a per-student basis. Any time the state pulls back its commitment to the universities, it is pulling back its commitment across the state. He questioned how much is gained politically by the outreach activities in justifying the additional cost.

Regent Fisher noted that money has been allocated through the Vision Iowa fund to the Des Moines Higher Education Center. President Koob said that financial support is for capital costs, only, and is only the first step. So far, there has been no financial commitment to maintaining the facility.

Regent Fisher said the Des Moines Higher Education Center is one of the top priorities for Des Moines.

Regent Neil referred to the conclusion section of the memorandum for this docket item, which stated, "The inclusion of the report of the Coordinating Council on Virtual Learning and the formation of the 2+2 Council suggest that next year's report will be more extensive in the areas that these two groups explore. Based on the reports of these two groups, the Board may wish to reconvene a Priority Study Group on Distributed Education." He asked that the Board Office keep the Board members advised.

President Newlin suggested that consideration of reinstituting a distance education priority study group be tabled for 2-3 months. He then recognized Assistant Director Gonzalez.

Assistant Director Gonzalez introduced Ronald Kral, of the University of Iowa Video Center, to present information on the development of the Iowa Regent Institutions Distance Education (IRIDE), a website displaying the distance education programs, courses, and services of the three Iowa Regent universities. She said the project mirrors a presentation in May by Diana Oblinger on a prospective student portal that was developed at the University of North Carolina. The Board of Regents asked if something comparable was available for the Regent universities.

Mr. Kral discussed the development of the website, and provided the Board members with a presentation of what is available on the website. He noted that a link to IRIDE was added to the Board of Regents web page.

Regent Becker likes the ease of registering provided by the website.

Assistant Director Gonzalez noted that the site also indicates whether a course has prerequisites.

Interim Executive Director Barak referred to the discussion about the distance learning priority study group. He said the original study group completed its work last year. Its final recommendation was to have two committees to undertake the work that was identified. Those committees are undertaking the ongoing aspects of the study group.

President Newlin thanked the presenters, and noted that much progress had been made.

Assistant Director Gonzalez introduced the three continuing education deans who collaborated on the development of IRIDE: Chet Rzonca, Ann Duin, and Jim Bodensteiner. (The individuals received applause.)

**ACTION:** President Newlin stated the Board, by general consent, (1) received the report on distance education and the university reports and (2) received a status report on the Virtual Learning Coordinating Council.

#### **REPORT ON SOUTHWEST IOWA REGENT RESOURCE CENTER STUDY.**

**ACTION:** President Newlin stated the Board deferred consideration of the report on the Southwest Iowa Regent Resource Center study, by general consent.

#### **ACCREDITATION REPORTS, IOWA SCHOOL FOR THE DEAF: CONFERENCE OF EDUCATIONAL ADMINISTRATORS OF SCHOOLS AND PROGRAMS FOR THE DEAF, INC. (CEASD) AND THE NORTH CENTRAL ASSOCIATION (NCA).**

Superintendent Johnson provided highlights of the accreditation reports. He noted that both of the accreditations have taken place for over 30 years, about which School officials are proud.

President Newlin asked if the School's new strategic plan was helpful in the School receiving accreditation. Superintendent Johnson responded affirmatively. He said

School officials blend the strategic planning process with many of the activities having to do with the accreditation. There are clear objectives and measurement standards.

President Newlin asked Superintendent Johnson to comment on the use of the school improvement model in preparing for the accreditation reviews. Superintendent Johnson responded that staff focused on several areas including reading which, for deaf youngsters, is a most difficult area, and transition after high school. He feels about the good progress that has been made. He noted that 60 percent of all disabled people nationwide are unemployed. Of Iowa School for the Deaf's graduates, that figure is about 20 percent. The figure for the hearing population is 4-5 percent so Iowa School for the Deaf's figure is not good enough.

President Newlin congratulated School officials on the accreditations. He noted that the Iowa School for the Deaf is ranked high among its peers.

**ACTION:** President Newlin stated the Board received the reports on reaccreditation of the Iowa School for the Deaf, by general consent.

### **ANNUAL SALARY REPORT.**

Director Wright stated that the salary report is presented to the Board each fall after the salaries for the current fiscal year are established. He said the state allocation to the Regents for incremental funding of the state's salary policy was \$28.8 million, with additional reimbursement funding for a component of health insurance premiums charged by the state of \$1.1 million. The general fund compensation and benefit increases total \$34.7 million, exclusive of annualized health insurance premiums from FY 2001 increases. He noted that a significant area of increased cost, for which state funding was insufficient, involved substantial health insurance premium increases.

Institutional salary policies provide that faculty and professional and scientific staff increases would average 3 percent plus incremental steps, which generally provides increases of 4 percent. The institutional salary reports indicated that average pay increases for both faculty and professional and scientific staff were within the parameters established in the Board's policy for non-organized and organized staff. Bargaining agreements result in some variations among the institutions.

Director Wright stated that Regent Merit System employees, both organized and non-organized, received increases of 3 percent across-the-board plus step increases. It was estimated that total increase to merit system staff was about 4 percent.

President Coleman stated that keeping competitive salaries for University of Iowa faculty is one of the most important ways to ensure the vitality of the institution. She said she was pleased that the University of Iowa's ranking for faculty salaries among its peers did not decline. University officials will do everything in their power to keep faculty and staff salaries competitive, and she thanked the Board of Regents members for their efforts in that regard.

President Geoffroy said he was very concerned about how Iowa State University's faculty salaries compare with its peers—it is in last place. The quality of the institution is reflective of the quality of the faculty. Faculty salaries is a challenge in this time of very tight budgets.

Regent Becker asked for the reason for the difference in average faculty salaries at the University of Iowa and Iowa State University. President Geoffroy said he would venture to say it was probably because of the influence of the medical school. President Coleman stated that medical school faculty are not included in the figure; therefore, the difference may be related to the disciplines.

President Koob stated that the University of Northern Iowa's salary percentages are slightly higher because of collective bargaining.

Regent Ahrens asked what progress had been made in leveling the salary gap of male and female faculty. President Koob said there is a residual gap from when the University's faculty were predominantly male. Hiring of faculty in recent years has been at virtually the same salaries for men and women. He noted that the difference between average salaries faculty is historical. The only area in which the University does not meet affirmative action goals is gender.

Provost Whitmore stated that, for the University of Iowa, the reason was similar to that expressed for the University of Northern Iowa. Female faculty moving through the ranks are less senior than male faculty. A recent gender equity study found that, in the collective whole, there is no discrimination against women in the University's salaries. The issue with regard to salaries is how many years of service a faculty member has had.

Provost Richmond stated that, at Iowa State University, the reasons for the salary differences are similar to those of the other two universities. There are changing demographics of the university. The provost's office has a university committee on women which, last year, undertook a study of a particular college. Areas studied included service on a variety of committees, research and office space. No inequities were found. The committee is continuing that process this year with another college. The study was well received by faculty and administration of the college.

Regent Arbisser asked if any data is available on turnover of faculty. Interim Executive Director Barak responded that an annual report on why people resign is presented to the Board.

President Coleman said she did not know if the University of Iowa has more faculty turnover than does its peer institutions.

President Newlin asked for clarification regarding the following statement which was contained in the meeting materials:

Historically, the faculty salary survey data from the American Association of University Professors (AAUP) has been used to compare faculty salaries at peer institutions. The AAUP survey excludes clinical faculty.

Director Wright stated that the survey excludes medical faculty.

President Geoffroy suggested the use of another salary survey, the one published by the AAU of which the University of Iowa and Iowa State University are members. He said it would be valuable to look at the set of public universities included in that list. Director Wright said the Board Office can certainly do that.

Regent Neil asked if that salary survey could be provided to the Board members by next month. Director Wright stated that one problem would be the timeliness of the data. Some of the organizations do not report data until spring of the next fiscal year. He said the Board Office could give updates as those become available.

Regent Neil said he would be interested in looking at last year's data.

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

### **COMPREHENSIVE FISCAL REPORT FOR FY 2001.**

Associate Director Hendrickson provided a PowerPoint presentation highlighting the comprehensive fiscal report for FY 2001. She said the report provided an explanation of FY 2001 budgets, a comparison of actual revenues and expenditures with Board-approved budgets, allocations by strategic planning initiatives, uses of new revenues, reallocations, and efficiency and effectiveness data. She said general fund budgets totaled \$1.5 billion. Salaries account for 69.5 percent of total general fund expenditures. Restricted fund budgets, totaling \$1.1 billion, are designated for specific purposes including residence systems, athletics and capitals.

Associate Director Hendrickson stated that minimal new state funding was provided in FY 2001. Operating appropriations were reduced by \$2.7 million from the original FY 2000 base. Salary funding was received in the amount of \$17.7 million while \$28.9 million was the amount needed to fund salaries. Health insurance needs of \$7.4 million were not funded. She said new tuition revenue of \$16.4 million provided funding for student aid, salary shortfall, library acquisitions, and mandatory cost increases.

With regard to reallocations during FY 2001, Associate Director Hendrickson stated that the institutions accomplished the following:

SUI	\$10,860,900	2.7%
ISU	8,606,746	2.3%
UNI	4,913,200	3.9%
ISD	178,862	2.1%
IBSSS	<u>488,166</u>	10.8%
	\$25,047,874	

Examples of efficiencies and effectiveness included the following examples:

SUI	Created two divisions in the College of Liberal Arts that enabled the College to provide needed services without redundancy
ISU	Made significant progress distributing information electronically
UNI	Re-engineered the summer school calendar adding a four-week May term
ISD	Implemented an efficiency program to conserve energy
IBSSS	Automated the Individualized Education Program

President Newlin stated that the reason the Board began receiving this report was to compare how the institutions expended funds compared to how it had been indicated they would expend them. He noted that the expenditures were within 1/10 of 1 percent of budget.

