

The State Board of Regents met on Wednesday and Thursday, October 15 and 16, 1997, at the University of Iowa, Iowa City, Iowa. The following were in attendance:

	<u>October 15</u>	<u>October 16</u>
<u>Members of State Board of Regents</u>		
Mr. Newlin, President	All sessions	All sessions
Ms. Ahrens	All sessions	All sessions
Mr. Arenson	All sessions	Arrived at 8:10 a.m.
Mr. Fisher	All sessions	All sessions
Dr. Kelly	All sessions	All sessions
Mrs. Kennedy	All sessions	All sessions
Mr. Lande	All sessions	Excused
Mrs. Pellett	All sessions	All sessions
Mrs. Smith	All sessions	All sessions
<u>Office of the State Board of Regents</u>		
Executive Director Richey	All sessions	All sessions
Deputy Executive Director Barak	All sessions	All sessions
Director Houseworth	All sessions	All sessions
Associate Director Brunson	All sessions	All sessions
Associate Director Elliott	Excused	Excused at 10:00 a.m.
Associate Director Racki	All sessions	All sessions
Assistant Director Tiegs	All sessions	All sessions
Minutes Secretary Briggie	All sessions	All sessions
<u>State University of Iowa</u>		
President Coleman	All sessions	All sessions
Provost Whitmore	All sessions	All sessions
Vice President Rhodes	All sessions	All sessions
Vice President True	All sessions	All sessions
Legislative Counsel Stork	All sessions	All sessions
Director Howell	All sessions	Excused
Dean Kelch	All sessions	Excused
<u>Iowa State University</u>		
President Jischke	Excused	All sessions
Provost Kozak	Excused	All sessions
Vice President Madden	All sessions	All sessions
Executive Assistant to President Dobbs	Excused	All sessions
Assistant to the President Mukerjea	Excused	All sessions
Assistant to the President Bradley	All sessions	All sessions
Director McCarroll	Excused	All sessions
<u>University of Northern Iowa</u>		
President Koob	Excused	All sessions
Provost Marlin	Excused	All sessions
Vice President Conner	Excused	All sessions
Vice President Follon	Excused	All sessions
Executive Assistant to President Geadelmann	Excused	All sessions
Director Chilcott	Excused	All sessions
Assistant Director Saunders	Excused	All sessions
<u>Iowa School for the Deaf</u>		
Superintendent Johnson	Excused	All sessions
Director Heuer	Excused	All sessions
Interpreter Reese	Excused	All sessions

GENERAL  
October 15-16, 1997

Interpreter Young	Excused	All sessions
<u>Iowa Braille and Sight Saving School</u>		
Superintendent Thurman	Excused	All sessions
Director Woodward	Excused	All sessions

GENERAL

The following business pertaining to general or miscellaneous business was transacted on Wednesday and Thursday, October 15 and 16, 1997.

**APPROVAL OF MINUTES OF BOARD MEETING OF SEPTEMBER 10, 1997.** The Board Office recommended the Board approve the minutes.

President Newlin asked for additions or corrections to the minutes.

**ACTION:** President Newlin stated the Board approved the minutes of the September 10, 1997, meeting, as written, by general consent.

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

Ratify personnel transactions at the Regent institutions, as presented;

Approve the Board meetings schedule;

Refer the request for a name change in the ISU Social and Behavioral Research Center for Rural Health to the Interinstitutional Committee on Educational Coordination and the Board Office; and request the Interinstitutional Committee and the Board Office to ensure that the change does not result in unnecessarily duplicative efforts and that opportunities for collaboration are pursued; and

Refer the proposal to change the name of the ISU Energy Analysis and Diagnostic Center to the ISU Industrial Assessment Center to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation;

and request the Interinstitutional Committee and the Board Office to ensure that the change does not result in unnecessarily duplicative efforts and that opportunities for collaboration are pursued.

President Newlin announced that the Board of Regents will have another retreat on January 20 and 21, 1998, in West Des Moines. He said he would be inviting participants to tour the biotechnology labs at Pioneer Hi-Bred and to have dinner at Pioneer the evening prior to the retreat.

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

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

The Iowa Coordinating Council for Post-High School Education (ICCPHSE) met on October 8th at the University of Iowa. The council's agenda consisted primarily of reports from committees and carrying-out the council's voluntary review of proposed new programs. Reports were given on the ICCPHSE Articulation Committee, the ICCPHSE Strategic Planning Committee, the Iowa Department of Workforce Development, and from a new Iowa institution - Mellen University.

The Articulation Committee reported on various activities of the committee designed to improve the flow of students from high school to college. A new (revised) brochure on articulation is being considered and a conference is being planned for next spring that will bring together high school, college, and university personnel to discuss the improvement of articulation in Iowa. The ICCPHSE Strategic Planning Committee gave a status report on its efforts and noted that one issue remains to be addressed which is related to financing of higher education.

The presentation from the Iowa Department of Workforce Development focused on the agency's efforts to address the linkages between Iowa's educational institutions and business and industrial development. The president of a new Iowa institution, Mellen University, provided a brief presentation on the college which attempts to provide primarily international educational opportunities. No programs are offered in 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.

**DISTANCE EDUCATION POLICY.** The Board Office recommended the Board (1) approve the proposed Policy on Distance Education and (2) ask the universities to have appropriate staff prepare a strategic plan to implement the proposed policy.

The Regents Priority Study Group on Information Systems and Technology consisting of Regents Arenson (Chair), Fisher, Kennedy, and Smith proposed a new distance education policy for approval by the Board.

Last fall (1996) the Board began to study the issues and current policies related to distance education to ensure that the Regent institutions are at the cutting edge of distance education and that these distance education activities are appropriately monitored by the Board. The Board reviewed a draft distance education plan submitted by the State Extension and Continuing Education Council (the university staff who work with continuing education).

Last fall the Board held open hearings in which the representatives of the community colleges, Department of Education, and independent colleges and universities testified about the "draft" plan.

In July of 1996, the Board adopted an interim distance education policy to increase Board oversight in this growing and complex area. Since the interim policy was adopted, the Board has undertaken a series of activities aimed at the development of a new policy including seminars with experts, meetings with representatives of the various sectors of postsecondary education in Iowa and the Iowa Department of Education.

The proposed policy was developed in consultation with the universities and the Board Office. The text of the new policy follows:

**Board of Regents Draft Policy on Distance Education**

(Supersedes July 1996 interim Board Policy)

Distance education initiatives are included within the missions of Regent institutions and the Board strongly encourages Regent institutions to anticipate and meet consumer needs by offering courses and programs in distance education. New technologies do not change the basic missions of the Regent institutions.

The Board directs Regent institutions to offer only courses and programs of the same high quality as those courses and programs offered on Regent campuses. The Board urges its institutions to cooperate and collaborate with both Regent and non-Regent institutions of higher education where such cooperation will benefit consumers without a diminution in quality.

The Board directs Regent institutions to: (1) report all distance education degree program proposals to the Board for referral to the Interinstitutional Committee on Educational Coordination for subsequent Board review and approval; (2) to include all distance education programs in institutional post-audit program review reports to the Board; and (3) to present to the Board annual comprehensive reports on distance education activity, including but not limited to the number of courses, and programs currently offered, collaborative outcome assessments, enrollment statistics, and associated incremental costs of delivery.

The new policy will require that the Regent institution extension/continuing education staffs provide strategic plans for implementing the policy.

Regent Arenson stated that the development of the distance education policy was a collaborative effort. He said the policy is clear and moves the institutions in the direction the Board wants them to go. The most salient features are that the Board strongly encourages the institutions to anticipate and meet consumer needs and to get into the distance education business. At the same time, he said the Board was asking for reports to understand what is going on in distance education; it was asking for cooperation and collaboration with other institutions; and to retain the same high quality off campus as on campus. Regent Arenson thanked the committee members and Executive Director Richey for their efforts.

President Coleman stated that she was very pleased about the policy, the development of which was a lengthy process. University of Iowa officials are very enthusiastic about and looked forward to collaborating among themselves, with community colleges and with the private institutions.

President Coleman referred to the statement that brings in the role of continuing education, as follows: "The new policy will require that the Regent institution extension/continuing education staffs provide strategic plans for implementing the policy." She stated that while continuing education plays an important coordinating role in distance education, university officials expect the distance education effort to be diffused throughout the institution. Distance education would not be limited to one aspect of the university.

Regent Kennedy asked that representatives of Iowa State University and the University of Northern Iowa speak to what the role of extension and continuing education will be in distance learning. She wanted to make sure everyone understood what the appropriate role of those areas will be.

President Jischke first complimented the Regents both for the process and for the result. With regard to Regent Kennedy's questions, he stated that Iowa State University's extension and continuing education unit is part of the unit that will provide the leadership for the university's efforts in distance learning. However, distance learning is an effort that involves all of the colleges. Not every initiative will come from extension and continuing education.

President Koob said he similarly complimented the Board and committee for developing the policy. He agreed with his colleagues that extension is the coordinating and marketing arm for distance education. The content must come from the colleges if the quality is to be maintained. Cooperation, coordination and marketing will take place through continuing education but the colleges will be intimately involved in the offerings.

Regent Arenson said it was his understanding that the policy consisted of three paragraphs and not the statement to which President Coleman referred, as follows: "The new policy will require that the Regent institution extension/continuing education staffs provide strategic plans for implementing the policy." Mr. Richey confirmed that the statement was not part of the policy recommendation.

MOTION: Regent Arenson moved to approve the three paragraph policy statement, as presented.  
Regent Kennedy seconded the motion.

Regent Kennedy said she agreed with Regent Arenson, noting that she wanted to make sure the public perception was clear on the role of extension and continuing education; that the policy did not limit distance education to programs coming out of those areas. She referred to Board Office recommendation 2) to ask the universities to have appropriate staff prepare a strategic plan to implement the proposed policy, and said that would be a more accurate reflection of what the Regents want to do.

President Jischke asked that the university presidents be given the direction to provide strategic plans for implementing the policy. The presidents will then determine who will be involved in development of the strategic plans.

Regent Arenson asked to strike the last sentence of the docket memorandum, as follows: "The new policy will require that the Regent institution extension/continuing

education staffs provide strategic plans for implementing the policy”, and to create a new sentence that does not mention continuing education.

Regent Pellett stated that there was no other issue in recent history about which she has received more telephone calls. She said the people of Iowa are very concerned about this issue, particularly with regard to quality.

Mr. Hartung stated that, as a representative of the member institutions of the Iowa Association of Independent Colleges and Universities, he was interested in the Board of Regents’ discussion. He said he wanted the members of the Board to know that the members of the association understand the Regents’ position. With the rapid changes occurring in educational delivery, each of the institutions must prepare quality offerings. Equally important is the recognition for continued efficiency and cost effectiveness. He said it is imperative that Iowa higher education maintain its commitment to quality, efficiency and cost effectiveness. It was his hope that the Board would ask the Regent university presidents to undertake full consultation with the presidents of the private colleges in communities that are now served by private institutions.

President Newlin thanked Mr. Hartung for his remarks.

VOTE ON THE MOTION: Motion carried unanimously.

MOTION: Regent Arenson moved to ask the universities to have appropriate staff prepare a strategic plan to implement the proposed policy. Regent Kennedy seconded the motion. MOTION CARRIED UNANIMOUSLY.

Provost Whitmore introduced two new members of the University of Iowa provost’s office, noting that last spring the provost’s office underwent a reorganization: W. H. Knight, Jr., Vice Provost; and Kathleen Buckwalter, Associate Provost for Health Sciences.

President Newlin welcomed both of the individuals.

**FALL ENROLLMENT REPORT – PART I.** The Board Office recommended the Board receive the report.

Headcount and Full-Time Equivalent Enrollments

Regent universities' headcount enrollment reached 66,363 students during fall 1997. This is an increase of 586 students over last fall's enrollment and represents enrollment growth just under 1 percent for fall 1997.

Fall 1997 Headcount Enrollments

	Fall 1997 Enrollment	Change over Fall 1996	Percent Change
University of Iowa	27,871	-50	-0.2%
Iowa State University	25,384	+485	+1.9%
University of Northern Iowa	13,108	+151	+1.2%
Regent Total	66,323	+586	+0.9%

Full-time equivalent (FTE) enrollments are generally less than headcount enrollments as part-time student enrollments are converted to an equivalent number of full-time students.

Full-Time Equivalent Enrollments

	1996 FTE	FTE to Hdct. Index	1997 FTE	FTE to Hdct. Index	Change in FTE	Percent Change
SUI	23,227	0.83	23,358	0.84	+131	+0.6%
ISU	22,744	0.91	23,124	0.91	+380	+1.7%
UNI	11,209	0.87	11,309	0.86	+100	+0.9%
Regent Total	57,180	0.87	57,791	0.87	+611	+1.1%

Changes in Enrollment by Level of Instruction:  
Fall 1996 to Fall 1997

	Undergraduate	Graduate	Professional	Total
SUI	+168	-201	-17	-50
ISU	+617	-136	+4	+485
UNI	+67	+84		+151
Regent Total	+852	-253	-13	+586

Residency

The percentage of students who are residents of Iowa increased at all levels of instruction at the University of Iowa and Iowa State University. The percentage of students who are nonresidents grew at both levels of instruction at the University of Northern Iowa.

Changes in Enrollment by Residency Status:  
Fall 1996 to Fall 1997

Institution	Level	Resident	Nonresident	Total
SUI	Undergraduate	+196	-28	+168
	Graduate	-72	-129	-201
	Professional	-1	-16	-17
	Total	+123	-173	-50
ISU	Undergraduate	+574	+43	+617
	Graduate	-54	-82	-136
	Professional	+4	0	+4
	Total	+524	-39	+485
UNI	Undergraduate	+38	+29	+67
	Graduate	+54	+30	+84
	Total	+92	+59	+151
Regent-wide	Undergraduate	+808	+44	+852
	Graduate	-72	-181	-253
	Professional	+3	-16	-13
	Total	+739	-153	+586

New Freshmen

Regent universities experienced a 5.1 percent increase of new freshmen. The 9,667 new freshmen are 471 students more than fall 1996.

Enrollment of New Freshmen by Residency and  
Change in New Freshmen Enrollments Fall 1996 to 1997

	SUI	ISU	UNI	Total
Resident	2,356 (+68)	2,999 (+297)	1,858 (-88)	7,213 (+277)
Nonresident	1,348 (+101)	1,007 (+99)	99 (-6)	2,454 (+194)
Total	3,704 (+169)	4,006 (+396)	1,957 (-94)	9,667 (+471)

Minority Enrollments

In general, minority student enrollments declined 43 students (0.9 percent) from fall 1996 to fall 1997. The 4,857 students enrolled this fall ranks as the second highest number of minority students enrolled in Regent universities. Minority students comprise 7.3 percent of enrollments at Regent universities.