Associate Director Hendrickson stated that institutional officials did a great job with the resources they had.

Regent Neil asked if the institutional reallocation process funded areas of the budgets that were impacted by the appropriations shortfalls. Associate Director Hendrickson responded that tuition revenues funded some of the shortfalls, also.

**ACTION:** President Newlin stated the Board received the FY 2001 report, by general consent.

**PHASE I ORGANIZATIONAL REVIEW REPORT.**

**ACTION:** President Newlin stated that receipt of the phase I organizational review report was deferred until next month.

**REPORT ON MEETING OF IOWA COORDINATING COUNCIL FOR POST-HIGH SCHOOL EDUCATION.**

Interim Executive Director Barak stated that the Council accepted a report on 34 new programs proposed by constituent institutions. He said the new program approval procedure seems to be working very well and has provided opportunities for the Council to spend more time on the purpose the Council was founded: cooperative activities. The Council heard a panel discussion of staff and students from the University of Iowa, Buena Vista University and Iowa Valley Community College regarding problems, issues and solutions to the abuse of alcohol by college students. He said the alcohol discussion was very good. University of Iowa representatives gave very good examples of some of the efforts taking place on their campus. Some of the private college representatives will be contacting the University of Iowa to find out how those efforts were initiated. The Council discussed the problems related to reductions in appropriations and agreed to have its Executive Committee develop recommendations for review by the Council concerning possible collaborative efforts to address the contribution of higher education to the State of Iowa and strategies for a united approach in the next legislative session.

Regent Neil added that cooperative activities could include a focus on how institutions of higher learning might aid the development of the state of Iowa.

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

## **REAFFIRMATION OF THE KNIGHT COMMISSION PRINCIPLES.**

Interim Executive Director Barak stated that the Board has previously affirmed the Knight Commission Statement of Principles. He said the Knight Commission was reformed and issued a report in June 2001, which recommended its ten Statements of Principles be continued.

**MOTION:** Regent Fisher moved to reaffirm the "Statement of Principles" identified by the Knight Commission and recommend that each Regent university adopt the principles. Regent Ahrens seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

President Newlin said the Knight Commission principles indicate that the university presidents are responsible for their athletic programs abiding by the principles of the NCAA, their conferences, and the institutions' rules.

## **ANNUAL REGENT MERIT SYSTEM REPORT.**

Director Wright reviewed the annual report with the Board members. He stated there are approximately 8,300 employees in approximately 300 titles in the Regent Merit System. Two-thirds of those employees are female; 6.2 percent are minority. The average salary was \$28,517. Base salaries increased 2.4 percent and step increases averaged 1 percent. Forty-seven percent of the Regent Merit Staff are on step 10 of the salary scales. He said there were 315 reclassification requests; 258 new positions classified; and 20 classification appeals heard by an independent panel. Promotions by gender and minority status mirror approximately their proportions in the population. The turnover rate is approximately 11 percent.

**ACTION:** President Newlin stated the Board received the governance report on the operation of the Regent Merit System for fiscal year 2001, by general consent.

## **BOARD OFFICE PERSONNEL TRANSACTIONS.**

**ACTION:** The Board Office Register of Personnel Changes, which contained the following, was approved on the consent docket: Appointment of Lilli Muldoon as Clerk II/Receptionist at an annual salary of \$24,897 plus the usual fringe benefits, effective October 8, 2001.

**APPROVAL OF VENDORS WITH A POTENTIAL CONFLICT OF INTEREST.**

**ACTION:** The vendors with a potential conflict of interest were approved on the consent docket.

**ADMINISTRATIVE CODE UPDATE.**

Assistant Director Stratton stated that state agencies are to review their administrative code rules by November 1, 2001, according to the need for a rule, the clarity of the rule, the intent and statutory authority which is the basis of the rule, the cost/benefit of the rule, and the fairness of the rule. Representatives of the Regent institutions have been conferring with interested groups on campus, while the Board Office has identified and notified public constituents, requesting their input and participation. An electronic Administrative Rules Terminal is maintained by the Information Technology Department, permitting agencies to submit their rules assessments electronically for review by the Governor's staff. In the weeks to come, the Board Office will be gathering comments from the Regent institutions and public constituents to submit to the Governor's Office via the Administrative Rules Terminal.

**MOTION:** Regent Kelly moved to (1) receive the report and (2) authorize the review and submission of designated proposed rule revisions via the Administrative Rules Terminal. Regent Ahrens seconded the motion. MOTION CARRIED UNANIMOUSLY.

**IOWA ADMINISTRATIVE CODE REVISION – REGENT MERIT SYSTEM RULE.**

Director Wright stated that furloughs are not a part of reduction in force rules. The proposed rule modification clarifies the ability of the institutions to enact furloughs for Regent Merit System staff. Considering that the Regent institutions are facing an uncertain budget for the remainder of the fiscal year, this seemed to be an appropriate time to submit a Regent merit system rule revision, on an emergency basis.

Regent Neil asked how the proposed rule revision relates to the collective bargaining agreements. Director Wright responded that the proposed change would not change anything in the collective bargaining agreements.

Regent Neil asked if anything that might change the collective bargaining agreement would have to be bargained. Director Wright responded affirmatively.

**MOTION:** Regent Kelly moved to (1) approve a revision in the Regent Merit System Rule pertaining to reductions in force and (2) authorize the Interim Executive Director to file the rule in appropriate

form for emergency adoption. Regent Ahrens seconded the motion, and upon the roll being called, the following voted:  
AYE: Ahrens, Arbisser, Becker, Fisher, Kelly, Neil, Newlin.  
NAY: None.  
ABSENT: Nieland, Turner.

MOTION CARRIED.

#### **POLICY ON NAMING FACILITIES.**

Interim Executive Director Barak stated that the proposed policy was intended to fill a void in current Board policy.

MOTION: Regent Fisher moved to approve the proposed policy on naming buildings and facilities. Regent Becker seconded the motion. MOTION CARRIED UNANIMOUSLY.

President Newlin referred to asked for clarification regarding “naming of minor units or functional names of major units” that may be approved by the institutional head. Vice President Madden said the intention was to permit the identification of a facility as a reflection of the nature of the activity of the building. He provided the example of naming the chemistry building as the Chemistry Building.

#### **LAKESIDE LABORATORY CONSORTIUM AGREEMENT.**

Professor Arnold van der Valk stated that the Lakeside Laboratory Consortium Agreement has been “in the works” for a number of years. The agreement will make private entities part of the Laboratory and expand the funding base of Lakeside Laboratory. A model adopted by other field stations in the country was utilized in developing the proposal before the Board. He said two types of fees are envisioned:

1) a membership fee and 2) tuition. The Lakeside Laboratory Consortium Agreement has been approved by the Iowa Lakeside Laboratory Coordinating Committee in a desire to extend the use of the Lakeside Laboratory to faculty and students of other colleges and universities. The Lakeside Laboratory Bylaws were revised in order to clarify language, organizational relationships, and membership obligations. He noted that the participation of non-Regent institutions was part of the Laboratory’s long-range strategic plan.

Regent Kelly asked if the activities envisioned with the adoption of the agreement were expected to pay for themselves. Professor van der Valk responded that the effort is designed to be revenue generating.

Regent Kelly asked about the bike path. Professor van der Valk responded that the bike path is currently stalled for lack of funding. The trail was designed to run along the western edge of the Lakeside Laboratory property.

Regent Fisher asked for an explanation of the fee if, for example, a Grinnell College student wanted to come to the Laboratory. Professor van der Valk stated that the Lakeside Laboratory courses would be listed in Grinnell's catalog as Grinnell courses. The Lakeside Laboratory would receive from Grinnell an annual membership fee and tuition.

Regent Fisher asked if there was any idea how many students might come to Lakeside Laboratory from non-Regent institutions. Professor van der Valk said it was difficult to know how many non-Regent students might attend the Laboratory. There are currently not a large number of students from the private colleges coming to the Laboratory each summer. The intent is to increase the visibility of Lakeside Laboratory.

Regent Fisher said he believes the effort will be received well. Professor van der Valk said it has been received well.

MOTION: Regent Fisher moved to approve the revised Lakeside Laboratory Consortium Agreement and Bylaws, as presented. Regent Becker seconded the motion. MOTION CARRIED UNANIMOUSLY.

President Newlin thanked Professor van der Valk for his efforts.

#### **TUITION POLICIES AND PROPOSED RATES.**

Director Elliott provided the Board members with a PowerPoint presentation of the proposed tuition policies and rates. She stated that the tuition policy is established annually to keep pace with the Higher Education Price Index (HEPI) and to support the Board's aspiration for excellence. The tuition increase recommendation for 2002-2003 is 18.5 percent: 9.5 percent for inflation (HEPI) and 9.0 percent to improve quality. She said the inflation recommendation of 9.5 percent was the same as was recommended

last month; the 9.0 percent increase to improve quality was a 2 percent increase from last month's recommendation. At last month's meeting, the Board of Regents asked that the Board Office modify the quality component of the tuition proposal with a recommendation that the component should be increased to no less than 1 percent of the universities' total education budgets

Director Elliott expanded on the Higher Education Price Index and quality components of the tuition increase recommendation, as follows: HEPI quantifies the effects of inflation on the operations of colleges and universities including personnel costs, technology, scientific equipment, library resources, and energy costs. Quality is the first of four key results areas in the Board of Regents strategic plan. The Board adopted quality as a component of its tuition policy in December 1997. Quality reflects the joint aspirations of the Board and Regent institutions to achieve excellence. She said the increase in the quality component was based on the average reallocation of the universities' budgets since the Board implemented its reallocation policy of 2 percent per year of budget five years ago. The universities have averaged approximately 3 percent reallocation which amounts to a \$27.5 million average increase in the FY 2002 budget. With regard to the proposed dollar increase in tuition, Director Elliott stated that the resident undergraduate tuition increase of 18.5 percent would equal \$576, for a total 2002-2003 base tuition of \$3,692.

Director Elliott stated that the Board established mandatory fees in the early 1990s to provide a distinct resource to respond to specific needs of students. She said the proposals for the 2002-2003 academic year represent the third year of implementation for the University of Iowa, and the second year of implementation for Iowa State University and the University of Northern Iowa of the redirection of tuition to mandatory fees. University of Iowa officials requested an additional \$10 in its Student Union fee over what was presented in September (\$71 to \$81) to deal with a decline in customer counts. Iowa State University officials requested that its new Student Services fee be reduced from \$64.80 to \$35.00 because of the significant proposed tuition increase.

Director Elliott presented comparisons of Regent tuition and fees as a percent of national average tuition and fees, and Iowa per capita income as a percent of national average per capita income for 1990-2001.

The estimated cost of attendance (tuition and fees, room and board, and other costs) for a resident undergraduate for 2002-2003 is as follows: University of Iowa--\$12,859.00; Iowa State University--\$12,678.00; and University of Northern Iowa--\$12,755.50. Director Elliott stated that tuition proceeds were proposed to be directed, as follows:

In millions

	<u>SUI</u>	<u>ISU</u>	<u>UNI</u>	<u>TOTAL</u>
Inflation Component	\$13.0	\$10.7	\$3.9	\$27.6
Quality Component	<u>10.0</u>	<u>10.1</u>	<u>3.6</u>	<u>23.7</u>
Gross Tuition Increase	\$23.0	20.8	7.5	51.3
Student Financial Aid Set Aside	<u>3.7</u>	<u>2.3</u>	<u>1.3</u>	<u>7.3</u>
Net Tuition Increase	\$19.3	\$18.5	\$6.2	\$44.0

Director Elliott next addressed surcharges. She said tuition surcharges represent earmarked amounts for specific colleges and purposes. A surcharge is a permanent addition to base tuition. Students enrolled in specific colleges pay the surcharge in addition to the university's base tuition and receive the benefits of the additional resources. At the University of Iowa, 9 programs assess surcharges; at Iowa State University, there is a proposal to assess a surcharge for one program. With regard to tuition-related miscellaneous fees, she said those fees include continuing education, extension courses, Lakeside Laboratory and workshops. Proposed rates for tuition-related miscellaneous fees would increase at the same rate as base tuition increases.

Director Elliott stated that the Board cannot act on the tuition increase until next month. By law, the Board can take action no sooner than 30 days after notification of the proposed increase to presiding officers of each student government organization at each affected institution and no later than November preceding the fiscal year in which the increase would apply.

Regent Fisher asked, for discussion purposes, if the amount of the tuition increase, after removal of the student aid set-aside, would cover the deappropriation. Director Elliott responded that it would not. The increase in tuition proceeds was less than one-half the amount of the deappropriation and the underfunding of salaries.

Regent Turner asked how student financial aid set-aside is calculated. Director Elliott responded that set-aside was calculated as a percentage of tuition revenues, as follows: University of Iowa--16 percent; Iowa State University—11 percent; University of Northern Iowa—18 percent.

Regent Becker stated that she was concerned about maintaining access for students across all income levels. Students with financial need might be disadvantaged by the proposed 18-1/2 percent increase in tuition. She asked for further elaboration of the student aid set-aside.

Director Elliott referred to the docket memorandum which contained the following information:

The Regent university financial aid directors were requested to run scenarios of financial need with varying tuition increases. Using the 2001-02 enrolled undergraduate students that filed the Free Application for Federal Student Aid forms, the university financial aid directors identified the students with demonstrated need for the 2001-02 academic year and then projected the increases in students needing financial aid if an 11.5%, 13%, and 18% tuition increase were implemented. The following table presents the projected increases in students needing financial aid if tuition would be increased by 18%.

	Students Demonstrating Need	Students Not Demonstrating Need	Projected Increase in Need with an 18% Tuition Increase	
			Students	Percentage
SUI				
Resident	5,796	2,196	40	0.6%
Nonresident	1,870	943	70	3.7%
ISU				
Resident	9,410	3,228	205	2.2%
Nonresident	2,004	771	82	4.1%
UNI				
Resident	6,307	2,090	151	2.4%
Nonresident	296	76	11	3.7%

Regent Ahrens asked why the numbers of students did not add up. Director Elliott responded that not all students apply for financial aid.

Regent Becker said there might be some students who have not applied for financial aid in the past who could now apply for aid, assuming tuition increases 18.5 percent. She asked if there was enough margin for that in the funding to take care of those additional students with financial need. Director Elliott responded that the tuition aid set-aside, as proposed, should provide for those additional students.

Regent Becker referred to last month's discussion about the need-based loan debt for graduating seniors. Iowa State University students had higher amounts of need-based loans. She noted that the percentage of student aid set-aside from tuition revenues at the University of Iowa and the University of Northern Iowa were fairly close at 16 percent and 18 percent, respectively, but Iowa State University was at 11 percent. She questioned whether part of the reason for the higher need-based loan debt of Iowa State University students is that Iowa State University puts less of the tuition revenues into set-aside.

President Geoffroy said he could not answer the question directly. Eleven percent has been the historical set-aside at Iowa State University. The University actually puts a lot

more of its funds than the set-aside funds into scholarships, including need-based scholarships. He suggested that University officials review the amount of funds that are put into scholarships and adjust the student aid set-aside figure accordingly.

Regent Becker asked that University officials proceed as suggested by President Geoffroy.

President Newlin asked that Iowa State University officials perform the proposed analysis and provide the results to the Board Office to be presented with the materials for next month's Board meeting.

Regent Fisher asked that each university perform the suggested analysis for presentation to the Board. The universities would provide an analysis of all of the funds that are dedicated to scholarships for students in addition to the student aid set-aside.

Regent Becker asked that the information be divided into categories of need-based and merit financial aid.

President Newlin asked for a five-year record.

President Geoffroy asked that the Board Office provide the universities with a written directive of the Board's request. Interim Executive Director Barak said the Board Office would do so.

Regent Ahrens referred to the proposed College of Veterinary Medicine surcharge. She asked if the surcharge would apply to all student classes or just the incoming freshman class and the subsequent classes. President Geoffroy said Iowa State University would follow the practice set by the University of Iowa in establishing the surcharges which is that the charge would only apply to the entering students and all subsequent classes.

President Coleman thanked the Board Office for the good work in putting together the tuition proposal. She expressed her support for the tuition recommendation. She supports Iowa's policy of setting tuition a year in advance; however, she noted that doing so puts the universities in great risk because it is unknown how the legislature will be able to support the universities.

President Geoffroy expressed Iowa State University's support for the recommendations of the Board Office and strongly urged the Board's adoption.

President Koob stated that he, also, supported the Board Office tuition proposal. He referred to Regent Fisher's earlier question about the tuition increase offsetting the deappropriations. He stated that the tuition increase will not offset the deappropriations

experienced in the last several years. Certainly, it will not accommodate the expected further reductions in the budget. The deappropriations have not given the University of Northern Iowa the opportunity to pursue quality initiatives or the ability to keep up with inflationary costs. He said that, while the proposal was for an extraordinarily high tuition increase, it has been brought on by external factors.

President Newlin recognized Nick Klenske, University of Iowa student government president.

Mr. Klenske thanked the Board members for the opportunity to address the proposed tuition increase. He noted that the Board was put in the unpleasant situation of having to make up for a loss of revenues as a result of what happened at the Statehouse. He asked that the Board look at all available options, especially as the budget situation may possibly worsen in the near future. Students are looking at the long-term picture. Seven percent budget cuts were predicted for the universities; that figure was now 4.3 percent. He stressed that the University of Iowa must remain a public institution. One idea proposed by the University of Iowa Student Government is a set tuition rate. Doing so would make tuition increases predictable, allow students and families to reasonably budget for education, and assist students in choosing a college. Students asked that the Board request its staff to investigate the possibility of a set tuition rate that would have students pay the same amount in tuition throughout their academic careers and that all new tuition increases begin with the incoming class.

President Newlin recognized Andy Tofilon, Iowa State University student body president, and Charles Johnson, student body vice president.

Mr. Tofilon provided the Board members with a PowerPoint presentation. He congratulated President Geoffroy on his installation, on behalf of his students. He then addressed the proposed tuition increase, which he said would be catastrophic for many students. Many students will have to leave the University with thousands of dollars in debt but no tassel to show for it. The Board has the opportunity to stand up for the students and for the quality of the universities. He asked that the Board take into account the bottom lines of students. He requested that the Board raise tuition by 15.5 percent as opposed to 18.5 percent, as proposed by the Board Office. He said the budget shortfall was lower than originally calculated. Also, the 15.5 percent increase was originally recommended by the three university presidents. He asked that the Board not balance its "checkbook" on the backs of students.

Mr. Tofilon stated that Regent Becker had requested that the additional 3.5 percent increase in tuition go directly for student financial aid. He said the need for student financial aid is great, and particularly for out-of-state students.

Mr. Johnson stated that the Board of Regents should not bear the blame for the increase it is forced to approve. He asked that the Board use its authority to improve the lives of students. Higher education must be of the highest priority. The universities must show the state all that they accomplish. He asked that the Board members, university officials and students work together in a campaign to make the universities the highest priority in the state. He asked that the Board join the students in the fight for the future of the universities.

President Newlin recognized Adam Briddell, Northern Iowa Student Government President.

Mr. Briddell stated that students sympathize and appreciate the Board's position with regard to the tuition increase. He said their combined voices must be heard by state government. He pledged the voices of the students. He referred to the balance between quality and access and asked that the Board consider predictability as a way to reconcile these ideas. There should be a compromise between the competing forces of quality and access. He stated that 10 months of warning of an increase of 18.5 percent in tuition does not constitute predictability. Fee increases are considered as quality increases. He said the students had brought to the Board a variety of options which he asked that the Board consider.