Enrollments by African-American Students and  
Changes in Enrollment Fall 1996 to Fall 1997

	SUI	ISU	UNI	Total
Undergraduate	435 (+12)	559 (-4)	198 (-2)	1,192 +6
Graduate	222 (+6)	116 (-3)	58 (-4)	396 (-1)
Professional	97 (+1)	1 (-1)		98 No Change
Total	754 (+19)	676 (-8)	256 (-6)	1,686 (+5)

Enrollments by Asian-American Students and  
Changes in Enrollment Fall 1996 to Fall 1997

	SUI	ISU	UNI	Total
Undergraduate	717 (-1)	496 (+15)	132 (-14)	1,345 No Change
Graduate	242 (+8)	53 (-15)	17 (+3)	312 (-4)
Professional	233 (+11)	1 (-3)		234 (+8)
Total	1,192 (+18)	550 (-3)	149 (-11)	1,891 (+4)

Enrollments by American Indian Students and  
Changes in Enrollment Fall 1996 to Fall 1997

	SUI	ISU	UNI	Total
Undergraduate	70 (+5)	70 (+11)	24 (-2)	164 (+14)
Graduate	29 (+2)	9 (+4)	3 (+1)	41 (+7)
Professional	31 (+3)	0 No Change		31 (+3)
Total	130 (+10)	79 (+15)	27 (-1)	236 (+24)

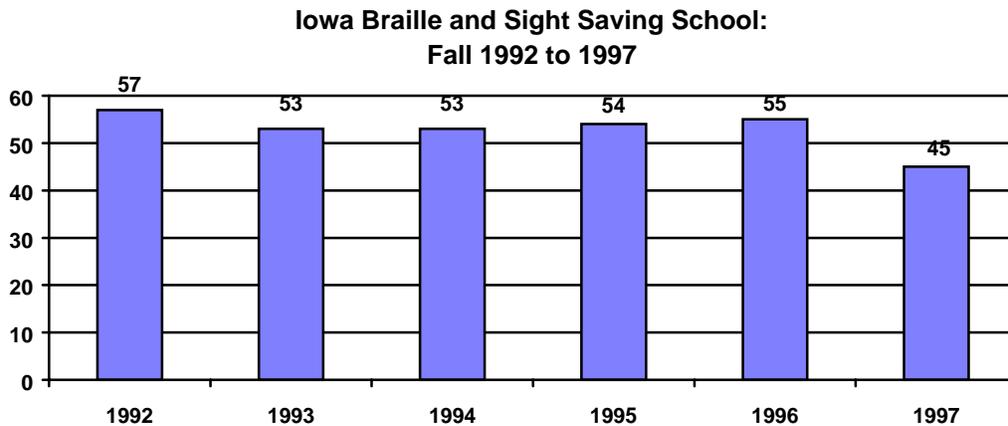
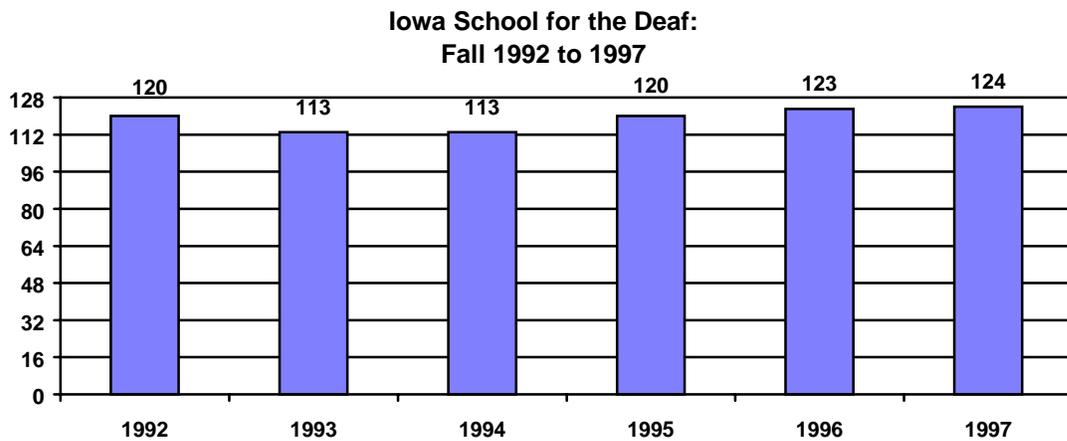
Enrollments by Hispanic-American Students and  
Changes in Enrollment Fall 1996 to Fall 1997

	SUI	ISU	UNI	Total
Undergraduate	359 (-22)	298 (-31)	80 (-11)	737 (-64)
Graduate	122 (-11)	69 (+4)	14 (+8)	205 (+1)
Professional	96 (-11)	6 (-2)		102 (-13)
Total	577 (-44)	373 (-29)	94 (-3)	1,044 (-76)

Regent Special Schools

Enrollment at the Iowa School for the Deaf increased 1 student over last fall's enrollment. The 124 students currently enrolled at Iowa School for the Deaf must each have an individualized education plan that will guide the instruction each is to receive at Iowa School for the Deaf.

Enrollment at the Iowa Braille and Sight Saving School is 45 students. Enrollments declined 10 students from last fall's enrollment.



Assistant Director Tiegs reviewed the information provided in the docket memorandum.

Regent Kennedy asked for clarification of statements that at the University of Northern Iowa new freshmen enrollments declined while overall enrollment increased. President Koob responded that the University of Northern Iowa had retained a larger number of last year's students. There was also an increase in the number of graduate students. He said retention was a dominant factor.

Regent Kennedy said that was commendable.

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

**TUITION RATES AND MANDATORY FEES.** The Board Office recommended:

- (1) That the Board approve 1998-99 academic year tuition rates and mandatory fees, effective with the summer session 1998, as follows:
  - (a) Increase all base tuition categories at the University of Iowa, Iowa State University, and the University of Northern Iowa by 3.9 percent.
  - (b) In addition to the above base tuition adjustment:
    - 1) Increase the resident Law tuition at the University of Iowa by a \$300 surcharge and nonresident tuition by a \$500 surcharge.
    - 2) Establish a \$1,000 surcharge per academic year for third year resident and nonresident University of Iowa Dentistry students which extends the surcharge established last year for first and second year students.

(c) Increase computer fees as follows:

		1997-98 Academic Year Rate	1998 -99 Academic Year Rate
SUI	All students other than those listed below:	\$ 98	\$102
	Law students	160	170
	Engineering students	330	340
	Business Administration students	98	340
ISU	All students other than Engineering, Computer Science and Management Information Systems students	94	98
	Engineering students	330	334
	Computer Science and Management Information Systems students	258	262
UNI	All students	96	100

(d) Increase the student health fees at each university as follows:

	1997-98 Academic <u>Year Rate</u>	1998 -99 Academic <u>Year Rate</u>
SUI	\$86	\$90
ISU	90	94
UNI	90	94

(2) That general institutional financial aid for students be increased at the same rate as the increase in tuition and mandatory fees to maintain access for those students having financial need to attend the universities.

At the September Board meeting, the Board Office recommended a 3.9 percent increase in base tuition and fees. Surcharges, in addition to the proposed base rate increases, were recommended by the Board Office for the Colleges of Business Administration, Law, and Dentistry at the University of Iowa.

The recommended surcharge for the College of Business Administration of \$490 per academic year for juniors and seniors for the technology, job readiness, and practitioner courses was withdrawn following the discussion of the Board at its September meeting.

In lieu of the \$490 surcharge for business majors, University of Iowa officials requested, and the Board Office recommended, an increase in the computer fee from \$98 to \$340 per academic year for students in the College of Business. This is the same rate that

would be charged to Engineering students. Additional revenues of \$300,000 made possible by the increase in computer fees will fund the technology improvements for the College of Business Administration.

The portion of the University of Iowa program relating to job readiness and practitioner courses can be more appropriately addressed when the Board considers miscellaneous charges for all three universities at its December meeting. Precedent exists for miscellaneous charges to be used for these purposes. For example, Iowa State University and the University of Northern Iowa have Board approved fees for "developmental courses" of \$214 per academic year. University of Iowa officials are exploring opportunities for accomplishing the remaining aspects of the plan originally submitted.

It is a long standing Board of Regents policy that the universities allocate a proportional share of the tuition increases for student financial aid to maintain access for students in need of assistance by offsetting the increases in tuition rates. It was recommended that the policy be continued for FY 1999.

The estimated gross revenues from the increases in rates are \$9.0 million. After tuition aid set aside, the net tuition revenues generated from the tuition increase and surcharges are estimated to be \$7.7 million. The increased tuition revenues are to be used to strengthen undergraduate and graduate instruction and to provide other improvements to the educational experiences including continued implementation of the four-year graduation plan and improvement of student retention and graduation rates, and student academic and support services.

The recommended increase of 3.9 percent in the base tuition and fees was consistent with the projected Higher Education Price Index (2.4 percent - 4.2 percent) but was less than the estimated increase in the Regents composite unit cost of instruction averaging 4.9 percent.

Regents undergraduate tuition rate increases are less than the national average of 6 percent for four-year public institutions for 1997-1998. The overall price of college tuition rose 5 percent on a national basis, which was one of the smallest increases in the past 15 years. The recommended Regent increase of 3.9 percent is expected to be lower than the average tuition increases nationally and the spread will continue to expand.

The FY 1997-1998 University of Iowa tuition and fees were the lowest in its peer group of comparable institutions. Iowa State University was third from the bottom out of the eleven in its group and the University of Northern Iowa was 5th lowest.

Other mandatory fees include computer, health, and health facility fees. Each of the universities proposed increases to the computer fees ranging from 1.2 percent - 4.3 percent, with the University of Iowa's increase for a Business Administration student at 246.9 percent, and health fees ranging from 4.4 percent - 4.7 percent. These increases were recommended. No changes in the health facility fees were proposed.

The estimated cost of attending the Regent universities, including proposed tuition and fees, room and board, and other costs was projected to average \$10,237 for the 1998-1999 academic year.

Federal student aid is expected to increase substantially.

Mr. Richey stated that the rates were identical to those presented last month except that the University of Iowa College of Business surcharge was withdrawn and a computer fee of \$340 for the College of Business was recommended. He said the proposed computer fee was similar to the fee charged to engineering students at the University of Iowa.

Mr. Richey noted that the nonresident tuition charges appeared to be higher than the unit cost figures. He said the unit cost figures were significantly understated. Unit cost amounts do not include capital improvements. He wanted to make sure that the Board members did not think that nonresident tuition was higher than the actual cost of educating those students.

With regard to the second part of the University of Iowa proposal relative to improvement in the College of Business, Mr. Richey said it could be appropriately dealt with in the fees and charges that the Board considers in December and January of each year. There is precedent for a course fee although nothing had been proposed.

Regent Arenson stated that they all wanted to raise quality. He said he was not in favor of surcharges and other fees if there is a simpler way to do it. In December when the Board is presented with fees and miscellaneous charges, he said he would be looking very closely at the business administration portion with heightened attention to undergraduate fees. He would like to see tuition cover all of the fees.

Regent Arenson referred to the comparison of Iowa resident undergraduate tuition and required fees and the national average, noting that Iowa's Regent universities continue to charge less for tuition than others in their peer groups. He questioned how the quality level can be achieved and maintained. He said that was a public policy question which he hoped they would think about over the next year. The goal should not be to have the lowest tuition in the universities' peer groups. He said it may be time to increase the rates and have centers of excellence.

MOTION: Regent Fisher moved to approve the recommended action as outlined beginning on page 282. Regent Kennedy seconded the motion.

Regent Kelly stated that he strongly supported the comments made by Regent Arenson. The Regent universities should be competing on quality of education and not on bargain basement tuition.

Regent Ahrens asked why the percentage of tuition set aside for student financial aid was lower at Iowa State University than at the other two universities. President Jischke responded that Board policy was that student aid set aside be 11 percent. Iowa State University is consistent with Board policy. University officials have tried to increase the percentage of student aid through private fund raising.

With regard to Regent Arenson's remarks, President Jischke said he could not agree more that policy should be driven by the universities' aspirations and plans. With regard to the issue of resources, particularly for undergraduate education, he said it is not just a question of tuition. It is tuition and state support. There is relatively generous state support in Iowa. It has clearly been public policy supported by the legislature and the Governor that an increasing share of the state's resources are invested in education. He said the question of whether there are adequate resources to achieve the goals depends on the combination of tuition and state support. The public policy question is what fraction ought to be borne by the students.

Regent Fisher stated that an important component is private fund raising. As they go forward, private fund raising through the university foundations will become even more important. He believes that the private foundations are doing a good job. There has been record fund raising this past year. He stated that private fund raising is a third component in addition to tuition and state support.

Regent Ahrens presented highlights of comments that she had received from students. Students are concerned about accountability. They are willing to accept a 3.9 percent increase in tuition but they want to know what the funds are being used for.

Regent Smith stated that people need to be aware that tuition does not cover the total cost of a student's education. Tuition is just a piece of the total cost.

Regent Kennedy stated that as the Board reviews its philosophy of what is best for the state, she would like to have available to the Regents the total resources of peer institutions to cover the cost of education. The total resources would include state support, fund raising and tuition. She said such information would give her a better

idea of whether their goals are realistic. She requested that the information be compiled on total resources of peer institutions.

Allison Miller, University of Iowa student government, introduced Jacqueline Comito to report on the results of a survey that had been conducted.

Ms. Comito stated that the survey provided quantitative information on how University of Iowa students would like to see tuition dollars spent. The survey sampled 1,500 students -- 1,297 undergraduates and 203 graduates and professionals.

Ms. Miller stated that the first priority of students for expenditure of tuition proceeds was to maintain student aid. Funding improvements in classrooms and gathering places was the second choice. Library operations and technology support was students' third choice while student academic and support services was the fourth choice. Instructional equipment was students' 5<sup>th</sup> choice. Ms. Miller said other areas of expenditures requested by students included student activities, campus improvements, quality teaching, technology, no tuition increase, no business surcharges, scholarships, and student research.

Regent Fisher stated that student aid was the biggest concern of students. The Board was addressing that priority in the recommended action.

Ms. Miller stated that she was very pleased with the results of the survey effort.

Regent Fisher encouraged students to continue taking surveys of student interests on an annual basis.

Regent Ahrens commended Ms. Miller and Ms. Comito, and the other students at the University of Iowa. Their survey presentation was very impressive.

Regent Fisher said he hoped that students of the other institutions would do the same activity in order to get an even broader view.

Rob Wiese presented the Regents with a resolution adopted by the Iowa State University student senate opposing the recommended tuition increase. Students preferred an increase in line with the HEPI rate of 2.7 percent. He commended University of Iowa students on their survey effort and said he would be contacting them to find out how they did it. He stated that students would support a 3.9 percent tuition increase if they knew where the funds were going. He asked for clarification on how the present tuition funds are being spent.

President Jischke referred Mr. Wiese to the Regents docket in May where university officials submitted the budget in considerable detail regarding expenditure of funds.

Mr. Wiese stated that students get a good education for the money; however, students need to have accountability as to where the tuition money is going. Students also want to have a say in where the money goes. Students will support paying more if they know where the money is going. Students want to see how the tuition increase is going to benefit them. He asked that the Regents ask the institutions for accountability.

President Newlin thanked the students for their presentations.

President Jischke referred Mr. Wiese to the upcoming docket item entitled "Comprehensive Fiscal Report for FY 1997". The report included information on Iowa State University's increased tuition revenues and how those revenues were expended. He referred to the upcoming docket item on the fall enrollment report which indicated that Iowa State University had experienced an enrollment increase of 485 students. He pointed out that increased enrollment brings increased costs.

Regent Arenson stated that in the last 1 to 2 years Iowa State University has had a fairly massive private giving campaign. He asked for the status of the funds raised and what has been done with the funds.

President Jischke stated that Iowa State University has a campaign to raise \$300 million. Slightly under \$200 million has been raised and they are not quite half way through the campaign. He said \$50 million of the campaign is for student financial aid. University officials have raised about \$47 million of the \$50 million target. Programs that the financial aid funds support include the Hixson Award program, National Merit Scholars, athletic scholarships, leadership scholarships, and general financial aid for students.

Mr. Wiese reiterated his earlier comments regarding students being provided with information on where the tuition proceeds are spent. He added that Iowa State University students voted to support a dry Veishea.

President Newlin congratulated Mr. Wiese on the students' 25-to-3 vote in support of a dry Veishea.

VOTE ON THE MOTION: Motion carried unanimously.

**RESIDENCY RULES RELATING TO TUITION FOR NATIVE AMERICANS.** The Board Office recommended the Board (1) approve the proposal from the Affirmative Action Priority Study Group regarding tuition rates for certain Native Americans that non-resident

members of Native American Tribes/Nations historically associated with the state of Iowa be assessed Iowa resident tuition and fees; (2) approve the notice of intended action to amend the administrative rules regarding residency for tuition purposes for Native American Indians; and (3) approve the proposals that each university would establish an on-campus position to serve as coordinator in dealing with Native American Indian concerns and that each campus would develop arrangements for space to serve the needs of these students.

In April 1996 a presentation was made to the Board by Judy Morrison, an employee of the University of Iowa, requesting Regent support for tuition waivers for Native American Indians, establishment of Native American Houses on each Regent campus, and the hiring of Native American coordinators at each Regent campus.

A priority study subgroup was named to address the issues. The recommendations of the study group are as follows:

1. Out-of-state members of Native American Tribes/Nations historically associated with the state of Iowa be given residency status for purposes of tuition and fees.
2. Each university would designate an on-campus position to serve as coordinator in dealing with Native American concerns.
3. Each campus would make arrangements for space to serve the needs of American Indian students.

Although the Tribes identified show a census population of 265,968, university officials estimate that approximately 10-12 entering students each year would qualify for this policy.

Regent Smith reviewed the material presented in the docket memorandum. She asked Joe Coulter, University of Iowa, to report on the Regents Native American Priority Issue Study subcommittee, as well as the three proposals before the Board.

Mr. Coulter reviewed the recommendations that had been developed by the subcommittee. He said the priority study group discussed the cost implications and how many students might come to Iowa's Regent universities under the proposal. The cost implications would be quite modest.