President Newlin expressed the Board's appreciation for the presentations of all four students.

**ACTION:** President Newlin stated the Board considered the modified preliminary adjustments for the 2002-03 academic year tuition and fees, effective with the summer session 2002, as presented, by general consent.

#### **REGENT LEGISLATIVE PROGRAM.**

Interim Executive Director Barak stated that the Regent institutions have experienced budget cuts and underfunding of salaries for the last three years. In September, the Governor announced a plan to reduce FY 2002 state budgets by \$108 million, including an additional 7 percent (\$46.9 million) cut in university appropriations. The Governor exempted K-12 schools, the Department of Public Safety, the Department of Public Defense and the Department of Employment Services. He said the Governor can implement across-the-board cuts without legislative approval, but targeted cuts require legislative action. Therefore, the Governor subsequently announced 4.3 percent across-the-board cuts for all state agencies. It was Dr. Barak's understanding that the Governor is working with legislative leadership to call a special legislative session,

possibly for early-November, assuming agreement on the parameters of the session can be reached.

Interim Executive Director Barak stated that all of the Board-approved appropriations requests have been entered into the state's budget system in accordance with state law. Prior to determining the formal appropriations recommendations, the Governor and Lieutenant Governor, with assistance of department directors, will hold several budget hearings at different sites around Iowa between November 13 and December 3. Each hearing will focus on one key policy area of the leadership agenda of the Governor and Lieutenant Governor. He said it was not likely that any of the new funding requests would be considered.

The Board Office recommended that the Board give preliminary consideration to the proposals presented for inclusion in the Board's legislative program for the 2002 session and request that any additional suggestions be provided to the Board Office for inclusion in the legislative program for Board consideration at the November meeting. Interim Executive Director Barak said that it was his understanding that representatives from each of the institutions wished to make additional comments.

President Coleman began by referring to an article which appeared last month in the Scientific American which highlighted the National Advanced Driving Simulator at the University of Iowa. She said the article was an example of the positive comments from the scientific community about the University's facility.

President Coleman then addressed the budget issues. She said University officials understand the state is facing severe revenue shortfalls. She reported that, even at the lower percentage of appropriations reduction suggested now of 4.3 percent, the cuts will cause serious problems for the University. She believes the across-the-board cut is more fair than targeted cuts. President Coleman put the proposed appropriations reductions in the context of appropriations reductions/shortfalls the University experienced in FY 2001 and FY 2002. In FY 2001, the University experienced a \$5.9 million appropriation shortfall (\$1.7 million base reduction and \$4.2 million salary shortfall) in its general education fund with a university-wide reduction of \$7.1 million. In FY 2002, the University began with a general education fund base reduction of \$14.7 million, a salary shortfall of \$4.4 million, with an additional \$10.9 million base reduction, for a total shortfall of \$30 million in the general fund and \$37.3 million reduction university-wide.

President Coleman stated that University officials are coping with the appropriation reductions as best they can. They are cognizant that this is just a precursor of more and larger cuts in the upcoming fiscal year which is why they are concerned about maintaining the quality of the institution. She presented a graph of executive/

administrative FTE staff comparisons with Big Ten institutions for 1999-2000 which showed the percentage of executive/administrative staff to FTE staff. The University of Iowa is at the bottom in comparison with its peers in the Big Ten, which shows the University is a very efficient organization. She was concerned about whether the percentage is getting so low that the University's very best people will get burned out and leave the University.

Regent Fisher asked for clarification regarding the appropriations reductions for the current fiscal year. President Coleman reviewed the numbers.

Regent Neil asked for the definition of "executive". Vice President True responded that "executive" would include deans, vice presidents, associate and assistant vice presidents, hospital administrators and assistant hospital administrators.

Regent Fisher asked what dollar amount was represented by each percentage increase in tuition. President Coleman responded that, for the University of Iowa, it was \$1.1 million.

President Coleman next addressed how University officials are coping with the budget issues. The following principles are being adhered to: 1) there will not be a decrease in student financial aid, 2) the four-year graduation contract will be preserved, 3) library acquisitions will not be cut, and 4) revenue generating areas will not be reduced; therefore, higher cuts have to be made in other areas. She said University officials are well along in the process of consultation. Options for coping with the reductions have been identified. As part of earlier (FY 2002) budget cutting, the University eliminated 107 positions, including 70 faculty lines, mostly by leaving vacant positions open. A number of high-level administrative positions have been left vacant or are being filled with interim appointments. University officials announced last week the deferment of building projects totaling nearly \$2 million. Equipment purchases of over \$1 million have been deferred.

President Coleman stated that, two weeks ago, University officials announced the suspension of six internal grant competitions totaling over \$1 million. Additional reductions will be achieved by further reductions in temporary and permanent staff positions, suspension of faculty development and support programs, and reductions in faculty, staff and student travel. Collegiate deans have developed preliminary budget cutting strategies including increasing minimum class size and reducing the number and variety of classes offered. She said that, in addition to the 107 positions expected to be lost as a result of the earlier state reductions, University officials expect to eliminate an additional 158 positions. She anticipates that, beginning next fiscal year, 265 fewer people will be working for the University of Iowa.

President Coleman introduced the University of Iowa Faculty Senate President, Dr. Amitava Bhattacharjee, to speak to the budget issues. She stated that she has been buoyed and encouraged by the leadership of the faculty during this very difficult time.

Professor Bhattacharjee stated that he teaches in the Department of Physics and Astronomy. He came to the University of Iowa eight years ago; he was attracted by the preeminence of the University of Iowa in space physics. He said the tradition of excellence continues to flourish today. He addressed the important role that public universities play in the life of Iowans and the transforming power of higher education in the lives of students. Many of the students come from rural communities with modest means and, despite their promise, their natural modesty keeps them from imagining their destiny in ways that students from economically privileged backgrounds may take for granted. He has found it inspiring, as these students learn to think and write well, as they are exposed to the great books and the great theories of science, their aspirations grow. This is what higher education at its best can achieve. Iowans understand this great promise, which is why they have supported their public universities for decades with generosity and conviction.

There are two pre-conditions for realizing the dreams of students: first, the provision of high-quality teaching and research, and two, making this education accessible. Professor Bhattacharjee stated that inadequate state funding can severely compromise both objectives. At a time when the state treasury is short of money, it may seem to some that these objectives are a luxury the state can no longer afford. It is only when contemplating what will be lost when we give up these objectives that we will conclude they are not a luxury but a necessity. He said there cannot be a great Iowa without great public universities.

Professor Bhattacharjee stated that the Faculty Senate convened a meeting to discuss the most recent budget cuts. The Faculty Senate unanimously approved a resolution expressing solidarity with President Coleman. Faculty recognize that, over time, there has been a widening gap between resources provided for the University and the resources the University must provide on its own. The burden of funding the public institutions has shifted.

President Newlin expressed the Board's appreciation to Professor Bhattacharjee for his role as President of the Faculty Senate.

President Geoffroy referred to the table of budget numbers presented by President Coleman for the University of Iowa. He said that, if those numbers were multiplied by .875, one would see the impact of the appropriations reductions at Iowa State University. With regard to the FY 2002 deappropriation, the budget reduction for Iowa

State University is \$11.4 million, which is in addition to the \$15.8 million reduction at the beginning of the fiscal year, for a total \$27 million reduction this fiscal year in state appropriations. Iowa State University officials plan to cover the additional 4.3 percent reduction in FY 2002 appropriations by a series of one-time budget reductions. He said those reductions will have to be built into the FY 2003 budget which will be challenging and painful for the University. It is then that the high-impact decisions will have to be made. He stated that, this year, University officials will reduce building maintenance and repair budgets and defer capital projects. Each of the projects being deferred is an important one for the campus. A portion of the amount budgeted for health insurance will be used to offset the appropriation reduction since the health insurance increase was not as high as expected. Proceeds of the tuition increase will be used for purposes other than was originally intended. There will not be funds to help colleges offer all of the courses needed for the spring semester.

President Geoffroy emphasized that, since the anticipated 7 percent additional reduction in appropriations was now reduced to a 4.3 percent reduction, furloughs for employees were no longer being considered. He said the FY 2003 budget will build in the 4.3 percent budget reduction from FY 2002. The state of Iowa anticipates a \$450 million shortfall in the state budget for FY 2003, and it is very clear that the Regent universities will have to share in budget reductions, on top of what is being experienced this year. He stated that all of the reductions have the potential to harm the University. University officials will use the increased tuition revenue to do what they can to maintain the quality of the University. There will be a significant shortfall in the FY 2003 budget which will require actions to be taken which will jeopardize access to the University.

Iowa State University has experienced a serious increase in the student-faculty ratio in the last 5 years. Student-faculty ratio is one measure of educational quality. President Geoffroy stated that in comparing Iowa State University's total funding with its peer institutions, Iowa State University ranks at the bottom of the list. He said it is difficult to have high-quality institutions when the institutions are facing serious budget issues.

President Geoffroy introduced Dr. Christine Pope, President of the Faculty Senate, and History professor, to address the budget concerns.

Professor Pope discussed the effects of current and expected budget cuts on the work of faculty and the quality of education. She said the state is being "penny wise and pound foolish". The state of Iowa is now in an untenable position, having cut too much money from taxes to support the state's necessary services, while producing a climate of public opinion that makes restoring some of these taxes unacceptable. If significant funds are not raised from other sources, Iowa State University may be forced to make budget cuts that are penny wise and pound foolish.

Professor Pope addressed the impact of the massive budget cuts in terms of the faculty. Last year, Iowa State University lost 39 faculty positions; this year it lost 70 faculty positions. How many additional positions will be lost is unknown. She said the faculty positions are being lost at a time when the number of students has been significantly increasing.

With regard to quality of education resulting from fewer faculty positions, Professor Pope said some students may require more than four years to graduate because they need the extra time to get into the courses they require. Another consequence of the cuts results from the necessity to provide coverage for courses. There are strong pressures to replace tenure track faculty with non-tenure track faculty because those individuals can be paid a great deal less. The reason they are paid so little is because of the continuing over-supply of Ph.D.s nationally, many of whom want to be university teachers. This pool of non-tenure track faculty is a less competitive pool from which the professorate is drawn. She said that to drastically cut the numbers of tenure track faculty will damage the institution in fundamental ways.

President Newlin thanked Professor Pope for her role as President of the Iowa State University Faculty Senate.

President Newlin acknowledged Representative Jane Greiman, who was in attendance.

President Koob stated that his colleagues had expressed many of his thoughts about these difficult times. He thanked the Board for keeping an eye on quality and said the value of such was not underestimated in the discussions on campus. He appreciated that the Board of Regents has given each campus the management authority to work through the budget issues appropriately for each university. He then focused on the difficult impact of mid-year deappropriations. He said the \$3.8 million reduction for the University of Northern Iowa comes at a time when the University has already made a social contract with students. The University of Northern Iowa is experiencing record enrollment for the fourth year in a row. Most of the faculty and staff are on contract.

President Koob stated that the following principles guide the budget decision making: 1) University officials will not make cuts that impede students' progress toward graduation and 2) University officials will avoid, in the short-term, making decisions that have a negative long-term impact. There has been an effort to shrink the budget across campus, with the assumption that it is a temporary reduction, in a way that would not permanently impact the campus. University officials will continue to look for long-term program reductions. He then provided a few examples of the wide range of impacts that are occurring on the campus. He said the University is offering 217 fewer spring sections of classes than it had planned to offer. Doing so reduces student choice as class size increases. Grades will no longer be mailed to students; students will have to

access their grades electronically. Students will assume one-half of the cost of winter commencement. There will be a reduction in student services. He said University officials are working through the budget issues consistent with the Board's charge to maintain quality. He then introduced Dan Power, chair of the University of Northern Iowa Faculty Senate.

Professor Power stated that he had addressed the Board in May when the universities were faced with budget cuts. In retrospect, those changes were not too terrible compared to the ones now being faced. He said the United States is facing severe economic problems. The country is under tremendous stress from the events of September 11. It is a difficult time for all of us and many are faced with making tough choices. He said the impact of the budget cuts has already been serious at the University of Northern Iowa. There have been increases in class size. Faculty have a heavier advising load. Morale, however, remains strong, but the stress has been increasing. He commended President Koob and Provost Podolefsky for involving faculty in meaningful and constructive ways in dealing with the budget issues. Faculty are willing to sacrifice this year. Students are getting less attention and services. There will be a reduction in tutoring and other student services that help those students at the margin. He did not envy that the Board of Regents has to deal with how to fund the universities. He asked that the Board please try to maintain quality.

Superintendent Thurman stated that the realities in special education are different than those in higher education. The special schools were to be excluded from the 7 percent reduction in appropriations. However, with the 4.3 percent across-the-board reduction he fears there will be long-lasting effects on the education of children with disabilities in the state. He cautioned that the Iowa Braille and Sight Saving School may run into a legal problem. He said the School lost \$365,000 in the previous budget reduction which resulted in the reduction of many of the programs offered to students. The School is likely looking at a reduction mid-year of an additional \$200,000 due to the 4.3 percent across-the-board reduction. Next year the School may experience an additional reduction of \$400,000 for a total reduction of nearly \$1 million in a 12-month period, which is 22-23 percent of the School's total budget. He stated that 87 percent of the School's budget is "people" costs. The appropriations reduction will require a reduction in the summer school program.

Superintendent Thurman stated that the strategic planning process at Iowa Braille and Sight Saving School has turned it from a 9-month to a 12-month school. The appropriations reductions would effect the core of what is needed by visually-impaired students. The School will also suffer severe losses in its administrative structure, in communications functions, business and facilities operations. He said the School will be so understaffed that it will be unable to respond to needs. At some point, a problem will be encountered with FAPE. At the core of special education law is a principle called

Free and Appropriate Public Education. If a parent believes their child is not receiving an appropriate education, they have due process. If the School experiences a budget reduction of almost \$1 million, it will be "hitting" FAPE head on.

Regent Neil stated that the Governor excluded the special schools in his proposal for a 7 percent appropriations reduction. He suggested that, at a minimum, the Board of Regents encourage legislators to exempt the special schools through use of the Rainy Day Fund.

President Newlin asked Regent Neil if he cared to make that recommendation in the form of a motion.

MOTION: Regent Neil moved to encourage legislators to exempt the special schools from the 4.3 percent appropriations reduction through use of the Rainy Day Fund. Regent Kelly seconded the motion.

Regent Becker said she had a great deal of concern that the viability of the special schools will be affected. The special schools are not only important for the Board of Regents, the special schools also provide part of a continuum of services for the state. She said this becomes an issue for the entire state.

Regent Kelly asked that Regent Neil consider restating the motion and removing the reference to the Rainy Day Fund. Regent Neil said he would yield to the suggestion to change the wording of the motion.

AMENDED MOTION: Regent Neil moved to seek legislative restoration of the 4.3 percent appropriations reduction for FY 2002 to the Iowa School for the Deaf and the Iowa Braille and Sight Saving School. Regent Kelly seconded the motion. MOTION CARRIED UNANIMOUSLY.

ACTION: President Newlin stated the Board, by general consent, (1) gave preliminary consideration to the proposals noted for inclusion in the Board's legislative program for the 2002 session and (2) requested that any additional suggestions for the Board of Regents legislative program be provided to the Board Office for inclusion in the legislative program for the November Board meeting.

## **RESIDENCY APPEAL.**

Interim Executive Director Barak stated that a student at the University of Iowa appealed a decision from the University denying reclassification as a resident for purposes of tuition. The student appealed to the Board of Regents. The Board referred the appeal to the Interinstitutional Residency Review Committee. The Residency Review Committee concluded that there was insufficient information to merit the appeal. The Committee recommended the appeal be denied.

Regent Neil stated that the administrative rule regarding residency was not included in the Board's materials. He asked to be provided with a copy of the rule.

MOTION: Regent Fisher moved to deny the appeal for residency reclassification. Regent Arbisser seconded the motion. MOTION CARRIED UNANIMOUSLY.

## **EMPLOYEE APPEAL.**

(a). Director Wright stated that an employee at Iowa State University appealed a final institutional decision. The employee also appealed the non-renewal of his term appointment. The Board had confidential memoranda and supporting documents in this matter.

MOTION: Regent Neil moved to deny the request of the employee for review of a final institutional decision. Regent Turner seconded the motion. MOTION CARRIED UNANIMOUSLY.

(b). Assistant Director Stratton stated that an employee appealed the University's final institutional decisions. The appealing employee serves a half-time appointment in a Professional and Scientific position, and a half-time appointment as a tenured faculty member. In addition, the employee has other volunteer duties. The University found that the volunteer role constituted a conflict of interest with the Professional and Scientific position. The Board had confidential memoranda and supporting documents in this matter. She said the employee requested an opportunity to appear before the Board. The Board Office recommended that the Board review the matter based on the record submitted.

MOTION: Regent Fisher moved to (1) deny the request of the employee for review of a final institutional

decision with regard to a Letter of Reprimand and Violation of Privacy and (2) remand to the University the request of the employee for review of a final institutional decision with regard to Conflict of Interest and Procedural Unfairness/ Lack of Due Process. Regent Becker seconded the motion. MOTION CARRIED UNANIMOUSLY.

### STUDENT APPEAL.

Interim Executive Director Barak stated that the Board members had a packet of confidential materials related to an appeal by a student concerning the completion of a Ph.D. program. A review of the materials submitted by the student and by the University suggested that the University's position be upheld.

MOTION: Regent Ahrens moved to deny the request for appeal. Regent Becker seconded the motion. MOTION CARRIED UNANIMOUSLY.

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

November 14-15, 2001	University of Northern Iowa	Cedar Falls
January 16, 2002	Telephonic Conference Call	
February 20-21, 2002	University of Iowa	Iowa City
March 13-14, 2002	Iowa State University	Ames
May 15, 2002	Iowa Braille and Sight Saving School	Vinton
May 16, 2002	University of Iowa	Iowa City
June 19-20, 2002	Iowa State University	Ames
July 17-18, 2002	University of Northern Iowa	Cedar Falls
September 18-19, 2002	University of Iowa	Iowa City
October 16-17, 2002	University of Northern Iowa	Cedar Falls
November 13-14, 2002	Iowa State University	Ames
December 18-19, 2002	(To be determined)	Des Moines
January 15, 2003	Telephonic Conference Call	
February 19-20, 2003	University of Iowa	Iowa City
March 12-13, 2003	Iowa State University	Ames
April 9, 2003	Iowa Braille and Sight Saving School	Vinton
April 10, 2003	University of Northern Iowa	Cedar Falls
May 21-22, 2003	University of Iowa	Iowa City
June 18-19, 2003	Iowa School for the Deaf	Council Bluffs
July 16-17, 2003	University of Northern Iowa	Cedar Falls

September 17-18, 2003	Iowa State University	Ames
October 15-16, 2003	University of Iowa	Iowa City
November 12-13, 2003	University of Northern Iowa	Cedar Falls
December 17-18, 2003	(To be determined)	Des Moines

Interim Executive Director Barak stated that changes proposed were to eliminate the Board meetings scheduled for December 2001 and April 2002. He said institutional officials have raised concerns regarding certain items that may come up during the months when the Board does not meet. The Board Office would like to come back to the Board in November with additional procedures for Board consideration.