Regent Fisher asked for clarification about the reason for offering an out-of-state student in-state tuition.

Mr. Coulter responded that in the history of the present state of Iowa, just prior to statehood, virtually all Native Americans who were residents of the state were removed from the state. The rationale of the proposal is that had this not occurred in this unfortunate part of Iowa's history, many of these individuals would, in fact, be residents of the state of Iowa. The proposal is to grant resident status to those individuals who are members of tribes historically linked to the state of Iowa. He pointed out that the states of Michigan, Minnesota, Wisconsin, North Dakota and South Dakota have exactly this kind of arrangement with the native peoples of their states. The Universities of Arizona, New Mexico, Colorado and Utah offer resident tuition to native people regardless of their present state of residence.

President Newlin asked if the expectation was that 10 to 12 students would actually take advantage of this proposal on an annual basis. Mr. Coulter said those numbers were on the high side.

Regent Fisher said he was troubled that the Regents would be opening the door for more and more of these types of situations. He stated that there is gambling at the Indian reservations in the state of Iowa and that taxes are not being paid. He questioned whether those people could be asked for contributions to support this program rather than have the taxpayers of the state of Iowa support it.

Regent Smith stated that those groups that have gambling are not typically the groups referred to in the proposal. In fact, representatives from those groups stated that there was no problem with their membership attending at the regular tuition rate.

Regent Fisher said the tribes with gambling on their reservations were a resource for soliciting funds to support this program. They are making large profits and are not paying taxes. Doing so would be a way for them to support the state and support the students.

Mr. Coulter stated that members of the Mesquawkie tribe who receive a portion of the gambling profits do pay income tax. He said the tribe established a scholarship fund for members of their tribe to attend the University of Iowa. He stated that while there are perceptions about the newfound wealth of some, actually very few are affected.

Regent Kennedy asked about the effect on eligibility for the Iowa Tuition Grant program. Mr. Richey responded that the state law governing the Iowa Tuition Grant program establishes the Regent's residency definition as the criteria for eligibility for the private tuition grant. The Iowa College Student Aid Commission adopted that definition as part of its rule. He said he has contacted both the Iowa College Student Aid Commission as well as the private college association to ascertain if there are any concerns relative to that issue. He also discussed the matter with the Governor's office.

The Iowa College Student Aid Commission, the Iowa Association of Independent Colleges and Universities, and the Governor all felt that the Iowa Tuition Grant program may as well apply to the Native Americans who would qualify under the new residency status.

Mr. Hartung stated that this issue with respect to Native Americans was an important one. He referred to the following statement in the docket memorandum and said that it covered the concern regarding the precedent issue: "Out-of-state members of Native American Tribes/Nations historically associated with the state of Iowa be given residency status for purposes of tuition and fees." The historical connection to the state of Iowa was the key. He noted that the private institutions look to this as a way to expand their diversity, as well.

**MOTION:**

Regent Smith moved to (1) approve the proposal from the Affirmative Action Priority Study Group regarding tuition rates for certain Native Americans that non-resident members of Native American Tribes/Nations historically associated with the state of Iowa be assessed Iowa resident tuition and fees; (2) approve the notice of intended action to amend the administrative rules regarding residency for tuition purposes for Native American Indians; and (3) approve the proposals that each university would establish an on-campus position to serve as coordinator in dealing with Native American Indian concerns and that each campus would develop arrangements for space to serve the needs of these students. Regent Kennedy seconded the motion. MOTION CARRIED UNANIMOUSLY.

**ANNUAL SALARY REPORT.** The Board Office recommended that the Board receive the annual salary report.

The Board of Regents received full funding for salary increases for fiscal year 1998 of \$25.8 million.

Institutional salary policies as approved by the Board state that faculty and professional and scientific staff would receive average increases of 4 percent. Regents Merit System employees, both organized and nonorganized, would receive increases of 3 percent plus step increases.

On average the institutions gave faculty and P&S staff 4 percent or slightly greater increases. Each university gave greater increases to female faculty than to male faculty.

Estimated average increases given to faculty in the universities' peer groups ranged from 2 to 8.5 percent.

Estimated rankings of average faculty salaries in each of the 11-member peer groups are:

University of Iowa -- 7th place  
Iowa State University -- 8th place  
University of Northern Iowa -- 5th place

From 1996-97 to 1997-98, the University of Iowa dropped one place in average salary ranking while Iowa State University and the University of Northern Iowa raised one place.

The University of Iowa dropped from third to fourth place in the Big Ten. Iowa State University raised from third to second place in the Big 12.

Each institution has performance appraisal systems in place for each category of employee.

Average nine-month equivalent faculty salaries for fiscal year 1998 are:

University of Iowa - \$83,077  
Iowa State University - \$62,441  
University of Northern Iowa - \$50,287

Average university P&S salaries for the fiscal year 1998 are:

University of Iowa - \$40,479  
Iowa State University - \$42,887  
University of Northern Iowa - \$41,673

Salary increases for faculty and P&S are awarded based on merit:

According to the institutional reports overall about 3 percent of faculty and P&S staff received increases of zero to less than 1 percent. Approximately 30 percent received increases in excess of 5 percent.

President Coleman pointed out that the University of Iowa faculty salaries had dropped from third to fourth place in the Big 10, to which she wanted the Regents to be alerted.

Regent Pellett stated that faculty salaries are very important as the Regent universities aspire to be the best. Faculty salaries need to be watched very carefully.

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

**COMPREHENSIVE FISCAL REPORT FOR FY 1997.** The Board Office recommended the Board receive the comprehensive fiscal report for FY 1997.

The FY 1997 institutional budget formulation process began with the preparation of appropriation requests which were first presented to the Board in July 1995 and approved in September 1995. Based on legislative action, the Board considered the institutional budgets in May and June 1996, and approved the final FY 1997 budgets in July 1997. At the May 1997 Board meeting, the original FY 1997 budgets were modified based on the Board's approval of the budget ceiling increases.

This comprehensive report compared the actual revenues and expenditures with the approved budget, identified significant variances, summarized the actual uses of the funding increases, and provided an overall perspective of FY 1997.

Actual FY 1997 general fund revenues and expenditures were substantially the same as budgeted, except at the University of Iowa. The University of Iowa experienced a \$1.1 million shortfall in tuition and a \$1.0 million shortfall in indirect cost revenues which resulted in delayed expenditures for supplies, equipment and building repairs. FY 1997 funds were expended in support of the Board's and institutions' strategic planning goals. The institutions expended 98.8% of their budgeted salaries. The salary savings from vacancies and higher than expected turnover were used primarily for equipment purchases, building repairs, and utility costs.

Increased appropriations, tuition revenues, and reallocations were directed toward implementing initiatives linked to the strategic planning goals. The FY 1997 appropriations for institutional initiatives of \$3.9 million and increases in tuition revenues of \$9.6 million were expended in accordance with the approved purposes. The institutions complied with the budgeted reallocations of \$22.2 million and provided an additional \$801,941 in reallocations.

The FY 1997 budgets included funds allocated to the institutions from the amount appropriated to the Board for capital improvements. The actual drawdowns of the

appropriations were lower than the amounts budgeted since funds are disbursed to the institutions as expenses are incurred.

Federal revenues were lower than anticipated due to fewer grant awards.

Mr. Richey stated that this report was the first attempt to furnish this type of information to the Board. He noted that it had come in handy in responding to students' requests regarding expenditures of tuition revenues. He said he would appreciate any comments about this report and how it might be improved.

Regent Arenson asked if the University of Northern Iowa had reallocated 6.6 percent in this past fiscal year. President Koob responded that it had. Regent Arenson said that was excellent.

Regent Arenson referred to the University of Iowa strategic planning allocations and asked whether they were actual allocations or projections. President Coleman responded that they were actual allocations.

Regent Arenson stated that the information that had been provided by the universities was very helpful. He expressed appreciation to Mr. Richey for his efforts in making this report available.

Mr. Richey responded that the staff of the institutions and the Board Office had put together the report.

Regent Pellett said she thought the report was excellent. She especially appreciated the following statement in the docket memorandum: "Increased appropriations, tuition revenues, and reallocations were directed toward implementing initiatives linked to the strategic planning goals."

Vice President True stated that this was a good exercise. He said the Board Office was very sensitive to the fact that the general fund is a single fund. To cut it out by revenue source is very problematic. In looking at the total picture they must try to avoid splitting it out by revenue sources. General funds are all treated the same.

Vice President True addressed the tuition shortfall and indirect cost recovery shortfall for the University of Iowa. He said university officials knew about the shortfalls as the year went on and reported them to the Department of Management and the Board Office. The roughly \$1 million in tuition shortfall is less than 1 percent. He said that because the money does revert at the end of the year and because the university cannot spend money it does not budget, typically revenue will be somewhat overstated. In this case, he was pleased that it was less than 1 percent. He said the indirect cost

recovery is very volatile. The cash flows have to do with grant awards cycles. The indirect cost recovery was overstated by less than \$1 million, which he said was also pretty good. It was within 4 percent.

Mr. Richey provided further comments for cautionary purposes. With regard to the general funds of the universities, he said the University of Iowa general funds include the hospital paying patient revenue of \$354 million. Also, revenues identified in a table classified as general revenue includes funds that are restricted. That has been a long-standing classification. In the future the Board Office may try to break out those revenues separately.

Mr. Richey referred to a table comparing restricted funds and noted that those included capital funds. He said appropriations for capital funds are not always based on the estimated need for the cash flow. While the table showed that the Regents received almost \$21 million less in appropriations than were budgeted, that is not unusual in terms of the way those appropriations are made. The Regents provided the actual cash flow needs but the Governor and the legislature appropriated those with a different flow, while recognizing that the Regents do not take the money out of the state treasury until paying the contractor bills for capital improvements.

President Newlin thanked Mr. Richey, Board Office staff and institutional personnel for providing the report.

**ACTION:** President Newlin stated the Board received the comprehensive fiscal report for FY 1997, by general consent.

**THE GOVERNOR'S COMMISSION ON EDUCATIONAL EXCELLENCE FOR THE 21<sup>ST</sup> CENTURY.** The Board Office recommended the Board (1) receive an oral presentation by Marvin A. Pomerantz, Chairman of the Governor's Commission on Educational Excellence for the 21st Century and former President of the Board of Regents; (2) endorse the report of the Governor's Commission on Educational Excellence for the 21st Century; (3) approve a request to seek appropriations in FY 1999 in the amount of \$1,000,000 each for the University of Iowa, Iowa State University, and the University of Northern Iowa to implement changes in teacher training as recommended in the commission's report; and (4) conduct a benefit analysis of different accreditation alternatives for teacher education programs at Regent universities.

The Governor's Commission on Educational Excellence for the 21st Century was appointed by Governor Branstad in February 1997. The commission consisted of 14 Iowa citizens with Marvin A Pomerantz, former President of the Board of Regents, serving as chairman. Former Regent Betty Jean Furgerson and then current Regent Aileen Mahood Sullivan were other members of the commission.

The commission was charged "to create a vision and a roadmap for pre-kindergarten through 12th grade education in Iowa to ensure that Iowa's educational system continues its tradition of providing the best education to its young people."

The commission met monthly around the state and used workgroups consisting of more than 40 Iowans to address key issues and draft recommendations.

The commission prepared the following mission statement:

The mission of Iowa's educational system is to provide the best quality education in the world, so that every child has the opportunity to grow up to be a productive, self-reliant and fulfilled citizen.

On September 12, 1997, the commission transmitted its recommendations to the Governor. The recommendations were organized around six themes. The recommendations are reproduced here.

I. Accountability for Student Achievement

- A. In cooperation with its community, each school or district must determine clear standards of what students should know and be able to do for all major content areas and life-long learning skills.

- B. Schools and school districts must use multiple assessment measures to determine whether students are learning and performing at the expected levels.
- C. The Department of Education shall develop a common set of core indicators that measure success of Iowa students and schools.
- D. The State Board and Department of Education shall redesign school accreditation to focus on continuous improvement.

II. Strategies to Improve Achievements for All Students

- A. As a condition of accreditation, all school districts shall be required to offer all day, every day kindergarten.
- B. Local schools and school districts shall develop powerful core curriculum and assessment measures that encompass high expectations and engage and challenge all students.
- C. The comprehensive school improvement plan shall include a component designed to involve parents in the instructional program of their children.
- D. Schools and school districts shall provide support for at-risk students and for students who are not succeeding in the regular school environment.
- E. A Center for Continuous Quality Improvement shall be established to support schools and districts. In order to develop better communication among the various partners in teacher and administrator training and continuing education, the Center shall sponsor a facilitating council: The Iowa Partnership for Excellence in Education.
- F. The state should continue to provide some measure of instructional technology funding beyond the current five-year commitment.
- G. Given the potential of technology to improve instruction, all students grade 4 and above should have access to a laptop computer to enhance opportunities for learning.
- H. The state must maintain its commitment to the ICN for educational purposes.

III. School Readiness for Every Child

- A. The entire community must unite to assure that all children are ready to start school.
  - B. The Commission recommends that full funding be allocated to provide preschool to all four-year olds at risk of academic failure.
  - C. Parent education programs shall be available to parents of children birth through three years old.
- IV. Transformation of the Education Profession for the 21st Century: Teachers and Administrators
- A. Postsecondary institutions and the Department of Education must redesign teacher and administrator education programs.
    - 1. Every graduate must demonstrate proficiency on performance measures approved by the Iowa Board of Educational Examiners.
    - 2. The preparation of all new teachers should include an internship following the completion of the baccalaureate degree. Recognizing that internships will take some time to develop, induction programs should be provided by school districts for approximately three years until internships are a component of all preparation programs.
    - 3. The Department and State Board of Education shall institute new rules for approving teacher and administrator preparation programs based on their demonstration of continuous quality improvement.
    - 4. The Board of Regents shall conduct a cost-benefit analysis of different accreditation alternatives for its teacher education programs.
    - 5. Iowa's teacher education institutions shall adopt higher measures for entrance into teacher education programs.
    - 6. Iowa's teacher education programs, in collaboration with local school districts, should develop outreach programs that attract Iowa children and adults to the teaching career, with high priority placed on increasing diversity in the workforce.
    - 7. Iowa's educator preparation institutions should seek opportunities to develop high quality, cooperative programs for administrators.

- B. Licensing of new educators must be based upon proven performance.
  - 1. In order to align licensing for out-of-state teachers with recommended new in-state teacher licensing requirements, teachers hired from out-of-state must, prior to licensing in Iowa, show that they have had a minimum of two years teaching experience.
  - 2. Interns and new inductees will be licensed upon successful completion of these programs.
- C. The state of Iowa should substantially increase the minimum salary for teachers so that it approximates the national median.
- D. The state of Iowa must provide recognition and professional growth opportunities for teachers and administrators to ensure that all professionals enhance their skills to provide for student needs and raise student achievement.
  - 1. A commitment to quality, long-term professional development for teachers must be evident through the use of Phase III funds.
  - 2. Highly skilled teachers and administrators should be rewarded.
    - a) A program for meritorious recognition of public school instructional and administrative staff shall be developed by the Department of Education and other education stakeholders.
    - b) The private sector should provide additional funds to recognize and compensate a more limited number of teachers whose performance merits statewide recognition.
    - c) The State of Iowa should pay \$10,000 annually to each person employed by a public school district who holds National Board for Professional Teaching Standards certification.
  - 1. Districts shall provide intervention or intensive assistance efforts for poor performing teachers and administrators who are not meeting district expectations.
  - 2. New staffing patterns and licensure requirements should be created to provide additional adult assistance to students who require additional

time and help to meet district standards and to provide focused support in such areas as technology and parent-community involvement.

- E. The state and local school districts should provide a one time incentive opportunity for early retirement.

V. Strong Family, Community, and School Relationships

- A. Schools and school districts shall adopt strategies for increasing the involvement of all families in school activities.
- B. Schools shall become year-round community learning centers offering services and educational opportunities beyond the school day.
- C. The state should help fund schools choosing to extend their school year.
- D. Cities, counties, service organizations, area education agencies and schools should collaborate to use their facilities, technology, and resources to maximize efficiency and effectiveness.
- E. The local school district, business, agriculture, and the labor community must jointly identify career transition skills and continuing educational needs of the community's students and existing workforce.