President Newlin said those additional procedures might include a telephonic meeting.

**ACTION:** The Board meetings schedule was approved, by general consent.

**PRESENTATION ON COLLABORATIVE EFFORTS BY INFORMATION TECHNOLOGY OFFICERS.**

Provost Richmond stated that, over the last 5 months, the Interinstitutional Committee on Educational Coordination has sponsored presentations on the use of information technology in the classroom and in the learning process. This is the next session in that series. He summarized the presentations to date, noting that questions raised during Diana Oblinger's presentation resulted in the development of the IRIDE website. This month's presentation would be made by information technology administrators of each university. Next month will be the final in the series of presentations.

Tom Peterson, Director of User Services, University of Northern Iowa, presented information on evolving technology including those for instruction and research. He noted that today's hand-held computers rival the personal computers of just a few years ago.

Maury Hope, Director of the Administrative Data Processing Center, Iowa State University, discussed applied technology. University officials are always looking for ways to drive down expenses and improve connectivity. He described the new environment for administrative web applications, new administrative workflow portal technology and business intelligence.

Dorothy Lewis, Director of Administrative Information Technology, Iowa State University, talked about applying technology. She provided examples of technology for instruction and research. She discussed the universities' entry into internet two, a separate

national network for universities. She noted that many of the latest and greatest technology will not survive past the introductory phase.

David Dobbins, Assistant Vice President for Information Technology, University of Iowa, discussed managing technology. He described management strategies to serve students, faculty, staff and the public. Security is a constant element in the environment as is information technology terrorism. There is centralized and decentralized information technology on each campus. Professional collaboration takes place, the first of which was Y2K. Collaboration provides marketplace advantages like volume pricing. He discussed staffing and staff development funding issues. There are initial upfront capital costs and ongoing sustainable costs. The universities' technology activities contribute to statewide economic development. He concluded by stating that the information technology administrators are preparing their campuses for whatever future information technology will be brought to the surface.

Regent Arbisser asked about the magnitude of the budgetary aspects of information technology and the breakdown of the budgets. Assistant Vice President Dobbins stated that, at the University of Iowa, the central information technology budget is \$30 million. There is probably an equal amount of spending within the colleges, for a total of \$60 million to \$70 million. The central budget is 55 percent for staffing, complemented by substantial investments in electronics, professional development and acquisitions costs. About \$2 million is for the data network and \$2 million for voice technology.

President Newlin expressed the Board's appreciation for the presentation. He then questioned whether the Board should receive an annual overview of technology. He said the Board needs to talk about how frequently to do this.

President Newlin then asked if there were additional general or miscellaneous items for discussion. There were none.

## STATE UNIVERSITY OF IOWA

The following business pertaining to the University of Iowa was transacted on Wednesday and Thursday, October 17 and 18, 2001.

### **REGISTER OF PERSONNEL TRANSACTIONS.**

**ACTION:** The Register of Personnel Changes for August and September 2001 was approved on the consent docket.

### **REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS.**

Vice President True brought to the Board's attention several projects. He said there were two Bowen Science Building projects. One would correct deficiencies with the large air handling units in the building to accommodate modern research activities. The second was for the renovation of space for research and other functions of the Department of Biochemistry. The Health Science Campus project would complete landscaping and other site improvements for the Medical Education and Biomedical Research Facility and other areas of the Health Sciences campus.

Vice President True stated that a casualty of the budget reduction was the Trowbridge Hall project which would develop a research laboratory for the Department of Geological Sciences. University officials wish to keep the project on the Register for Board approval but will defer moving forward on the project for one year. If an opportunity arises a year from now, University officials can act on it.

With regard to the Halsey Hall project, Vice President True said it would double the size of the existing fitness exercise area in the building. The Old Capitol exterior repairs project provides for additional restoration services. He described some of the work that is taking place on the Old Capitol. The cupola is encased in plastic. University officials learned that additional rotting of wood has been discovered. He anticipated that University officials would return to the Board with a request to spend more money on the project.

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

**APPROVAL OF LEASES.**

MOTION: Regent Fisher moved to approve a lease agreement with the University of Iowa Community Medical Services for the University's use of space in Iowa City as a UIHC satellite blood donor facility; lease renewal with Selim Laboratories for its use of business incubator space at the Oakdale Research Park; and lease agreement with Ottumwa Regional Health Center for the University's use of office space in Ottumwa, Iowa, for a Child Health Specialty Clinic. Regent Arbisser seconded the motion, and upon the roll being called, the following voted:

AYE: Ahrens, Arbisser, Becker, Fisher, Kelly, Neil, Newlin.

NAY: None.

ABSENT: Nieland, Turner.

**UNIVERSITY OF IOWA HOSPITALS AND CLINICS—ACQUISITION OF BI-PLANE NEURORADIOLOGY SPECIAL PROCEDURES IMAGING SYSTEM.**

ACTION: This matter was approved on the consent docket.

**PROPERTY SALE—LOTS 12 AND 13 IN BLOCK 10, MANVILLE HEIGHTS.**

Vice President True presented the University's request to sell property located in Iowa City to Dr. John Kammermeyer. The property consists of an irregular-shaped vacant lot of approximately 9,823 square feet. The property is located in a residential neighborhood and is adjacent to the Kammermeyer homestead. Dr. Kammermeyer wishes to landscape the property to create a privacy barrier between his property and the Newton Road Parking Facility and West Campus Chilled Water Plant to the south. The sale price for the property is \$50,000, which is based on two appraisals. The proceeds from the sale would be returned to the Department of Residence Services, which provided the funds for the University's purchase of the property.

President Newlin asked if the sale included both lots 12 and 13. Vice President True said it did not. He referred to a map of the area and indicated the shaded areas which were to be sold. The remainder of the property is currently owned by Dr. Kammermeyer. President Newlin asked that the materials be corrected to accurately reflect the property to be sold.

President Newlin noted that the sliver of lot 12 to be sold is a very low-lying area. Vice President True said it is a very steep gully.

Regent Ahrens referred to a statement in the materials that the buyer agrees not to construct any permanent improvements on lot 13 located directly to the north of the property. She asked if there were a similar agreement for lot 12. Vice President True responded that lot 12 was too small an area on which to construct a building.

MOTION:

Regent Arbisser moved to approve the sale of property described as Lots 12 and 13, Block 10 Manville Heights, Iowa City Iowa, to Dr. John Kammermeyer, subject to approval of the Executive Council of Iowa. Regent Kelly seconded the motion, and upon the roll being called, the following voted:

AYE: Ahrens, Arbisser, Becker, Fisher, Kelly, Neil, Newlin, Turner.

NAY: None.

ABSENT: Nieland.

MOTION CARRIED.

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

## IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Wednesday and Thursday, October 17 and 18, 2001.

### **TOUR OF ISU RESEARCH PARK.**

President Geoffroy stated that, in 1986, the Research Park began as the Iowa State Innovation System. He provided information on the history of the Research Park, the reason it was created, and the different locations of the Research Park. He said the Research Park stimulates economic development. There are currently 50 companies with 797 employees. One-half of the companies are in biotechnology. With regard to the success rate, he stated that, of 116 companies that have been located in the Park, 50 are still active, 29 have outgrown the facilities, 12 have been acquired by other companies, and 25 have failed. The Research Park has a 78 percent overall success rate. Faculty engage with private industry and internship opportunities are provided for students. He noted that Iowa State University's is one of the more successful university research parks in the country.

Regent Neil asked if the Research Park receives any federal dollars. Vice President Madden said some road money is received from the Department of Transportation but there are no direct federal funds to the Research Park.

Regent Fisher asked if the University owns the property and leases it to the companies. Vice President Madden stated that Engineering Animation Inc. owns its building and lot. The University owns the multi-tenant facility. The ISU Foundation originally acquired the land. The Research Park Corporation manages the Research Park.

Jim Bloedel, Vice Provost for Research, stated that the Research Park is an integral part of the University. It provides faculty an opportunity to commercialize technology and is valuable in the economic development of the state.

Steve Carter, Interim Director of the Research Park, provided some history of the Research Park. He stated that, in 1987, the ISU Research Park corporation was formed. At that time, there were no technology businesses in the area. A couple of years ago, at the University of Southern California, he visited and asked graduate students why they came to the University. Their responses were: 1) to get a first-class education

in how to start and build businesses, 2) many business opportunities and 3) an environment where people would help them to make connections in order to create businesses. He stated that none of that was available in the Ames area in 1987. A culture needed to be created here. In 1989, the Research Park built its first building. The success achieved to date has been an evolution. In 1989, an incubator was established within the Research Park. University faculty were interested in creating businesses. Support services were necessary. The Research Park administration brought in consultants and hired staff. In 1992, the Small Business Development Center started coming to the Research Park and working with businesses. The entire Small Business Development Center office was moved to the Research Park in 1992.

Interim Director Carter stated that, in 1996, John Pappajohn provided Iowa State University with \$1 million with a charge to make the University a leader in entrepreneurship. The offices of Iowa State University's Pappajohn Center for Entrepreneurship are located in the ISU Research Park.

At the Research Park, students apply what they learn in the classroom to real-world problems. Thirty to 40 clients (faculty and graduate students) annually are assisted through the Research Park. The state provides funds to the Small Business Development Center and to the Research Park.

Interim Director Carter stated that the three facilities currently on the Research Park campus are virtually full. The building currently being built is 90 to 100 percent pre-leased. Lots are available for development by companies. He said the Research Park has \$13 million in assets, \$10.5 million in liabilities, with a \$1.8 million annual operating budget. A vast majority of the companies are established and built at the Research Park. He provided examples of four companies: NewLink Genetics; Atanasoft (software solutions and data bases); Phytodyne (molecular biology); and Palisade Systems (software company). He said the Research Park is about building relationships. Three Fortune 500 companies have a presence at the Research Park.

Regent Fisher asked if there is a waiting list for the business incubator. Interim Director Carter responded affirmatively.

Regent Fisher asked if all of the companies at the Research Park flow through the business incubator. Interim Director Carter responded that not all of the companies begin at the incubator. The company the Board members would tour that morning (Exseed Genetics) was an established company that chose to locate at the Research Park.

Regent Fisher asked if banks provide the capital for the companies. Interim Director Carter responded that some local banks and some Des Moines banks provide capital, as well as others.

Regent Neil asked what is the biggest need. Interim Director Carter responded that there is a great need to manage the growth of the Research Park, and to obtain greater visibility for what has been achieved.

Regent Neil asked about the availability of venture capital. Interim Director Carter responded that it is difficult to raise money in the area. Capital markets today are even more difficult. There is an informal network of venture capital opportunities. He noted that the Research Park lost a biotechnology start-up company last year because it was able to go to North Carolina and raise \$9 million in start-up funds.

In response to a question from Regent Neil, Interim Director Carter stated that the business labs are fee-for-service, and students receive payment for their time.

Dr. Peter Keeling, Research Director of Exseed Genetics, stated that he came to Ames in 1986. He had worked in England previously. He has been involved in the agriculture business for a long time. He started working on adding value to grain and is still progressing down that path. Exseed Genetics is an added-value grain company which moved to Ames in 1988. At that time, Exseed Genetics became part of Garst Seeds, still as an added-value grain company. It was difficult to build that business within a seed company. Exseed Genetics was formed in 1994 as a spin-off company. It became partially owned by Zeneca. There were three investors when the company spun off.

When Exseed Genetics was formed, the business incubator was available at Iowa State University's Research Park. At that time, there was nowhere in Iowa for a lab-oriented business to go. In December 2000, the company changed hands; it became a wholly-owned division of BASF Plant Sciences headquartered in Frankfort, Germany. At that time, the company research budget was \$1-1/2 million; the research budget now is \$4 million.

With regard to factors that kept Exseed Genetics at Iowa State University, Dr. Keeling emphasized that it is a corn value-added grain company. The company has to be in the corn belt. The company needed to have an incubator vehicle. He stressed that the incubator was crucial. Being in the Midwest was crucial. The University environment was crucial. He said Iowa State University's library is one of the best in which he has

ever been. The company has to have access to students. The Midwest work ethic is very valuable.

The Board members then took a walking tour of the Exseed Genetics facility in the Research Park, which was moved into 10 days previous. There are four laboratories in the new facility. The company has 18 FTEs, one-half of whom are Ph.D.s. There are 15 to 25 students working in the laboratories at any one time. Dr. Keeling stated that everything is being paid for by BASF. There is a walk-in cold room seed bank. The seed is going to Hawaii where the company has a winter nursery. He said the company has nurseries in Hawaii, Chile and Mexico.

President Newlin thanked University officials for the tour.

#### **REGISTER OF PERSONNEL CHANGES.**

ACTION: The Register of Personnel Changes for September 2001, which was approved on the consent docket, included the resignation of Thomas Mitchell as Associate Vice President for External Affairs effective June 30, 2001.

#### **REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS.**

Vice President Madden presented the capital register on behalf of Iowa State University, noting that two schematic designs were scheduled for presentation to the Board on October 18. He said the capital register included a number of projects, including authorization to proceed with development of a biosecurity unit at the College of Veterinary Medicine for conducting Biosafety Level 3 infectious disease research. In May 1999 the Board authorized the University to enter into an agreement with the Agricultural Research Service of the U.S. Department of Agriculture (USDA) for the construction and operation of a Livestock Infectious Disease Isolation Biosafety Level 3 (BL-3) Facility at the National Animal Disease Center in Ames. The facility was to become the property of the USDA upon completion. The USDA has decided that this BL-3 project is not in its best interest at this time. University officials have developed the Biosecurity Unit project to replace the previously-proposed project at the National Animal Disease Center. He said the National Animal Disease Center was slated for \$400 million in work. Given the current national environment, this type of facility is important in dealing with environmental hazards, such as anthrax.

Regent Fisher asked for the purpose of the \$400 million in federal funding. Vice President Madden responded that the money was for major renovation of the National Animal Disease Center which is 40 to 50 years old and needs to be modernized. He said it is a major economic investment in the state of Iowa by the federal government.

Regent Turner asked if the BL-3 facility would be totally under the auspices of the College of Veterinary Medicine and have no connection with the USDA. Vice President Madden responded that the facility would be physically on the University campus and would be operated by the University as part of the College of Veterinary Medicine.

Regent Fisher asked about the federal building on the University campus for the purpose of swine research. Is that facility occupied and usable? Vice President Madden responded that the federal government transferred title to the facility to Iowa State University. University staff and federal staff are carrying out swine research; the facility is being effectively utilized.

Regent Kelly asked about the safety of personnel from infectious diseases. Vice President Madden said there are a number of cooperative programs. Iowa State University is working with the University of Iowa on issues involving animal and human health. Previously, the deans of the College of Veterinary Medicine and the College of Medicine made a presentation to the Board. He offered to provide additional information to the Board members.

Vice President Madden concluded the capital register presentation by referring to the program statement for Pearson Hall. The project would remodel space to house the Office of Sponsored Programs and the Graduate College. He stated that, with the budget challenges, University officials do not intend to move forward with renovation of the building until there is a clear picture of the financial situation.

MOTION:

Regent Fisher moved to approve the Register of Capital Improvement Business Transactions for Iowa State University, with the exception of 1) the schematic design, revised project budget and design development agreement with Brooks Borg Skiles for the Extension 4-H Youth Building and 2) the modified design and revised project budget for the Union Drive Community Center. Regent Turner seconded the motion. MOTION CARRIED UNANIMOUSLY.

On the morning of October 18, 2001, the Board members were presented with the schematic designs for the Extension 4-H Youth Building and the Union Drive Community Center.

Bob Mathieu, Brooks Borg Skiles Architecture Engineering, described the project statement for the Extension 4-H Youth Building. He then introduced Bob Ormsby of the firm to present the schematic design.

Mr. Ormsby provided highlights of the site master plan, the floor plans for each level, views from various elevations and locations, and the project budget.

Regent Kelly asked for the cost per square foot. Mr. Ormsby responded that the cost per square foot was just under \$130.

Regent Kelly asked how that cost compared with similar construction. Mr. Ormsby responded that similar construction can range from \$110-\$150 per square foot. He believes the University is getting an economic building considering the exhibit area.

Regent Kelly referred to the open office environment and asked about problems with sound and communications. Mr. Ormsby said the open environment has been a trend in business over the last few years. It is an adaptation to the way people work. Openness facilitates collaboration on projects. There are rooms provided for private conversations.

Vice President Madden stated that University officials have been experimenting with the open office environment. It has been found to be very cost effective and to provide a good working environment.

Regent Neil expressed concern about the flat roof and the amount of glass that is proposed to be used. Vice President Madden responded that the roof slopes. The mechanicals will not be on the roof. Mr. Ormsby stated that, to cut down on energy costs with the glass, a material is being used that acts as a sunshade. The technology of the material on the glass makes it much more energy efficient than "regular" glass.

Regent Neil said the glass does not have the same "R" factor of other materials, such as brick. He believes the use of glass is energy wasteful.

Vice President Madden stated that University officials would be glad to bring back additional energy information. What was proposed meets the appropriate standards. He said University officials are mindful of the Board's concerns regarding roofs.

University officials believe this is a cost-effective building. Considering life-cycle costing, University officials believe they are making the right choices for materials. University officials would be glad to provide additional information to the Board members.

Regent Kelly asked which type of glass is being used. He noted that, since he has been on the Board of Regents, the biggest structural problem with buildings has been with roofs. He asked for more specifics.

Mr. Ormsby said the glass is a 1" insulated system with two ¼" panes of glass with ½" air space. The film is a low energy coating which brings down the heat transmission by using a very dark green tint. With regard to roof problems, he said problems are typically attributed to harshness of the environment and to maintenance personnel being on the roofs, dropping tools, etc. With this building, the mechanical systems are in the building and not on the rooftop. Seldom would personnel need to access the roof. The roof would be a single-ply rubberized membrane EPDM.

Regent Fisher said he shared in Regent Neil's concern about the glass. In Iowa's extreme climates, glass seemed impractical. He said he would like to see a continuation of the traditional building designs on campus.

Regent Ahrens noted that the building that would be next to this building is of a more contemporary design.

Mr. Ormsby stated that the charge to the architects was not to fit in with the main campus. The charge was to make the buildings in the area look similar.

Vice President Madden stated that University officials had previously outlined the parameters to have lower-cost buildings. The Administrative Services Building is more along that parameter. The Extension 4-H Youth Building is designed to fit into that parameter. He noted that Hawthorn Court is not the traditional solid brick dormitory structure, and \$130 per square foot is substantially lower cost than structures that would be built in the core campus. To make buildings in this area of campus look more like buildings on the main campus would be a change in the master plan process the Board previously endorsed.

Mr. Mathieu stated that the area of the building where the large amount of glass is seen is the "WOW" (Why Opportunity Works) Center, which is open exhibit space in the two-story south building component. It is not an area in which people will be working. He said it was similar to the Farm Bureau building atrium entrance in West Des Moines.

There was a desire to have a space that people come into that is an exciting and memorable introduction.

Mr. Ormsby said the WOW Center square footage is a very small portion of the square footage of the building.

Regent Turner asked if there are other buildings on campus that have the same kind of roof as is proposed for this building. Vice President Madden responded that there are a number of buildings on campus with this type of roof. University officials have moved away from ballast-type roofs to membrane-type roofs. University officials believe that what was proposed was an appropriate roofing material.

Regent Turner asked if University officials have not run into any particular problems with the membrane roofs. Vice President Madden responded that, by not having mechanicals on the roof, the likelihood of problems is reduced.