VI. Financial Support for Education

- A. The Commission's recommendation shall be phased in and fully implemented within five years.
- B. School districts and their boards must use the principles of continuous improvement to evaluate program effectiveness and the use of resources.
- C. The state should continue to provide stable and equitable funding for all districts through the school finance formula.
- D. School districts should be allowed to access up to 50 percent of the local option sales tax if currently in effect and up to 100 percent of newly approved or re-authorized local options sales taxes for their capital improvement needs.

- E. To provide another incentive for communities to address school building needs, the state should exempt local school bonds from state tax.

The Board Office recommended that the Board endorse the recommendations of the Governor's Commission.

#### University Proposals

The commission's concerns for teacher education programs were duly noted by the Colleges of Education at each Regent university. The Regent universities reviewed the recommendations and prepared proposals to place before the Board to seek additional state funding to implement recommendations of the Governor's commission.

#### **University of Iowa**

University of Iowa officials sought additional state funding of \$1,000,000 to expand the technical knowledge of and resources provided to K-12 teachers currently in the classrooms of Iowa and to add to the growing base of technologically proficient "pioneer teachers" who were among the first to use technology in the classroom.

The initiative, named Teaching and Technology 2000, expands a successful program for University of Iowa faculty to K-12 teachers already in the field. They are taught how to use the latest information technology as they provide instruction to students. Technology instruction for students in the teacher preparation program of the University of Iowa will be supported by the Preparing Tomorrow's Teachers to Use Technology, which is part of the University of Iowa's Strengthening Undergraduate Education initiative that was proposed for the FY 1999 operating budget.

The University of Iowa's proposed initiative will enable more K-12 teachers to teach in new ways with information technology, disseminate their knowledge and skills to colleagues, and provide students with powerful models of learning and inquiry incorporated in these new teaching approaches.

Some large scale efforts have already taken place through the Star Schools Initiative and the U.S. West Initiative. University of Iowa officials estimate that only about 10 percent of all teachers in Iowa have the skills and available resources to make Power Point presentations, use information on the World Wide Web for problem-based learning, construct multimedia presentations, and develop or instruct students in the creation of Web Sites.

Teaching and Technology 2000 will operate in partnership with the state's area education agencies to provide concentrated instruction in teaching with technology for 60 school teams (240 individual participants) from K-12 schools during an intensive workshop during the summer of 1999.

The program will provide follow-up support and consultation for teachers when they return to their schools to implement ideas gathered during the intensive summer workshop.

Pending program evaluation and determination of demand, the program could be offered in subsequent summer sessions to provide training and instruction for additional teams of teachers.

Area education agencies (AEA), representing four regions of the state plus one for schools in and around Johnson County, will be recruited to participate in the one week-long workshop with instruction to be located at the participating AEAs. The workshop will be given four times to keep enrollments small enough for individual help while reaching a sizable cadre of teachers. Each site will be limited to three teams of teachers from the AEA. Each team will have four teachers from a given school. "Pioneer teachers" willing to share their stories in using technology in the classroom will be identified. Workshop instruction will be provided over the ICN and on-site by SUI faculty and staff. A follow-up workshop will be conducted each semester during the academic year.

Through the initiative, the University of Iowa will provide the funds to equip team participants and their schools with the necessary technology to participate in the workshops and utilize the tools in the classroom.

University of Iowa will provide support services and outreach services for the school teams, including on-line support, trouble-shooting, coaching, and the development of follow-up tutorials for use by teachers and students.

The materials developed by the Teaching and Technology 2000 initiative will be made available over the Internet to all educational agencies in Iowa.

The proposed budget for the project is \$42,800 more than the \$1,000,000 additional state funding sought by the university.

"Teaching and Technology 2000" Budget

Item	FY 1999
Faculty line, TAs, equipment	\$113,000

Workshop support to the AEA's	54,500
Funding for participating schools	798,000
ICN Line Charge	7,800
Pioneer Teachers	54,500
Program Evaluation	15,000
<hr/> Total	<hr/> \$1,042,800

### **Iowa State University**

The College of Education at Iowa State University proposed a new project, "Preparing Educators for a New Age of Learning," to implement the recommendations of the Governor's commission.

"Preparing Educators for a New Age of Learning" contains five initiatives to accomplish the Commission's recommendations and forms the basis of the ISU request for \$1,000,000 additional state funding. The initiatives are:

1. Recruitment of individuals who are intellectually bright and passionate about learning and helping others to learn.
2. Practice-Centered Pre-K-8 Teacher Preparation Program
3. Math, Science, and Technology Revitalization for Secondary Education (MASTERS)
4. Educational Administration for a New Century (EANC)
5. Academy for Developing Expert Practicing Teachers (ADEPT)

The five initiatives are grounded in a land-grant approach to education in keeping with Iowa State University's mission of providing science with service and building upon Iowa State University's traditional strengths in math, science, and technology. The land-grant ethic in education engages the state-wide community to integrate science with service through collaboration among the collegiate faculty and staff, the schools, and the communities to address today's educational challenges. The land-grant ethic focuses on the individual, develops the strengths and talents of the individual, and supports the individual through lifelong learning opportunities.

The end product of the land-grant approach to education is engaged and accountable educators who can transform schools into centers for learning that are active in their communities and responsive to current realities.

In the first initiative to recruit individuals bright and passionate about teaching, the proposal emphasizes Iowa State's traditional focus on science and technology and

relies upon the two College of Education Centers: (1) the Center for Technology Learning and Teaching and (2) the Institute for Excellence in Science Education.

While the ISU teacher preparation program already attracts students who meet high standards (their mean composite ACT exceeds 23 and their cumulative grade-point average exceeds 3.0 at the time they are admitted to the program), the College of Education recognizes that it needs to attract even stronger students who are passionate about learning. The College of Education proposed to offer a one-week summer institute in collaboration with the Office of Precollegiate Programs for Talented and Gifted (OPPTAG) for highly talented high school sophomores and juniors to attract such students and affirm the importance of a teaching career, especially individuals from underrepresented ethnic backgrounds. The products of the first initiative will be enhanced standards and highly talented and diverse students enrolled in educator preparation programs.

The second initiative is based upon ISU's learner-centered pilot program, Project Opportunity, which combines classes in a student's major and courses in learning, teaching, and technology with one day of field experience per week in urban, rural, or suburban sites during the sophomore, junior and senior years.

Because of its strong evaluations, Project Opportunity is recognized as a potential national model for teacher preparation. Compared to traditional teacher education programs, participants have three times the amount of "hands-on" experience in classrooms with students, teachers, parents, and administrators. This initiative will expand Project Opportunity from 30 students to all Pre-K-8 teacher preparation students in a practice-centered teacher preparation program.

Students in this program will be challenged to grow and develop as they receive:

- the equivalent of one year of field based experiences distributed over 3-4 years,
- service-learning activities that are either infused into the curriculum or are part of faculty outreach activities to schools and the community,
- individualized learning and learning environments,
- technology mastery designed to enhance learning, and
- skills to work in diverse settings with diverse students.

In conjunction with this initiative, Iowa State University will address the concern raised by the Iowa Department of Education that no teacher preparation program has been effective in addressing increasingly serious and challenging behaviors of students.

The College of Education proposes to hire one full-time faculty member devoted to preparation of educational professionals who could:

- establish environments that promote respect and responsibility,
- prevent the development and expression of challenging behaviors that disrupt the learning environment and potentially threaten safety,
- intervene with students who exhibit inappropriate behaviors through behavior management techniques, and
- participate with others in the implementation of sophisticated applied behavior analysis interventions.

The final piece of the practice-centered teacher preparation initiative will be to explore the possibility of adding an internship component that earns graduate credit for post-baccalaureate students.

The third initiative is to enhance the preparation of secondary teachers in a manner similar to that of the pre-K to 8 teachers outlined in the second initiative. A particular focus of this initiative will be in mathematics and science education. Consistent with national trends, the Colleges of Education and Liberal Arts and Sciences will collaborate on developing the leading math/science teacher preparation program in the nation through their jointly administered Institute for Excellence in Science Education and the Center for Technology in Learning and Teaching.

Students will become proficient in content domain of their discipline, innovative uses of technology, and current discipline-focused school reforms as they develop strong critical thinking skills through their engagement in cross-disciplinary study.

The fourth initiative, Educational Administration for a New Century (EANC), is to redesign the educational administration program to become a priority graduate program for the College of Education. EANC will prepare administrators state-wide for a new style of leadership that enables them to become accountable leaders of learning communities, experts in technology and data-based decision-making, facilitators of diverse environments, and effective change-agents.

Participants will be selected through a highly selective recruitment process and placed in a cohort, complete a personalized internship program, and participate in four-way conferences among the participant, an ISU field experience advisor, a school-based administrator, and a mentor who is a field-based practitioner. To be more service-oriented, collaborative degree programs will be explored with other Regent institutions and Drake University.

The fifth initiative is the Academy for Developing Expert Practicing Teachers (ADEPT) which is an effort to increase the number of master teachers and administrators in Iowa by rewarding meritorious performance and by providing incentives to encourage certification by the National Board for Professional Teaching Standards. The College of Education's two outstanding programs for community college leadership and the Foreign Language Institute will be adapted to develop talent among Pre-K-12 educators in the ADEPT program. Some components will be offered via distance education technologies.

Clear and concise outcomes of the five proposed initiatives will be formulated and periodically assessed, such as first-year evaluation of the teacher preparation program. A collegiate assessment team will be created to work in partnership with Pre-K-12 schools in conducting appropriate assessments, collecting and reporting data, and providing feedback for data-based decision-making. The innovative strategies that will be developed as part of the proposal will be evaluated as part of an on-going research project to determine how best to prepare teachers and administrators.

Follow-up surveys of graduates and their employers will ensure continuous quality improvement while professional accreditation of programs and their relationship to model projects will be explored. All students will develop portfolios that are reviewed annually by faculty and practitioners and upon graduation. Graduates of the teacher preparation program will take Educational Testing Service's Praxis Series: Professional Assessment for Beginning Teachers and Pre-Professional Skills Test, which is administered to 181,000 aspiring teachers each year.

In addition to the \$1,000,000 additional state funding requested by the university, the College of Education will reallocate additional funds totaling over \$300,000 toward the effort.

“Preparing Educators for a New Age of Learning” Budget

<u>Item</u>	<u>FY 1999</u>
Director of Elementary and Secondary Education	\$105,000
Practice Centered Pre-K to 18 Teacher Preparation Initiative	488,041
Math, Science, and Technology Revitalization for Secondary Education Initiative	180,750
Educational Administration in the New Century Initiative	303,250
Recruitment of Top Students	45,225
Academy for Developing Expert Practicing Teachers	90,300
Accountability	88,500
<u>Total</u>	<u>\$1,301,066</u>

**University of Northern Iowa**

The University of Northern Iowa’s review of the report of the Governor’s commission for implications with its programs is estimated to require over \$7,000,000 to its base budget to complete implementation of the recommendations.

At this time, University of Northern Iowa officials are prepared to seek additional state funding totaling \$1,000,000 to implement some immediate changes to its teacher preparation programs.

University of Northern Iowa officials proposed new initiatives to create additional internship opportunities, enhance student proficiency through development of personal portfolios of experience and performance indicators, develop university/school partnerships to identify and attract future teachers, and develop programs for educational administrators.

University of Northern Iowa’s first request was for \$175,000 to address the recommendation that every graduate demonstrate proficiency on performance measures approved by the Iowa Board of Educational Examiners. University of Northern Iowa annually recommends licensure by the state for 500 to 600 first year teachers. Of those, 350 students would prepare portfolios of performance indicators for

evaluation by a panel of university personnel and incur costs during the process by which University of Northern Iowa recommends a student for licensure.

The second facet of the University of Northern Iowa request for additional funding will address the recommendations of the Governor's Commission related to the development of outreach programs with local school districts and community colleges to attract gifted and diverse children and adults to careers in education in Iowa.

Successful programs attract young people to the profession at a young age, foster them to develop strong backgrounds in academic and social skills, support them financially, academically, and socially throughout their collegiate experience, and into the first years of teaching.

University of Northern Iowa officials proposed to establish direct links with 10 school districts and each of the 15 community college districts to develop programs to bring youth and adults into the career of teaching. The majority of the support will be used to create and support the links between the university and the local education agencies. The university will simultaneously seek to expand financial support to be available for students from diverse cultural and socio-economic settings, age, and gender.

The final component of the University of Northern Iowa request for additional funding is to meet the needs expressed by the Commission's recommendations for high quality, cooperative programs for administrators.

University of Northern Iowa officials proposed to develop a cohort approach for these educators who are generally working full-time and place-bound while they pursue degrees in educational administration. University of Northern Iowa officials proposed to work with its sister institutions to meet the unique preparation needs of administrators in Iowa. The University of Northern Iowa proposal sought \$120,000 funding for a half-time coordinator, 6 field-based teaching associates to coordinate ICN locations off-campus, ICN charges, and materials and supplies.

UNI Additional Funding Request for FY 1999

Initiative	Item	FY 1999
Implementing a portfolio system for recommendations on first year licensure		\$175,000
School Outreach Program	10 school district coordinators	200,000
	5 community college coordinators	200,000
	UNI-based personnel	90,000
	Materials and supplies	25,000
	Financial support for talented students	190,000
High quality, cooperative program for administrators	Campus based personnel	40,000
	6 field-based teaching associates	60,000
	ICN, Material, supplies	20,000
<b>Total</b>		<b>\$1,000,000</b>

Other aspects of the University of Northern Iowa plan are contained in the University of Northern Iowa response to the commission's recommendations. These were not part of the additional funding request.

Accreditation Benefit Analysis

The commission recommended that the Board of Regents conduct a cost-benefit analysis of the accreditation process for teacher education programs. The Board Office recommended that the Board of Regents conduct the study recommended by the Governor's commission but enlarge the scope of the review to examine the broader issues of accreditation for teacher preparation programs as well as costs.

The Board Office will work with the universities to develop a study group to carry out the benefit analysis and report back to the Board of Regents.

President Newlin welcomed Marvin Pomerantz to the Board of Regents meeting.

Mr. Pomerantz stated that the Governor's Commission on Educational Excellence for the 21st Century has been addressing pre-K-12 education. The group's work resulted

in some conclusions. First, Iowa is very competitive for this century. However, it is not at all competitive for the next century. The state needs to do some things now that will enable it to carry on the tradition in Iowa of outstanding education. These efforts affect everyone in the educational community. For Iowans to remain competitive in the next century, this state has to enhance its educational system – from pre-K-12 on through to higher education.

Mr. Pomerantz stated that the most significant conclusion of the commission dealt with transforming the teaching profession -- professionalizing the profession. The group believes it is impossible to have the world's best schools and best education without having the world's best teachers and administrators. He said that is what most directly affects the Regent universities and private colleges and universities engaged in teacher preparation.

The report of the Governor's Commission on Educational Excellence for the 21st Century dealt specifically with entry-level standards. Mr. Pomerantz said the commission believes those standards ought to be set at a very high level; that teacher preparation programs should be intensified and improved, and made a great deal more strenuous. The commission addressed induction and internship programs with licensure. He said that issue had turned out to be somewhat controversial because it represented change in the form of performance pay for current teachers and administrators.

Mr. Pomerantz stated that all of the issues he had mentioned represented what the commission referred to as a transformation of the profession. In the next five years, 50 percent of the current teachers and educators will leave the profession for various reasons including retirement. The way the replacement of those teachers is dealt with is of critical importance to the quality of education for the next century.

The Governor's Commission on Educational Excellence for the 21st Century asked the Board of Regents for endorsement of its report. The commission would appreciate very much the entire education community in Iowa getting behind its report.

With regard to the recommendation concerning entry-level standards, Mr. Pomerantz stated that teacher preparation programs must be more rigorous. The commission was introducing the concept of an internship which should parallel those of other professions such as medicine. The educational program recommended by the commission would extend from 4 to 5 years to include a year of internship. It would have a much more rigorous training and development process. The licensing process would be more difficult.

With regard to the recommendation regarding performance pay, Mr. Pomerantz said there had been some political fallout around paying existing teachers more money. He said that was part of the commission's recommendations but was not the thrust. The thrust was toward a higher level of professionalism for which the state would be willing to pay more money. The minimum entry-level teacher salary in Iowa today is \$18,000. He stated that North Carolina just adopted a minimum teaching salary of \$28,000. Iowa is 39<sup>th</sup> in the country in teachers' pay. He said it was very difficult to imagine how Iowa can continue to lead the pack in quality and be 39<sup>th</sup> in pay.