Regent Turner said she also has concern about the roof. She then asked if there was a way to determine the life-cycle cost to maintain the building. Vice President Madden stated that one of the charges to the architects is to determine life-cycle costs. Standards are applied. He noted that the project is being paid for through private fund raising. He offered to provide more information to the Board on life-cycle costs and maintenance projections.

Regent Turner stated that, in the future, it might be reasonable to look at life-cycle costs and maintenance projections when the Board is presented with any new structures.

Regent Fisher asked about funding for the project. Vice President Madden stated that the total project cost is \$4.7 million, of which \$2.2 million is from University resources, \$1 million is from the 4-H Foundation, and \$1.5 million is from private fund raising. He noted that the funding is in place for the project.

Regent Neil asked for a definition of the "facilities overhead use allowance" funding source. Vice President Madden responded that indirect costs are overhead costs incurred by institutions in the performance of organized research. Those costs are not readily identifiable with a particular project or activity; an "average" recovery rate is applied to eligible grants. The facilities component includes depreciation and use allowances; interest on debt associated with certain buildings; equipment and capital improvements; and operation and maintenance expenses.

President Newlin stated that the proposal was to approve the schematic design, revised project budget and design development agreement with Brooks Borg Skiles for the Extension 4-H Youth Building.

Regent Kelly asked, having heard concerns about the project, whether consideration should be given to changing the proposal.

Regent Arbisser asked how the \$130 per square foot cost was determined. Mr. Ormsby responded that the cost includes other costs associated with construction. The general construction cost is \$3 million.

MOTION: Regent Neil moved to table action on the Extension 4-H Youth Building project until next month to provide additional time for review. Regent Kelly seconded the motion. MOTION CARRIED UNANIMOUSLY.

President Newlin referred to the discussion concerning this project and stated that the Board requested elaboration regarding the roof, the usage of glass, and maintenance costs/life-cycle costs.

Vice President Madden stated that the second architectural presentation was the residence system's Union Drive Community Center. He introduced Randy Alexander, Director of the Department of Residence, and Tom Baldwin of Baldwin White Architects.

Director Alexander presented an overview of the residence system master plan for the benefit of the newer Board members. He reviewed the Department of Residence's mission statement, general conclusions of the master plan, information gathered from student surveys, the resident neighborhood concept, the experience resulting from renovation of Maple Hall (the first project of the residence system master plan), and the construction of Hawthorn Court. He next reviewed design development of the Union Drive Association Neighborhood phases 1 through 4. He presented floor plans for each floor of the Community Center.

Regent Ahrens noted that there are different floors for various majors within Maple Hall. Director Alexander stated that there are several learning communities in Maple Hall. He noted that the residents of Maple Hall, although statistically identical to rest of the freshman student population, achieved a higher grade point average and retention rate than the rest of the freshman class.

Regent Neil asked for the occupancy rate of Hawthorn Court. Director Alexander responded that the occupancy rate is 95 percent. There are students waiting to get into the new building when it opens in a couple of weeks. Students have moved from off campus to on campus at the Hawthorn Court facility.

Mr. Baldwin stated that the architects had been before the Board previously with the schematic design for this project. The Board members expressed concerns which were taken to heart by the architects. The concern was for the context of the neighborhood. The Board asked the architects to study a more traditional approach as it relates to Friley Hall and State Gym. Presented at this meeting was a somewhat redesigned version of the Community Center. He referred the Board members to a three-dimensional scale model of the building. The building has gable roofs similar to those of Friley Hall. The brick is an exact match of Friley Hall. The architects incorporated improvements into the interior of the building. The arcade is open but completely covered. The dining hall looks out onto the arcade. Two elevators provide full accessibility in every space in the building. He said the building site slopes so entrances occur on two different levels. The Community Center will house a post office for the entire community, as well as a convenience store.

With regard to the floor plans, Mr. Baldwin said the dining area was similar to the concept in the University of Northern Iowa facility. He said the mechanical equipment is stored in the basement and within a penthouse. The Community Center has 58,900 gross square feet, with 48,500 net square feet, for a 75 percent net-to-gross ratio. The project will be bid in Spring 2002 and ready for occupancy in Fall 2003. The overall project budget \$15,440,000 and the construction budget is \$10,600,000, for a total cost of \$261 per square foot and a construction cost of \$180 per square foot.

Regent Fisher expressed appreciation for the presentation. He said Iowa State University officials have done an outstanding job of planning for on-campus living. He likes the new design of the Community Center. He believes that Iowa State University's long-term plan is a good investment over a period of time, and that the University is starting to reap benefits.

Regent Becker thanked University officials, as a new Regent, for the introduction to the residence system master plan and for providing information on the student survey.

Regent Turner said she was impressed that the concerns of the Board had been addressed, and University officials returned with an exceptional plan. She thinks the Community Center will look good in its setting. She then asked about the number and location of the restrooms.

Mr. Baldwin stated that the restrooms are on the two main levels. Director Alexander stated that the ratio of female-to-male restroom fixtures was 4-to-3 on the main level.

President Newlin stated that the ratio should be 2-1/2 to 1. Director Alexander said University officials would look at that. President Newlin asked that they follow the 2-1/2 to 1 model.

Regent Neil stated that the design of the building is vastly improved. It blends with the rest of the campus. He particularly likes the 40-year roof.

MOTION: Regent Fisher moved to approve the modified design and revised project budget for the Union Drive Community Center, to include the 2-1/2 to 1 ratio of women's to men's restroom fixtures. Regent Becker seconded the motion. MOTION CARRIED UNANIMOUSLY.

#### **APPROVAL OF LEASES.**

MOTION: Regent Fisher moved to approve lease extensions with Determan Investments and Banner Investments for the University's use of space in Mason City and Dubuque for the Department of Human Development and Family Studies; an easement agreement with Alliant Energy for the installation of a natural gas line on University property in Ames; and an easement agreement with Xenia Rural Water District for the expansion of rural water service at the University's Animal Resource Station Farm in Story County. Regent Arbisser seconded the motion, and upon the roll being called, the following voted:  
AYE: Ahrens, Arbisser, Becker, Fisher, Kelly, Neil, Newlin.  
NAY: None.  
ABSENT: Nieland, Turner.

MOTION CARRIED.

**IOWA STATE UNIVERSITY FOUNDATION SERVICE AGREEMENT.**

Vice President Madden presented the proposal on behalf of Iowa State University.

Regent Neil asked for clarification of a statement in the materials that indicated the Foundation is obligated to provide each year written reports on or before September 1 on activities of the Foundation and on or before February 1 of activities contemplated in the ensuing fiscal year. Vice President Madden responded that the reports are to be provided to the university president as part of the annual fund-raising initiative.

Regent Neil asked what is different in this agreement than in the previous agreement. Vice President Madden responded that there was not previously a documented agreement.

MOTION: Regent Neil moved to approve the service agreement between Iowa State University and the Iowa State University Foundation. Regent Arbisser seconded the motion. MOTION CARRIED UNANIMOUSLY.

President Newlin then asked Board members and institutional officials if there were additional items for discussion pertaining to Iowa State University.

Regent Fisher stated that, several months ago, Iowa State University officials presented a plan for local developers to build a golf course east and south of the stadium. He asked for the status of that project.

Vice President Madden said the project is moving forward. Approvals have been received from the city of Ames. The site is north of 13<sup>th</sup> Street and east of Jack Trice Stadium.

## UNIVERSITY OF NORTHERN IOWA

The following business pertaining to the University of Northern Iowa was transacted on Wednesday and Thursday, October 17 and 18, 2001.

### **REGISTER OF PERSONNEL TRANSACTIONS.**

**ACTION:** The Register of Personnel Changes for August 2001, which was approved on the consent docket, included a reduction in hours for Pat Geadelmann, Special Assistant to the President for Board and Governmental Relations, from 65% to 10% time effective September 10, 2001 through May 17, 2002, at an annual full-time salary of \$132,600 pro-rated for time worked.

### **REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS.**

Vice President Dell presented the capital register on behalf of the University of Northern Iowa.

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

### **PROPOSED PROPERTY PURCHASE.**

Vice President Dell presented the University's proposed property purchase.

**MOTION:** Regent Neil moved to approve the purchase of property located at 2604 College Street, Cedar Falls, Iowa, from Bruce and Joann Wingert, subject to approval of the Executive Council of

Iowa. Regent Turner seconded the motion, and upon the roll being called, the following voted:  
AYE: Ahrens, Arbisser, Becker, Fisher, Kelly, Neil, Newlin, Turner.  
NAY: None.  
ABSENT: Nieland.

MOTION CARRIED.

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

## IOWA SCHOOL FOR THE DEAF

The following business pertaining to the Iowa School for the Deaf was transacted on Wednesday and Thursday, October 17 and 18, 2001.

### **REGISTER OF PERSONNEL CHANGES.**

**ACTION:** The Register of Personnel Changes for September 2001, which included a six-month educational leave of absence for Michelle Earhart beginning September 13, 2001, was approved on the consent docket.

### **REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS.**

Superintendent Johnson stated that the capital register was in order.

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

Regent Fisher asked for an update on construction of the new Recreation Building. Superintendent Johnson responded that construction was supposed to have been completed by September 28, 2001. It may now be as late as April or May of 2002 before the facility is completed. The project appears to be falling further behind. One reason for the slow progress is a lack of a sufficient number of workers.

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, October 17 and 18, 2001.

### **REGISTER OF PERSONNEL CHANGES.**

**ACTION:** The Register of Personnel Changes for August 2001 was approved on the consent docket.

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

### **ADJOURNMENT.**

The meeting of the Board of Regents, State of Iowa, adjourned at 1:17 p.m. on Thursday, October 18, 2001.



Robert J. Barak  
Interim Executive Director