Mr. Pomerantz stated that a lot of work had to be done with the legislature. He believes the people of Iowa will be very much in support of the commission's recommendations.

Regent Arenson stated that he wholly concurred with the commission's conclusions. He believed the Regents would do everything they could to help the commission to implement its recommendations.

Regent Kelly referred to the merit pay issue and asked if there was an expectation that the teachers' unions would support such a recommendation. Mr. Pomerantz responded affirmatively. He said the recommendations were not created in a vacuum. The commission members spoke with the Iowa State Education Association and he believes the organization will be endorsing the entire commission report this week.

Regent Kennedy stated that another stakeholder was the local school districts. What feedback was the commission receiving from the school districts? Mr. Pomerantz responded that the feedback had been terrific. The entire education community has been very supportive. He noted that there is not much new in the report. It was a summation of the best practices. Somewhere in the state of Iowa everything that is recommended in the report is being done. He acknowledged that there is concern about funding. The report and recommendations of the commission are going to the legislature. He said the Governor is leading the charge. If the Governor has not endorsed the entire report, he is close to doing so.

President Jischke offered to lend his voice in support of the Board Office recommendation. He said the commission's recommendations have a direct consequence for the quality of Iowa's Regent universities. The better prepared the students who come to the universities, the further the universities can take them. Secondly, the Regent universities bear a particular responsibility for the preparation of teachers. University officials have a responsibility to help effect this change. He said Iowa State University requested funding to comply with the recommendations regarding teacher preparation. Iowa State University officials are prepared to reallocate to achieve the goals that would strengthen teacher preparation at the university.

MOTION:

Regent Fisher moved to (1) receive an oral presentation by Marvin A. Pomerantz, Chairman of the Governor's Commission on Educational Excellence for the 21st Century and former President of the Board of Regents; (2) endorse the report of the Governor's Commission on Educational Excellence for the 21st Century; (3) approve a request to seek appropriations in FY 1999 in the amount of \$1,000,000 each for the University of Iowa, Iowa State University, and the University of Northern Iowa to implement changes in teacher training as recommended in the Commission's report; and (4) conduct a benefit analysis of different accreditation alternatives for teacher education programs at Regent universities. Regent Ahrens seconded the motion.

President Coleman asked to add her support to the recommendations of the commission. She said that one of the interesting things that had happened as a result of the commission's work it is that the University of Iowa has had to examine what it is doing in terms of teacher preparation. It was determined that some things are going to be changed. She appreciated the spotlight the report had put on the important role of helping prepare students. She said it was exciting to go through this process. She believes the University of Iowa can work through the area education agencies to export some of the university's knowledge to help further the goals of the commission.

President Koob stated that University of Northern Iowa officials urged the Board of Regents to join in this effort to create social transformation through education. He said the report of the commission is completely in line with practices and plans already underway at the University of Northern Iowa. He noted that one of the university's strategic initiatives that predated the commission's report is to begin to prepare teachers for the 21<sup>st</sup> century. He said he was delighted to have this kind of public support and attention drawn to teacher education.

President Newlin asked Mr. Pomerantz to comment on what he considered to be one of the most difficult sales efforts he had ahead of him with regard to the commission's report.

Mr. Pomerantz referred to a comment made by George Mills on the occasion of the Governor's economy committee of 1979. Mr. Mills said they should not be despaired if all of the recommendations are not immediately implemented. The history of this kind of activity during this century is that over 80 percent of the recommendations ultimately

are enacted. Therefore, Mr. Pomerantz stated that if they start with 80 percent as a baseline, there is a chance of doing almost all of it. The time has come when educators should have a much higher professional status in our society. For education to be competitive, it will have to be given status. The legislature will have to be convinced that what is being asked for is reasonable and appropriate. He was optimistic it would happen. The Governor is actively supporting this report and engaged in attempting to put the recommendations into the law.

President Newlin asked the deans of the Colleges of Education to speak to the commission's report.

Dean Yussen offered his endorsement of the commission's report. He said that as he looks at what the University of Iowa is currently doing, he sees some challenges as well as some consistency between what the commission is looking toward and what the university is already doing. He has seen no lack of enthusiasm on the part of students for pursuing teaching careers despite the bleak salary issue. The University of Iowa College of Education continues to receive the best and brightest students.

Dean Benbow stated that Iowa State University officials were delighted to have an opportunity to look at its programs in light of the commission's report. She presented highlights of "Preparing Educators for a New Age of Learning" which contained five initiatives to accomplish the commission's recommendations.

Dean Switzer, University of Northern Iowa, stated that he was one of the 40 Iowans who worked on this report; therefore, he agreed with its recommendations. He said the only caution he would make to the Regents is that this be done right and be given every opportunity to be successful. There are excellent proposals in the report and it will cost some money. There are reallocations that can and will take place.

Superintendent Johnson expressed appreciation for the commission's recommendations. He noted that both the Iowa School for the Deaf and the Iowa Braille and Sight Saving School have a tremendous challenge in that teacher training programs for teachers of the deaf and blind do not exist in Iowa.

Superintendent Thurman said he echoed the comments of Superintendent Johnson.

Mr. Pomerantz stated that the Governor's Commission on Educational Excellence for the 21st Century had received much cooperation from the Regent Colleges of Education. He said the commission approached its effort from the point of view that things were already good but that they needed to be a whole lot better. If Iowa is going to be competitive going into the next century, we have to improve the way we do things. Teacher preparation is at the top of that list. Graduating a teacher and having that teacher stay in the profession five years after graduation are two different issues. Iowa does not do so well in that second category. We need to start professionalizing the profession so that people who go into the profession are there because they have a real desire to be extraordinarily good teachers. If that battle can be won, there is no question where Iowa will rank going into the next century.

Mr. Pomerantz expressed appreciation for the vote of confidence and support. He said there was no doubt in his mind that going forward Iowa will be the very best.

Mr. Richey referred to the recommendation for \$1 million each for the three universities to begin immediately. He said that recommendation was not all that needed to come before the Board in order for the universities to complete their tasks in response to the commission's report. The Board Office will be working with the universities over the next month to develop a joint multi-year scenario for the Board's review. He noted that the Board Office had been asked for a fiscal note by the Legislative Fiscal Bureau. The Board Office will attempt to identify those numbers, and coordinate and correlate those for the Board's review next month before a response is sent to the Legislative Fiscal Bureau. He said it is an effort that requires coordination. It relates back to the Peat Marwick organizational audit of 10 years ago regarding the roles of the Colleges of Education.

VOTE ON THE MOTION: Motion carried unanimously.

**REPORT OF THE BANKING COMMITTEE.** The Board Office recommended the Board (1) accept the report of the Banking Committee and (2) approve modification of Regents investment policy.

Regent Kennedy stated that at its meeting the previous day, the Banking Committee received a semi-annual report on the Board's master lease agreement. It also received three University of Iowa internal audits, a status of all institutional audit follow-ups, and an external audit of the UIHC. One item which she said would require Board approval had to do with consistent handling of certain investments. Based on a review, the Board Office recommended revision of the Regents investment policy.

MOTION: Regent Kennedy moved to approve modification of the Regents investment policy. Regent Fisher seconded the motion. MOTION CARRIED UNANIMOUSLY.

President Newlin expressed appreciation to the Banking Committee for bringing into harmony the institutional investment activities and Regent investment policies.

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

**LEGISLATIVE PROGRAM, 1998 SESSION.** The Board Office recommended the Board (1) give preliminary consideration to the proposals noted below for inclusion in the Board's legislative program for the 1998 session and (2) request 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.

Prior to the convening of the Iowa Legislature each year, issues are identified for inclusion in the Regents legislative program. Seven proposals were submitted for consideration by the Board which included the Iowa Waste Reduction Center, ICN- related issues, the Board-approved three-year Regent technology initiative for \$10.1 million per year, indigent health care services, the Governor's Commission on Educational Excellence, the ACCESS Education Commission, and college savings plans.

The Board Office will monitor legislation relating to each proposal.

Mr. Richey stated that this matter would be before the Board again in November and December.

ACTION: President Newlin stated the Board, by general consent, (1) gave preliminary consideration to the proposals for inclusion in the Board's legislative program for the 1998 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.

**MILEAGE REIMBURSEMENT RATES.** The Board Office recommended the Board modify Section 7.35 A of the Board of Regents Procedural Guide (transportation reimbursement for official travel by private automobile) as follows:

at a rate of ~~\$.31~~ ~~\$.28~~ per mile, for travel on or after November 1, 1997,  
~~retroactive to July 1, 1995,~~ when a motor pool vehicle is not available and the  
employee must use his/her personal vehicle;

at a rate of ~~\$.25~~ ~~\$.24~~ per mile, for travel on or after November 1, 1997, if a motor  
pool vehicle is available, but the employee chooses to use his/her own vehicle;

at a rate of \$.31 per mile, for travel on or after November 1, 1997, when an  
employee chooses to use his/her own vehicle and the round trip is less  
than 100 miles.

As part of its FY 1998 budget Iowa State University officials requested the Board to  
approve an increase in the mileage reimbursement rate paid to employees not covered  
by collective bargaining agreements for business use of personal vehicles. The  
reimbursement rates paid to Regent employees for business use of their personal  
vehicles are established by the Board; current rates are detailed in Section 7.35 A of  
the Board of Regents Procedural Guide.

The proposed increases have been under review by the Board Office since the  
university made its request. The Board Office consulted with the other Regent  
institutions and state officials. As a result of these discussions, the Board Office  
recommended that the following reimbursement rates be approved, for travel on or after  
November 1, 1997:

An increase from \$.21 to \$.25 per mile when a motor pool vehicle is available;

An increase from \$.28 to \$.31 per mile when a motor pool vehicle is not  
available; and

A rate of \$.31 per mile when the round trip is less than 100 miles.

The recommended rates were consistent with those proposed by Iowa State University  
except that the proposed rate when a motor pool vehicle is available was decreased by  
\$.02/mile, from \$.27/mile to \$.25/mile. This recommendation for a lower rate was made  
after consultation with state officials and was acceptable to Iowa State University. The  
Regent institutions estimate that the proposed change in rates would increase the  
annual mileage reimbursement cost by approximately \$465,000 of which slightly more  
than \$125,000 would be general funds.

The reimbursement rates currently paid Regent employees equal the lowest reported  
rates in a recent survey of public and private entities. The median for 37 public entities

including other higher education institutions, surrounding states and Iowa cities, counties and school districts is \$.27 / mile. A small survey of Iowa corporations shows that the majority pay at the maximum allowable by the Internal Revenue Service (currently \$.315/mile); the lowest reported rate was \$.25/mile.

David M. Griffith, a leading national consultant on public transportation issues, recommended that reimbursement rates be set to compensate fairly employees for the marginal costs of making their vehicles available for use. While the increased rates will increase mileage reimbursement costs, they will fairly compensate employees. The proposed rates were consistent with Board policy which encourages the use of state-owned vehicles and will help maintain the viability of the campus motor pools.

MOTION: Regent Arenson moved to modify Section 7.35 A of the Board of Regents Procedural Guide (transportation reimbursement for official travel by private automobile), as presented. Regent Pellett seconded the motion. MOTION CARRIED UNANIMOUSLY.

**REGENTS MERIT SYSTEM REPORT.** The Board Office recommended the Board (1) receive the governance report on the operation of the Regents Merit System in fiscal year 1997, and (2) approve filing a Notice of Intended Action to submit proposed revisions in the rules of the Regents Merit System to the administrative rules procedure a) to eliminate stating a specific amount paid for shift differential in the rules and b) to bring the rule for pay on reinstatement in line with language in the reinstatement rule.

In fiscal year 1997, there were 8,328 (head count) permanent and probationary employees in the Regents Merit System, a decrease of 102 over the previous year-end total. Two-thirds of the covered employees are female. Minority employment has increased slightly from 4.9 percent to 5 percent of the total.

The average Regent Merit System employee salary for fiscal year 1997 was \$25,174 excluding fringe benefits. Average total compensation including insurance and retirement benefits was approximately \$31,200. The fiscal year 1998 budgeted expenditure for salaries and fringe benefits for employees in the Regents Merit System is \$258 million total from all funds. The general fund portion excluding University of Iowa Hospitals and Clinics sales and service revenues is budgeted at \$129 million.

In fiscal year 1997, the base salaries were increased by 2.5 percent on July 1, 1996, and employees received a nonrecurring bonus of \$300 in December 1996 in addition to automatic step increases. Over half (59 percent) of the merit system employees are on the top step (step 8) and do not receive step increases.

A total of 289 requests for reclassification were processed. The decisions on twelve requests were appealed. The Merit System Director's decisions were upheld in eight cases.

Two revisions to the merit rules were proposed:

- The merit rule on reinstatement of employees was changed a few years ago to allow reinstatement to a class in the same pay grade as well as to the previously occupied class. The rule on pay on reinstatement was not revised at that time to reflect the change.
- The current agreement with AFSCME increased shift differentials to \$0.30 and \$0.35 per hour respectively for the evening and night shifts. It is proposed to exclude the actual amount of shift differential from the rules to avoid changing the rules if the rates are changed in the future.

Mr. Richey noted that almost 60 percent of the employees are at the top of their pay scale.

Regent Arenson asked for clarification of the recommendation regarding the reinstatement rule. Mr. Richey responded that it would bring the rule into compliance with what has been bargained.

MOTION:

Regent Arenson moved to (1) receive the governance report on the operation of the Regents Merit System in fiscal year 1997, and (2) approve filing a Notice of Intended Action to submit proposed revisions in the rules of the Regents Merit System to the administrative rules procedure a) to eliminate stating a specific amount paid for shift differential in the rules and b) to bring the rule for pay on reinstatement in line with language in the reinstatement rule. Regent Smith seconded the motion. MOTION CARRIED UNANIMOUSLY.

**APPROVAL OF VENDOR WITH A POTENTIAL CONFLICT OF INTEREST AND REVISION OF ADMINISTRATIVE RULES.** The Board Office recommended the Board (1) approve the request from the University of Iowa to add the name of Virginia Myers to the list of approved vendors with a potential conflict of interest, and (2) give preliminary approval to revise administrative rules regarding approval of vendors with a potential conflict of interest and approve filing a Notice of Intended Action.

Code of Iowa, Section 68B.4, states that regulatory Board members must give consent to officials or employees of the regulatory agency who wish to sell goods and services to the agency. Section 68B.4 of the Code of Iowa further states that the regulatory agency shall specify the rules by which consent is given. The Board of Regents is declared to be a regulatory agency. Section 681-8.9(1)a of the Iowa Administrative Code requires the Board of Regents to approve vendors with a potential conflict of interest by a roll call vote.

University of Iowa officials requested approval to add the name of Virginia Myers, sole owner and President of Iowa Foil Printer, Inc., to the list of approved vendors with a potential conflict of interest. Virginia Myers is a full professor at the University of Iowa in the School of Art & Art History. She invented the Iowa Foil Printer, a hand-held device for stamping foil to a variety of substrates, usually paper, in 1986. The hand-held Iowa Foil Printer is the only device of its kind. Foil stamping has been a regular part of the Printmaking Department curriculum since the spring semester of 1990.

The university administration states Virginia Myers will have no influence or any involvement in decisions to purchase any goods or services from Iowa Foil Printer, authorize any such contracts, or make material changes to such contracts.

Considering the uniqueness of the product, the extent to which it has been employed at the University of Iowa, and the assurances of the university administration, approval of the request was recommended.

Iowa statutes do not require a roll call vote to approve vendors with a conflict of interest. The Board Office recommended initiating a change to the administrative rules to delete the need for a roll call vote for Board of Regents approval of vendors with a potential conflict of interest.

MOTION:

Regent Arenson moved to (1) approve the request from the University of Iowa to add the name of Virginia Myers to the list of approved vendors with a potential conflict of interest, and (2) give preliminary approval to revise administrative rules regarding approval of vendors with a potential conflict of interest and approve filing a Notice of Intended Action. Regent Fisher seconded the motion, and upon the roll being called, the following voted:

AYE: Ahrens, Arenson, Fisher, Kelly, Newlin, Pellett, Smith.

NAY: None.  
ABSENT: Kennedy, Lande.

MOTION CARRIED.

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

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

November 18-19, 1997	Iowa State University	Ames
December 17-18, 1997	West Des Moines Marriott Hotel	West Des Moines
January 14, 1998	Telephonic Conference Call	
February 18-19, 1998	University of Iowa	Iowa City
March 18-19, 1998	Iowa State University	Ames
April 14, 1998	Iowa Braille and Sight Saving School	Vinton
April 15, 1998	University of Northern Iowa	Cedar Falls
May 20-21, 1998	Iowa School for the Deaf	Council Bluffs
June 16-17, 1998	University of Iowa	Iowa City
July 15-16, 1998	Iowa State University	Ames
September 23-24, 1998	University of Iowa	Iowa City
October 21-22, 1998	University of Northern Iowa	Cedar Falls
November 18-19, 1998	Iowa State University	Ames
December 3, 1998	(To be determined)	Des Moines

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

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

STATE UNIVERSITY OF IOWA

The following business pertaining to the State University of Iowa was transacted on Wednesday and Thursday, October 15 and 16, 1997.

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

Register of Personnel Changes for August 1997.

The following appointments were provided for the Board's information:

- a. KATHLEEN BUCKWALTER as Associate Provost for Health Sciences for a three-year term effective August 25, 1997, at an annual salary of \$105,350.
- b. W. H. KNIGHT, Jr. as Vice Provost for a three-year term effective August 25, 1997, at an annual salary of \$129,000.
- c. TERRY JOHNSON as Controller effective October 1, 1997, at an annual salary of \$80,500.

**ACTION:** The personnel transactions were approved by consent.

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

PROJECT DESCRIPTIONS AND BUDGETS

University Hospitals and Clinics--DeGowin Blood Center \$2,584,000

Relocation

Source of Funds: University Hospitals Building Usage Funds

**Preliminary Budget**

Construction	\$ 2,067,200
Architectural/Engineering Support	206,700
Planning and Supervision	103,400
Contingency	<u>206,700</u>
TOTAL	<u>\$ 2,584,000</u>

University officials requested approval of the project budget in the amount of \$2,584,000 to be funded by University Hospitals Building Usage Funds.

University Hospitals and Clinics--Information Systems Staff Office

\$367,500

Development

Source of Funds--University Hospitals Building Usage Funds

**Preliminary Budget**

Construction	\$ 294,000
Architectural/Engineering Support	29,400
Planning and Supervision	14,700
Contingency	<u>29,400</u>
TOTAL	<u>\$ 367,500</u>

University officials requested approval of a project description and budget in the amount of \$367,500 to develop space in the Pomerantz Family Pavilion for the Department of Hospital Information Systems. The project will complete approximately 3,000 gross square feet of shelled-in space on the mezzanine level of the Pavilion and will provide a suite of modular offices and work areas for the Department. This staff office will be located adjacent to the Department's auxiliary computer room facilities currently under construction in the Pomerantz Pavilion.

Work will include installation of new partitions, doors, room finishes, computer room flooring and modifications, and expansion of heating, ventilating and air conditioning, plumbing, mechanical and electrical, and fire detection/suppression systems.

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

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#### ARCHITECT ENGINEER AGREEMENTS

<u>Biological Sciences Renovation/Addition--Phase I--Site Utilities</u> Shive-Hattery, Iowa City, Iowa	<u>\$34,102</u>
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University officials requested approval to enter into an agreement with Shive-Hattery to provide the site utility design services for the project. The services will include the design of the utilities for steam, condensate, air, water, chilled water, storm, sanitary, electrical and telecommunication services. The agreement provides for a fee of \$34,102, including reimbursables.

Communications Center--Remodel and Renovation  
Brown Healey Stone and Sauer, Cedar Rapids, Iowa

University officials requested approval of the selection of Brown Healey Stone and Sauer to provide preliminary design services for the project. The university received expressions of interest from 18 firms to provide design services. University officials selected three firms for interviews. Based on these interviews, university officials recommended the selection of Brown Healey Stone and Sauer to provide design services for the project.

The university will return to the Board for approval of the negotiated agreement

Amendments:

Schaeffer Hall Remodeling and Renewal Amendment #4 \$22,100  
Herbert Lewis Kruse Blunck

University officials requested approval of Amendment #4 to the agreement in the amount of \$22,100. The amendment will provide for additional field observation visits and additional design costs. The additional costs resulted from the need to update the facility and provide a more efficient arrangement of the classrooms and offices. The additional design services include modification of electrical and communication outlets, roof drains, and floor finishes, and the addition of casework and doors.

Amendment #4 will not result in an increase in the total project budget.

CONSTRUCTION CONTRACTS

Medical Education and Biomedical Research Facility-- \$6,331,514  
Utility Relocation--Contract 2

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

Consolidated Business Services Building--Remodel for Materials \$590,096  
Management--Phase 2

Award to: Selzer-Werderitsch Construction Company, Iowa City, Iowa  
(6 bids received)

Medical Education and Biomedical Research Facility-- \$46,470  
Utility Relocation--Asbestos Abatement

Award to: Curry Environmental Services, Milan, IL  
(4 bids received)

CHANGE ORDERS TO CONSTRUCTION CONTRACTS

Laundry Facility Replacement Change Order #1 Deduct \$196,705  
Mid-America Construction Company of Iowa, Iowa City, Iowa

University officials requested approval of Change Order #1 in the deduct amount of \$196,705 to the agreement with Mid-America Construction Company. The change order represented initial deductions for modifications to the building design to reflect the pre-engineered building as well as the removal of canopies and dock shelters, modification of the exterior panel design, and changes in internal construction materials. The change order also reflected modifications to the mechanical and electrical systems.

University officials are investigating the possibility of further reductions to the construction contract with Mid-America Construction Company.

Pharmacy Building Addition Change Order #33 \$75,000  
Mid-America Construction Company of Iowa, Iowa City, Iowa

University officials requested approval of Change Order #33 in the amount of \$75,000 for the additional costs. Mid-America Construction Company originally requested a payment of \$117,000. University officials negotiated a payment of \$75,000 with the contractor.

#### ACCEPTANCE OF COMPLETED CONSTRUCTION CONTRACTS

Hospital Parking Ramp No. 2--Remodel Offices, Provide Cambus Access and Lobby Area  
Mid-America Construction Company of Iowa, Iowa City, Iowa

University Hospitals and Clinics--Mechanical Head End Equipment Replacement  
Bowker Mechanical Contractors, Cedar Rapids, Iowa

MOTION: Regent Smith moved that the Register of Capital Improvement Business Transactions for the University of Iowa be approved, as presented. Regent Fisher seconded the motion. MOTION CARRIED UNANIMOUSLY.

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

University officials requested approval of the following lease agreements as lessor for business incubator space in the Technology Innovation Center at the Oakdale Campus:

With The Patient Education Institute for its use of 1,870 square feet of space at the rate of \$935 per month (\$6 per square foot, \$11,220 per year) for a six-month period;

With Oakdale Systems for its use of 3,019 square feet of space at the rate of \$1,509.50 per month (\$6 per square foot, \$18,114 per year) for a six-month period; and

With Bio-Research Products, Inc., for its use of 800 square feet of space at the rate of \$1,200 per month (\$18 per square foot, \$14,400 per year) for a six-month period.

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

MOTION CARRIED.

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

- a) An amendment authorizing direct referrals to the Department of Physical Therapy.
- b) An amendment regarding orders for bed occupancy category.
- c) Approved charge for the Clinical Cancer Advisory Committee.
- d) An amendment to the Utilization Management Subcommittee.

The Board of Regents in its capacity as Trustees for the University of Iowa Hospitals and Clinics (UIHC) reviewed a quarterly report on UIHC operations. Four areas were covered in this report: 1) a quarterly update on UIHC operations, programs, and finances; 2) a report on UIHC delegated functions including discussion of four proposed amendments to the Bylaws; 3) an update on University of Iowa Clinical Enterprise activities; and 4) an update on heart replacement devices at the UIHC. The Board heard a report from the Hospital Advisory Committee on its activities in this past year and its recommended changes in the Bylaws. The Board of Regents delegates to the UIHC Hospital Advisory Committee the responsibility to act as an internal governing body.

The report indicated that UIHC's operating performance for fiscal year 1996-97 which closed on June 30, 1997, was positive despite the continued evolution of the managed care marketplace. UIHC officials also reported that it retains a strong operating position.

The report on clinical enterprise activities by Mr. Howell and Dean Kelch included recommendations by a study committee concerning the patient care, education, and research components of emergency medicine at the University of Iowa.

Dr. Paul Seebohm, Emeritus Professor of Internal Medicine, discussed plans to celebrate the 100<sup>th</sup> anniversary of the UIHC in 1998.

Dr. Wayne E. Richenbacher, Associate Professor of Cardiothoracic Surgery, reported on the activities of the UIHC's heart transplantation teams.

President Coleman stated that this was an important meeting for the UIHC. She said more needs to be done to educate the public about the financing of UIHC -- the best bargain the state of Iowa has ever made. The UIHC is self supporting, both in operations and capital expenditures, while other states must subsidize their prime teaching hospitals through bonds and annual appropriations.

President Coleman said the people of Iowa need to understand that the only state money that goes to UIHC is reimbursement for indigent patient care. Under the program, each county in Iowa is able to refer a certain number of patients to the UIHC free of charge. These patients account for 38,000 out-patient visits and 5,000 in-patient admissions. For these services, UIHC is reimbursed \$30 million. Of that \$30 million, \$20 million comes into the state from federal funds because these patients are referred to the teaching hospital.

That was the first part of the bargain. For \$10 million from state coffers, Iowans receive \$20 million in federal funding for the indigent patient care program. The next part of the bargain is that the physicians who treat these patient receive no payment whatsoever, which is another \$20 million in services provided at no cost to the state.

President Coleman said the bargain did not end there. The \$30 million in indigent care reimbursement does not cover all of UIHC's expenses. It costs \$47 million to treat these patients, \$17 million more than the UIHC receives in reimbursement for the program. The \$10 million from Iowa taxpayers turns into \$67 million in patient care, all because this program is run out of the teaching hospital.

President Coleman stated that the indigent patient care program contributes to the UIHC's mission as a teaching hospital. Patients in the indigent care program account for almost 10 percent of the total patient population. Those individuals help provide the patient base that allows training of doctors for the future and fulfills the teaching mission, while receiving a level and quality of care that few, if any, states have been able to match.

UIHC helps the university to attract an absolutely first-rate faculty that brings in about \$150 million in external grant and contract support in the health sciences.

President Coleman expressed appreciation for the support of the Board of Regents for the activities of UIHC, including market research, and said she hoped the Regents would help university officials to educate the public about the fantastic bargain they are receiving.

Director Howell said he was pleased to present the quarterly report of UIHC. The UIHC is truly a bargain. He was proud of the care provided to all lowans particularly to those who are unable to pay. He referred to the U.S. News & World Report 1997 ranking of America's best hospitals. UIHC had 14 specialties ranked among the best in the country.

Director Howell stated that the UIHC had concluded a very solid year.

Mr. Yerington reported on the financial performance, noting that it was presented on an accrual basis using GAAP. He said total paying patient revenues increased by 3.8 percent. UIHC had experienced significant growth in Medicare, Blue Cross and managed care revenues. The self-pay category had grown dramatically. He stated that on July 1, 1998, Medicaid will begin enrolling newly eligible lowans to their managed care products. In a few years there will be a nearly 100 percent conversion of present Medicaid patients into the managed care line. He said revenues from appropriations were primarily for indigent patient care and had increased 2.8 percent. In the expense category, he said salaries were down 0.5 percent. The salary category had been essentially level for the last 3 years. The 2.2 percent growth in general expenses combined with the 0.5 percent reduction in salaries and wages reflected the efforts of staff to control costs. He said the operating margin was 8.5 percent.

In response to a question about admissions, Mr. Yerington stated that the length of patient stay is coming down dramatically because of managed care. The psychiatric hospital is able to accept more patients now because of the shorter length of stay. He said he did not expect the growth to continue.

Regent Fisher complimented the management of UIHC on the salaries and wages expense reduction, noting that it was commendable. The reduction in bad debts was another good sign.

Regent Arenson referred to the occupancy rate and asked for the objective on that. Mr. Staley responded that UIHC officials usually seek a rate of around 75 to 80 percent. Occupancy rate is an area on which hospital officials were working. The rate reflected complexity and a change in the nature of patients.

Regent Arenson asked how UIHC's occupancy rate compared with that of other Iowa hospitals. Mr. Staley responded that the UIHC's occupancy rate was a little higher than the average Iowa hospital.

Regent Fisher asked if the UIHC had fewer beds today than two years ago. Mr. Staley responded that there were fewer beds than 2 years ago.

Regent Fisher asked for the current capacity and plans for future capacity. Mr. Staley responded that there are 875 beds in operation currently. UIHC officials intend to review utilization in the different patient care units and make consolidations over the next several years.

Mr. Staley referred to the patient census data. He stated that acute admissions had declined while admitted outpatients had increased. He said the reason for the increase in admitted outpatients was the movement into managed care. Three new categories of patients which are included in the admitted outpatient category are extended recovery, observation, and custodial patients. He said the reduction in length of patient stay was a phenomenon being seen across the country to be more efficient in the way patients are treated to accommodate less reimbursement from managed care. He expects to see a continued decrease in the acute patient length of stay. In the next 5 years they may see a decrease of another one to two days.

Mr. Staley discussed the specialty inpatient care units census and the growth in case mix index for all acute inpatients served. With regard to the Medicare case mix analysis, he said the clinical complexity of that patient population is the highest of any hospital in the state.

With regard to ambulatory patient clinic visits, Mr. Staley said the largest growth has been in outreach clinic visits. He noted that the data included visits to the family medicine clinic which was not historically included in the statistics. He discussed patient care outreach to Iowa communities, noting that UIHC serves 51 communities in the state. He reviewed the average daily clinic census and the managed care patient volume.

Regent Kelly asked about the proposal to locate the family practice clinic in the Pomerantz Pavilion instead of at an off-campus location which might offer better access and parking.

Director Howell said there were two elements to that decision. Currently, the Steindler Building has far outstripped its capacity. University officials put in place an interim location in the Coralville area which provides off-site satellite family practice services.

Secondly, as university officials examined the issue of locating family practice on the first floor, front entrance of the Pomerantz Pavilion, the intent was to integrate the three family care services into one location. Once those three services have been moved into the new facility, university officials will reexamine the issue of off-site family practice in Coralville.

Director Howell referred to an earlier question by President Newlin concerning the average patient census and how it compared to other institutions. He said that in comparison with academic medical centers across the country, the UIHC is 5 to 7 percent higher than the national average occupancy rate. He said the volume has been maintained while the number of beds has been reduced.

Director Howell referred to an earlier question by Regent Fisher about the number of beds. The UIHC has removed 63 active beds. With regard to earlier discussion of the case mix index, he said 1.3 percent reflects the average of all hospitals nationally. The acuity of patients at the UIHC is 74 percent higher than the national average. He referred to a graph which indicated the cost of charity care from 1991 and 1995, comparing UIHC to other major teaching hospitals in the Midwest, and said it underscored President Coleman's opening statement that the UIHC is a tremendous bargain for the state of Iowa.

Director Howell asked to clarify an issue that has received much public attention in the last two days. He said the UIHC continues to be impacted by a rapidly changing competitive marketplace that is increasingly influenced by managed care. In order to ensure that the UIHC is appropriately responding to market influences, the clinical enterprise is undertaking an assessment of the environment by conducting research of the health care marketplace in its service area. He said this data-driven approach is being taken in order to adequately understand patients' needs, their choices of care and knowledge of the services that the UIHC offers, in appropriately developing programs and communications to the various constituencies served by the UIHC. To conduct this research and help identify issues which may need to be addressed, UIHC officials are seeking the advice of experts in the health care marketplace. A request for proposals has been issued. Proposals will be received by October 20 and university officials intend to proceed accordingly.

Regent Arenson asked whether what Mr. Howell had presented was in accordance with the university's strategic plan. Director Howell responded affirmatively, noting that the strategic plan objectives included managing value and managing markets. The proposal was fully within the managing market area of the UIHC's strategic plan.

Regent Arenson urged university officials to go forward with that for all of the reasons President Coleman had mentioned. The study will help to promote what a great

resource the clinical enterprise is to the state of Iowa including the recognition it brings and its value as a teaching hospital. He said he believed that the Board expected university officials to aggressively go forward and seek the university's place in the marketplace to maintain the vitality of the teaching hospital.

Regent Fisher said he concurred with Regent Arenson. He asked that the physician group as well as the patient population be included in the research effort, and that it be a statewide effort.

Director Howell said the strategic plan of managing markets has a community focus.

Regent Pellett said she agreed with the statements made by Regents Arenson and Fisher. With the conclusion of the study, the Regents will have some sound data on which to make their decisions.

President Newlin made the following statement which he said he would like to have converted into a motion:

The Board of Regents fully supports the market research initiative of the clinical enterprise, which encompasses the patient care activities of the College of Medicine's practice plan and the University of Iowa Hospitals and Clinics. At this volatile time in the nation's health care delivery system, marked by the rapid expansion of prepaid and managed care programs, the clinical enterprise must respond to market pressures and adapt itself to a changing environment as a self-supporting institution funded primarily by patient fees. This effort is entirely in keeping with the University of Iowa Hospitals and Clinics' three-part mission as (1) the state's comprehensive tertiary specialized care hospital, (2) the prime teaching hospital for the University of Iowa's health science colleges, and (3) a base for clinical research.

MOTION: Regent Arenson moved to adopt the statement proposed by President Newlin. Regent Ahrens seconded the motion.

Regent Kelly asked that the statement include cooperation and support of other entities in Iowa. President Newlin responded that such a statement would be included.

Regent Arenson suggested that the language be to encourage, where possible and feasible, cooperation and collaboration. He said it cannot be mandatory collaboration.

President Newlin asked if the language proposed by Regent Arenson would address Regent Kelly's concerns.

Regent Kelly said his concern was for family practice clinics; that they not feel an enormous amount of competitiveness.

President Newlin said that type of language would be included.

Director Howell said that what was being discussed was entirely in accord with the intent in the strategic plan and their work with communities. Sometimes they are not able to collaborate but they try rigorously to do so.

VOTE ON THE MOTION:                      Motion carried unanimously.

Mr. Staley reviewed the progress in meeting capital replacement objectives. He noted that last May the Board approved a project to replace the DeGowin Memorial Blood Center.

President Newlin asked if the research to develop the artificial blood product was done at the DeGowin Memorial Blood Center. Mr. Staley responded that it was not. The research was done in a laboratory within the College of Medicine.

Mr. Staley introduced Dr. John Olson, who he said oversees the administration of 6 million laboratory tests every year.

Dr. Olson discussed the transfusion medicine project, about which he said he was very excited. He described what takes place in the blood center, the problem currently being faced and the solution. He said the blood center is routinely cited for having inadequate space.

Director Howell introduced William Hesson and Robert Rodnitzky to provide the annual report on UIHC delegated governance functions and specific bylaws changes which were being proposed.

Mr. Hesson provided a summary of the activities that had been taken by the University Hospital Advisory Committee over the past year. These activities included quality assessment and improvement programs, and patient care maps. He noted that 55 care maps were in place with another 43 under development.

Dr. Rodnitzky stated that a major annual activity of the Hospital Advisory Committee is delineation of clinical privileges of faculty. He provided two examples of such activities during the past year.

Regent Fisher asked for the composition of the University Hospital Advisory Committee. Director Howell responded that the committee reflects the leadership of the UIHC. He is the chair. Dr. Rodnitzky is the vice chair. Members include the medical staff, the hospital staff, all departments of clinical service of the Colleges of Medicine and Dentistry. He said the committee's work is focused on quality assurance, credentialing, and medical staff policy.

Mr. Hesson presented the proposed bylaws revision relating to the clinical cancer center advisory subcommittee.

Dr. Rodnitzky described the amendment related to the charge to the utilization management subcommittee.

MOTION: Regent Arenson moved to approve the following revisions in the bylaws: 1) charge for the Clinical Cancer Advisory Committee and 2) amendment to the Utilization Management Subcommittee. Regent Fisher seconded the motion. MOTION CARRIED UNANIMOUSLY.

Mr. Hesson stated that the other two bylaws revisions were approved by the Hospital Advisory Committee and brought to the Board of Regents for its information.

Dr. Rodnitzky explained the amendments related to authorizing direct referrals to the Department of Physical Therapy and orders for bed occupancy category.

Regent Kelly questioned whether there might be liability problems with patients being referred to physical therapy by a non-staff member. Mr. Hesson responded that hospital officials did not believe there would be a significant liability. There is a requirement that physical therapy track those referrals separately for individual quality assessments.

Dean Kelch provided an update on clinical enterprise activities. He reviewed with the Regents a letter that was transmitted to all faculty and staff this month reporting on clinical enterprise activities. With regard to medical education, he said the new generalist curriculum seems to be working very well. One hundred percent of students in the first class of students in the new curriculum who took step 1 of the United States Medical Licensing Examination for the first time passed the license exam. He noted that only 13 medical schools compiled similar passing rates.

Dean Kelch presented a progress report on the emergency treatment center. He said there is a high level of patient satisfaction with emergency services. UIHC's emergency

treatment center was rated second best among 52 hospitals surveyed for efficient handling of patients. He reviewed portions of the review committee's report, noting that the UIHC's emergency room differs greatly from those of other hospitals within the state.

President Newlin expressed appreciation to Dean Kelch and Mr. Howell on their joint letter to faculty and staff.

Dean Kelch noted that such letters had been written two to three times per year since shortly after the two had arrived at the University of Iowa.

Regent Arenson stated it was clear that there is a great level of cooperation between the College of Medicine and the University of Iowa Hospitals and Clinics. He thanked Dean Kelch and Mr. Howell for their efforts in that regard, noting that it helps everything run smoother.

Director Howell stated that the University of Iowa Hospitals and Clinics would soon be celebrating its centennial. On January 10, 1898, the new University Hospital had a visitors' day. He introduced Dr. Paul Seebohm who he said had been at the University of Iowa Hospitals and Clinics for almost one-half of the time that the UIHC has served Iowans. In 1949 he was appointed to the clinical staff.

Dr. Seebohm presented highlights of the centennial celebration. He showed pictures of the first University Hospital in Iowa City. He said the College of Medicine was founded in 1870. There were 3 years in which the college did not have a hospital in which to work. The centennial events will celebrate what a fine institution has evolved in these 100 years. He said that as he has observed both the hospital and college activities for a number of years, the evolution of what we now call the academic health center has been tremendously accelerated over a shorter span of years since the mid-1960s.

Dr. Seebohm stated that the theme of the centennial is "100 years of caring". He noted that the patient has always been the #1 priority. The history of the UIHC is detailed in a book. A number of activities are being planned for almost every week during the next year related to the centennial. He presented a new logo for the hospital stationary.

President Newlin expressed appreciation to Dr. Seebohm for taking on the responsibility for the centennial celebration.

Director Howell stated that one other observation that was made to indicate that the University of Iowa Hospitals and Clinics is truly a remarkable place was the statement that it is a "miracle on the edge of the cornfield". He said, "It is what we have done that makes us what we are". Individuals like Dr. Seebohm are a large part of that effort.

Director Howell introduced Dr. Wayne Richenbacher, Director of Cardiac Transplantation, to report on heart replacement devices at the University of Iowa Hospitals and Clinics, one of which is a bridge between heart failure and heart transplantation. He noted that Dr. Richenbacher's research is funded through 12 different grants and contracts.

Dr. Richenbacher described the mechanical blood pump program of the heart failure treatment program. He stated that since 1990 the number of transplants has plateaued. The ventricular assist device (VAD) functions as one-half of an artificial heart. He said the clinical trial, known as the REMATCH trial, is an alternative for patients who are not candidates for heart transplantation. The University of Iowa is 1 of 11 centers invited to participate in this program.

Regent Lande asked to what extent is the use of the electrical pump (VAD) something that could be continued long term. What is the longest that someone has been on one of those devices? Dr. Richenbacher stated that he had recently transplanted someone who had the pneumatic (non-electric) version in place for 2 years. That patient is one of the longer in the world that has been supported by one of these devices.

Regent Lande asked for the current prognosis for heart transplantation patients. Dr. Richenbacher responded that 10-year survival is 40 to 50 percent for heart transplant patients.

President Newlin thanked Dr. Richenbacher for the very interesting presentation.

Director Howell thanked the Regents for their time, support and interest.

President Newlin congratulated Director Howell and his colleagues on their successes and endeavors.

**ACTION:** President Newlin stated the Board received the report on the University of Iowa Hospitals and Clinics, by general consent.

**UNIVERSITY OF IOWA HOSPITALS AND CLINICS CARDIOVASCULAR MAGNETIC RESONANCE SYSTEM ACQUISITION.** The Board Office recommended the Board approve the UIHC acquisition of a Cardiovascular Magnetic Resonance (CVMR) System.

University of Iowa Hospitals and Clinics officials requested approval for the purchase of a prototype cardiovascular magnetic resonance (CVMR) system from General Electric

at a cost of \$1.8 million. The equipment is needed for the university to conduct research under an agreement with General Electric. The university may also use the equipment to investigate physiological and metabolic processes as well as medical questions.

The system is to be financed from the UIHC fund for new clinical initiatives. General Electric will replace the prototype equipment at the end of the research investigation, and after FDA approval, with a new enhanced system at no cost to the university.

MOTION: Regent Fisher moved to approve the UIHC acquisition of a Cardiovascular Magnetic Resonance (CVMR) System. Regent Arenson seconded the motion. MOTION CARRIED UNANIMOUSLY.

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

IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Wednesday and Thursday, October 15 and 16, 1997.

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

Register of Personnel Changes for September 1997 which included five requests for early retirement and two requests for phased retirement.

**ACTION:** The personnel transactions were approved, by consent.

**APPROVAL OF A CENTER NAME CHANGE FOR THE SOCIAL AND BEHAVIORAL RESEARCH CENTER FOR RURAL HEALTH.** The Board Office recommended the Board (1) refer the request for a name change in the ISU Social and Behavioral Research Center for Rural Health to the Interinstitutional Committee on Educational Coordination and the Board Office and (2) request the Interinstitutional Committee and the Board Office to ensure that the change does not result in unnecessarily duplicative efforts and that opportunities for collaboration are pursued.

Iowa State University officials requested a change in the name of the Social and Behavioral Center for Rural Health to the Institute for Social and Behavioral Research as much more encompassing title. The Interinstitutional Committee will need to ensure that the proposed change does not result in unnecessary duplication with similar efforts at the other two Regent universities and to explore possibilities for collaboration and cooperation.

The reasons for the proposed change primarily relate to the "expanding scope" of the center which now concerns not only rural populations but also evaluates some health issues in urban settings. A change in the center's name could foster additional opportunities for external funding.

**ACTION:** This matter was referred by consent.

**APPROVAL OF A CENTER NAME CHANGE FOR THE IOWA STATE UNIVERSITY INDUSTRIAL ASSESSMENT CENTER.** The Board Office recommended the Board (1) refer the proposed name change to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation and (2) request the Interinstitutional Committee and the Board Office to ensure that the change does not result in unnecessarily duplicative efforts and that opportunities for collaboration are pursued.

Iowa State University officials requested approval to change the name of the ISU Energy Analysis and Diagnostic Center to the ISU Industrial Assessment Center. This project is part of a national program at 30 universities sponsored by the U. S. Department of Energy and the University City Science Center. The sponsors have asked that the individual centers change their name consistent with the name of the national center.

The name change reflects an expanded focus of the centers beyond energy issues to include waste minimization and industrial productivity. The Board needs to be assured that title and expanded functions are not unnecessarily duplicative of similar units at the other two Regent universities.

**ACTION:** This matter was referred by consent.

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

#### APPROVAL OF PROGRAM STATEMENTS AND DESIGN DOCUMENTS

##### College of Design Auditorium Addition/Information Technology Infusion Program (Threshold 2000)

University officials requested approval of the program statement and schematic design for Board approval.

Threshold 2000, the capital development initiative for the College of Design, will provide physical and technological improvements to the College of Design. This will include construction of an auditorium addition and the renovation of space in the College of Design facility. In addition, the project will incorporate the Information Technology Infusion Program which will provide technology improvements for the students, faculty and staff of the College. The Threshold 2000 initiative will integrate the environmental, technical, administrative and curricular components within a design aimed at elevating

the College into national prominence in design education. The initial project cost is \$3,000,000.

The College of Design Auditorium Addition project will provide a new auditorium to meet the College's need for large classroom space for scheduled classes and guest lecturer programs. The project will also provide additional studio and shops space and will renovate the atrium and entrance plaza to enhance the functionality of all spaces in the building. In addition, university officials wish to expand the project scope to incorporate the Information Technology Infusion Program for the College of Design which will provide computer equipment and software for the development of In-Studio Computing Laboratories, Office of Information Technology, Distance Education Center, and Visualization Laboratory.

The project program has been developed into three components:

#### Component 1

This component includes the construction of the auditorium addition, development of the exterior plaza, and refurbishing of the main level atrium including enhanced exhibit and gathering capabilities.

The 250 seat auditorium will serve the college's needs for large group presentations of course work and other events for the college and the university. The proposed location for the addition is along the southeast wall of the existing building, facing the campus, immediately adjacent to the primary building entrance. The circular shape of the addition will complement the strong geometry and modern design of the building.

The addition will be constructed at the ground and first floor levels and will consist of 8,612 gross square feet (5,746 net square feet) for a net-to-gross ratio of 67 percent. The floor and lower level walls will be constructed of concrete to recall the original building, with light gauge steel framing above. The framed walls will be clad with a finished metal panel system to create a balance between the new structure and the large scale of the existing building.

The exterior plaza development will include modification of the lower level courtyard to enhance its usefulness to the building and construction of a new exterior stairway to provide access from the upper level plaza.

The atrium improvements will focus primarily on upgrading the existing spaces to meet current uses. The building includes public spaces at all levels providing students and faculty with a variety of educational and social opportunities including individual, small group and large group gatherings. The largest of these areas is the atrium floor which

will be addressed in Component 1. This will include new provisions for the long-term secure display of student and faculty work with the goal of stimulating interaction between students and faculty, both within and outside of the college. Seating and tables will be provided which will be equipped with task lighting, electric power and computer access ports to serve the students' needs for individual and small group study.

The technological element of Component 1 includes the purchase and installation of equipment and software for creation of the In-Studio Computing Laboratories and the Office of Information Technology. The computing laboratories will be developed in 16 existing studios on the second through fifth floors of the College of Design Building. In addition, laboratories will be developed in Armory space which is utilized by the College of Design. The computing laboratories will allow undergraduate students to more fully utilize information technology in the design studio.

The Office of Information Technology will be developed in space on the third floor of the building. This will provide a facility that will support distance education and faculty development of information-based technologies and will allow faculty and staff to create materials utilizing new technologies for instruction in visual disciplines. The facility will support seminars on new programs and tools which are necessary for the development of technology-literate faculty.

The estimated cost of Component 1 is \$2,061,000.

## Component 2

This component includes development of the Distance Education Facility and improvements to the third and fourth levels of the atrium.

An electronic studio will be developed on the first floor of the building to provide a state-of-the-art facility for distance education and networking specifically configured to the learning techniques unique to art and design disciplines. The area will be developed by inserting a floor in the upper level of the two story Model Shop which is located on the ground floor. The Distance Education Facility will consist of 1,141 net square feet of space.

This component will include atrium improvements for the open gathering areas and review spaces on the third and fourth levels of the building. These areas are utilized for the presentation of student projects to a "jury" of faculty, visiting critics and student peers. The improvements will provide spatial definition, audio control and lighting to improve the effectiveness of the space.

The technological element of this component includes the purchase and installation of equipment for the Distance Education Facility.

The estimated cost of Component 2 is \$303,000.

### Component 3

This final component includes construction of additional studio and shop space on the ground floor, development of graduate studios and the Visualization Laboratory on the fifth floor, and additional atrium improvements.

An additional 2,642 square feet of studio and shop space will be constructed on the ground level of the building. This space will provide additional flexible studio facilities to serve the growing needs of the fine arts curriculum for course presentation. The additional space will allow the relocation of similar functions from the fifth floor, serving two important functions. The congregation of the fine arts programs on the ground floor will greatly enhance their ability to interact. In addition, space on the fifth floor can then be developed into ten graduate studios and the Visualization Laboratory.

This component will include atrium improvements for the open gathering areas and review spaces located on the fifth floor of the building. These improvements will be similar to the work that will be undertaken in the third and fourth level atrium space.

The technological element of this component includes the purchase and installation of equipment for the graduate studios and the Visualization Research Laboratory. High-end visualization machines will be installed in the graduate studios. The Visualization Laboratory will provide graduate students, faculty and advanced undergraduate students access to visualization and simulation of design, art, planning, architecture and landscape architecture.

The estimated cost of Component 3 is \$636,000.

Vice President Madden introduced Dean Mark Engelbrecht of the College of Design and Tom Baldwin of Baldwin White Architects to present the program statement and schematic design for the project.

Mr. Baldwin described the improvements to the auditorium and the addition of studios. He discussed each floor's floor plan. He noted that the auditorium would serve as an element to bring university-wide student participation to the College of Design. He said the construction budget was \$2.214 million, \$1.5 million of which was for the auditorium. He was ready to move forward with the planning.

Regent Arenson asked if any students from the college were involved in designing the project.

President Jischke asked that Dean Engelbrecht discuss the impact on the college and the involvement of faculty, staff and students in the design.

Dean Engelbrecht stated that it is difficult to keep faculty and students from participating in the project! This effort involved extensive self examination by many groups including students and faculty. He said the students have been involved from the outset. He noted that the larger project (Threshold project) involves a significant technological component. The technological component will allow the college to take its educational programs further.

Regent Arenson asked about the distance education component of the college's activities. Dean Engelbrecht responded that college officials were extremely interested in exporting its educational programming. Although the campus has a significant number of distance education venues, the College of Design needs a uniquely designed facility. College officials will make double duty of the new space. There is a shortage of conference space within the college.

President Jischke stated that within the College of Design is the Department of Regional and Community Planning. The department has developed courses for community and economic development personnel that have been offered around the state. He said spectacular work is being done by faculty involved in a project called Visioning Communities. The project provides physical improvements in space and landscape of communities and enriches the experience of students.

Dean Engelbrecht thanked the Regents for allowing him to make the presentation. He noted that the Regents would be hearing a great deal more about this project in the future.

President Newlin expressed appreciation to Dean Engelbrecht for his presentation.

MOTION: Regent Arenson moved to approve the program statement and design documents for the College of Design Auditorium Addition/Information Technology Infusion Program. Regent Kennedy seconded the motion. MOTION CARRIED UNANIMOUSLY.

## PROJECT DESCRIPTIONS AND BUDGETS

GENERAL  
October 15-16, 1997

College of Design Auditorium Addition/Information Technology  
Infusion Program \$3,000,000

**Preliminary Budget**

Construction Costs	\$ 1,640,732
Professional Fees	349,795
Movable Equipment	37,000
Relocation	4,000
Information Technology	786,000
Project Reserve	<u>182,473</u>

TOTAL \$ 3,000,000

Source of Funds:

ISU Foundation	\$ 2,000,000
Income from Treasurer's Temporary Investments	<u>1,000,000</u>

TOTAL \$ 3,000,000

University officials requested approval of the project budget in the amount of \$3,000,000 to be funded by the ISU Foundation and Income from Treasurer's Temporary Investments.

Oak-Elm Hall--Roof Replacement \$1,600,000  
Source of Funds: Dormitory System Surplus Funds

**Preliminary Budget**

Construction Costs	\$ 1,341,500
Professional Fees	201,000
Project Reserve	<u>57,500</u>
<b>TOTAL</b>	<b><u>\$ 1,600,000</u></b>

University officials requested approval of a project description and budget in the amount of \$1,600,000 to replace the roofs of the Oak and Elm residence halls.

Oak and Elm Halls were constructed in 1938 and 1939, respectively. An addition was constructed in 1965 which connected the two facilities. The roofing material for each building is the original slate shingle installed when the buildings were constructed. The roofs have reached the end of their useful lives and are in need of replacement.

The scope of work for the project includes the removal of the original slate roofing material and replacement with a commercial grade asphalt shingle which will have the appearance of slate. The project will also provide improvements to the many dormers in each facility including the replacement of windows, siding and deteriorated wood trim. In addition, the project will install draft stops, mechanical ventilation and an automatic smoke/heat detection system in the attics of the facilities in accordance with fire safety codes.

University officials plan to begin construction at the end of the spring 1998 semester for completion by November 1998.

Utilities--Heating Plant--Cooling Tower 1 and 2 Replacement                      \$600,000  
Source of Funds: Utility Repair Funds

**Preliminary Budget**

Construction Costs	\$ 505,000
Professional Fees	51,100
Project Reserve	<u>43,900</u>
 TOTAL	 <u>\$ 600,000</u>

University officials requested approval of a project description and budget in the amount of \$600,000 to replace cooling tower cells 1 and 2 at the heating plant.

The university's heating plant has eight cooling tower cells which provide cooling water to the generators and chillers. The cells were installed in phases over several years as the heating plant expanded. The oldest two cells, 1 and 2, were installed in 1960 and have reached the end of their useful lives and are in need of replacement.

The project will demolish cooling tower cells 1 and 2 and erect two new cells. The project will also include the associated mechanical and electrical work. The university will evaluate alternative cooling tower designs to improve both tower longevity and thermal performance.

Veterinary Medical Research Institute (VMRI)--Utility Extensions                      \$400,000  
Source of Funds: Facilities Overhead Use Allowance

**Preliminary Budget**

Construction Costs	\$ 282,500
Professional Fees	47,500
Utility Extensions	35,000
Project Reserve	<u>35,000</u>
 TOTAL	 <u>\$ 400,000</u>

University officials requested approval of a project description and budget in the amount of \$400,000 to extend utility services, including electrical and telecommunications services, from the College of Veterinary Medicine west to the Veterinary Medical Research Institute. The extension of the utilities will support the Livestock Infectious

Disease Isolation Facility, funds for the construction of which were appropriated by the 1997 General Assembly, as well as future growth in this area.

Utilities--Electric System Improvements--FY 1998 \$300,000  
Source of Funds: Utility Repair Funds

**Preliminary Budget**

Construction Costs	\$ 168,000
Professional Fees	42,000
Utility Extensions	60,000
Project Reserve	<u>30,000</u>
 TOTAL	 <u>\$ 300,000</u>

University officials requested approval of a project description and budget in the amount of \$300,000 to repair and update portions of three components of the university's electrical system.

Electrical service to university buildings is served by a 4160 and 13800 volt system of underground switches, high voltage cables and transformers located in electrical equipment rooms. Various areas and equipment in the system have been identified for repair or upgrade due to obsolescence, undersizing, structural deficiencies, potential operating dangers and non-conformance with current electrical standards.

The project will replace up to two of the 23 underground 4160 volt switches. All of the existing switches are obsolete and present potential operating dangers. A failure in these switches would cause an extended outage to university buildings.

The project will also replace the high voltage equipment switchgear and modify the working area which serves the Fisher Theater. The electrical system which serves the theater is obsolete and in need of replacement and the working areas around the equipment do not meet current safety codes.

In addition, the project will continue the correction of identified deficiencies in the underground electrical vaults.

\* \* \* \* \*

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

\* \* \* \* \*

ARCHITECT/ENGINEER AGREEMENTS

Utilities--Heating Plant--Cooling Tower 1 and 2 Replacement \$57,200  
Farris Engineering, West Des Moines, Iowa

University officials requested approval to enter into an agreement with Farris Engineering to provide engineering services through completion of the project. The agreement provides for a fee of \$57,200, including reimbursables.

Telecommunications--Outside Plant System Upgrade \$394,430  
Engineering Associates, Atlanta, GA

University officials requested approval to enter into an agreement with Engineering Associates to provide engineering services for the installation of fiber optic cable to approximately 125 campus buildings and five remote main equipment rooms to provide high speed data and video services throughout campus.

The agreement will include the development of construction documents, conversion of existing construction record drawings for multiple projects over the last ten years into a single set of computer-aided design-based drawings, and inspection of all underground telecommunication vaults. The agreement provides for a fee of \$394,430, including reimbursables.

Veterinary Medical Research Institute (VMRI)--Utility Extensions \$27,500  
Farris Engineering, West Des Moines, Iowa

University officials requested approval to enter into an agreement with Farris Engineering to provide engineering services through completion of the project. The agreement provides for a fee of \$27,500, including reimbursables.

Amendments:

Engineering Teaching and Research Complex Amendment #1 \$150,000  
Brooks Borg and Skiles, Des Moines, Iowa

University officials requested approval of Amendment #1 to the agreement in the amount of \$150,000. The amendment will provide additional design services for minor modifications to the construction documents to accommodate shifts in occupants between Phases 1 and 2 of the project as indicated with the revised project budget approved by the Board at the September 1997 meeting.

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

CONSTRUCTION CONTRACTS

Library Storage Building/Administrative Services Facilities Office \$147,835  
Building--Bid Package #96--Floor Coverings

Award to: Commercial Flooring Company, Dubuque, Iowa  
(3 bids received)

Howe Hall (Engineering Teaching and Research Complex--Phase 1)

Bid Package #3--Masonry \$1,475,098

Award to: Forrest and Associate, Des Moines, Iowa  
(3 bids received)

Bid Package #4--Electrical \$2,370,000

Award to: Nikkel and Associates, Ames, Iowa  
(3 bids received)

Bid Package #5--Precast Concrete \$389,600

Award to: Iowa Prestressed Concrete, Des Moines, Iowa  
(1 bid received)

Bid Package #6—Elevators \$113,800

Award to: Montgomery KONE, West Des Moines, Iowa  
(2 bids received)

GENERAL  
October 15-16, 1997

<u>Bid Package #7--Structural Steel</u> Award to: Johnson Machine Works, Chariton, Iowa (3 bids received)	<u>\$1,483,795</u>
<u>Bid Package #8--Mechanical Piping</u> Award to: Lint Mechanical, Dallas Center, Iowa (5 bids received)	<u>\$1,248,000</u>
<u>Bid Package #9--HVAC, Sheet Metal, Air Handling Equipment and Controls</u> Award to: The Waldinger Corporation, Des Moines, Iowa (5 bids received)	<u>\$3,140,000</u>
<u>Bid Package #10--Fire Protection and Sprinkler Systems</u> Award to: Midwest Automatic Fire Sprinkler Company, Des Moines, Iowa (3 bids received)	<u>\$309,200</u>
<u>Bid Package #11--Aluminum Exterior Panel and Custom Curtain Wall</u> Award to: Architectural Wall Systems Company, Des Moines, Iowa (1 bid received)	<u>\$3,249,649</u>

#### ACCEPTANCE OF COMPLETED CONSTRUCTION CONTRACTS

Beef Nutrition and Management Research Farm--Research Housing Renovation--  
Sitework and Concrete  
Ames Trenching and Excavating, Ames, Iowa

MOTION: Regent Pellett moved that the Register of Capital Improvement Business Transactions for Iowa State University be approved, as presented. Regent Fisher seconded the motion. MOTION CARRIED UNANIMOUSLY.

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

University officials requested approval to enter into a new lease as lessee with the Wallace Foundation for Rural Research and Development for the university's use of 1,500 square feet of space in the Learning Center Building on the Armstrong Research Farm located in Lewis, Iowa, for the Southwest Iowa Area Extension Office, at the rate of \$750 per month (\$6 per square foot, \$9,000 per year) for a five-year period;

university officials also requested approval to terminate the existing lease agreement with Cohron Investment Company which provides space for the Extension Office's current location in Atlantic, Iowa.

University officials requested approval of an easement agreement with Iowa Lakes Electric Cooperative for the installation of electrical cable at the Allee Memorial Farm in Buena Vista County, Iowa.

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

MOTION CARRIED.

**DISPOSITION OF BUILDING ON IOWA STATE UNIVERSITY FARM.** The Board Office recommended the Board authorize Iowa State University to dispose of the Nutrition Laboratory building located on the university's former Swine Farm.

Iowa State University officials requested approval to dispose of the Nutrition Laboratory located on the university's former Swine Farm in Ames, Iowa, in accordance with Chapter 7.11 of the Board of Regents Procedural Guide, which requires Board approval to dispose of any building valued in excess of \$1,000. The functional obsolescence and poor condition of the building warrant its removal for health safety reasons.

MOTION: Regent Fisher moved to authorize Iowa State University to dispose of the Nutrition Laboratory building located on the university's former Swine Farm. Regent Arenson seconded the motion, and upon the roll being called, the following voted:  
AYE: Ahrens, Arenson, Fisher, Kelly, Newlin, Pellett, Smith.  
NAY: None.  
ABSENT: Kennedy, Lande.

MOTION CARRIED.

GENERAL  
October 15-16, 1997

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

UNIVERSITY OF NORTHERN IOWA

The following business pertaining to the University of Northern Iowa was transacted on Wednesday and Thursday, October 15 and 16, 1997.

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

Register of Personnel Changes for September 1997.

**ACTION:** The personnel transactions were approved by consent.

**ORAL REPORT ON GRANT SUPPORT FOR RESEARCH.** The Board Office recommended the Board receive the oral report on faculty research.

In July, the Board heard a report on faculty research activities at the University of Iowa and in September Iowa State University presented a report. This month two University of Northern Iowa faculty, Professors Virginia Berg (Biology) and Jack Wilkinson (Mathematics) gave brief synopses of their research.

Professor Wilkinson reported on projects that have been completed over the past four years. One project involved Roosevelt Elementary School in Waterloo and was supported by Eisenhower funds which are administered by the Iowa Board of Regents. The project was an activity-based approach to learning mathematics and science, and involved parents working with their children. A second project involved statewide preparation of elementary mathematics and science teachers. Activities included course development, cooperating teachers, and mentoring first-year teachers. The project was supported by the National Science Foundation. A third project was the Iowa Math and Science Coalition which was supported by legislative appropriations and private sector grants. The project was an alliance of business and industry, education, and public policy leaders to reform math and science education. A fourth project was the world wide

DoDDS/UNI math project which evolved from presidential awardee projects. The project was supported by the Office of Naval Research and involved the Department of Defense.

President Newlin expressed appreciation to Professor Wilkinson for his presentation and congratulated him on his success.

Professor Berg described two projects which were undertaken in her laboratory and which were supported by national agencies. The research involved undergraduate students. The first project concerned acid rain and was funded by the Environmental Protection Agency. A second project studied how different kinds of bean plants can tolerate hot and dry conditions; how some plants are successful in responding to drought. She stated that she believes in involving students in investigations that can ultimately be published or presented in national meetings. She read two students' testimonies on the importance of their undergraduate research opportunities.

President Newlin expressed appreciation to Professor Berg for her presentation and congratulated her on her success.

ACTION: President Newlin stated the Board received the oral report on faculty research, by general consent.

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

#### ARCHITECT/ENGINEER AGREEMENTS

<u>Institutional Roads 1998--Jennings Drive, 26th Street, President's Drive and Wisconsin Street</u> Kirkham Michael and Associates, Cedar Falls, Iowa	<u>\$48,825</u>
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University officials requested approval to enter into an agreement with Kirkham Michael and Associates to provide engineering services for the project. The agreement will provide project design and coordination, construction staking, testing, and construction observation services. The agreement provides for a fee of \$48,825, including reimbursables.

Amendments:

Telecommunication System  
Ament Engineering Associates, Cedar Rapids, Iowa

Amendment #1 \$8,175

University officials requested approval of Amendment #1 in the amount of \$8,175. The amendment will provide additional design services for additional modifications in several buildings to accommodate the new telecommunication system.

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

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

**LEASE AMENDMENT – HAWKEYE COMMUNITY COLLEGE.** The Board Office recommended the Board approve the lease amendment, as presented.

University officials requested approval of an amendment to its lease as lessee with Hawkeye Community College, Waterloo, Iowa. The amendment will reduce the rental rate and amount of office space, which is used as a resource center to provide transfer information to Hawkeye Community College students, from \$243.83 per month to \$80 per month for 116 square feet of space (\$8.28 per square foot, \$960 per year) through the remainder of the lease term, June 30, 1999.

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

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 Iowa School for the Deaf was transacted on Wednesday and Thursday, October 15 and 16, 1997.

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

Register of Personnel Changes for September 1997.

**ACTION:** The Register of Personnel Transactions was approved, by consent.

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

School officials requested approval to enter into a lease agreement as lessor with Cheryl Balk for her use of the Assistant Superintendent's residence at the rate of \$500 per month (\$6,000 per year) on a month-to-month basis.

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

**MOTION CARRIED.**

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.

GENERAL  
October 15-16, 1997

IOWA BRAILLE AND SIGHT SAVING SCHOOL

The following business pertaining to Iowa Braille and Sight Saving School was transacted on Wednesday and Thursday, October 15 and 16, 1997.

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

Register of Personnel Changes for the period of August 24 to September 20, 1997.

**ACTION:** The personnel transactions were approved, by consent.

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

**ADJOURNMENT.**

The meeting of the State Board of Regents adjourned at 11:52 a.m., on Thursday, October 16, 1997.

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R. Wayne Richey  
Executive Director