

The Board of Regents, State of Iowa, met on Wednesday and Thursday, October 20 and 21, 1999, at the University of Iowa, Iowa City, Iowa. The following were in attendance:

	<u>October 20</u>	<u>October 21</u>
<u>Members of Board of Regents, State of Iowa</u>		
Mr. Newlin, President	All sessions	All sessions
Ms. Ahrens	Excused	By phone from 9:05-10:48 a.m.
Mr. Fisher	All sessions	All sessions
Dr. Kelly	All sessions	All sessions
Mrs. Kennedy	Excused	By phone from 9:25-10:48 a.m.
Mr. Lande	Excused at 3:24 p.m.	Arrived at 8:58 a.m.
Mr. Neil	All sessions	All sessions
Mrs. Smith	All sessions	Excused at 2:42 p.m.
Dr. Turner	All sessions	All sessions
<u>Office of the State Board of Regents</u>		
Executive Director Stork	All sessions	All sessions
Deputy Executive Director Barak	All sessions	All sessions
Director Elliott	All sessions	All sessions
Director Wright	All sessions	All sessions
Associate Director Hendrickson	All sessions	All sessions
Associate Director Kniker	All sessions	Excused
Associate Director Racki	All sessions	All sessions
Assistant Director Gonzalez	All sessions	All sessions
Assistant Director Stratton	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 Jones	All sessions	Excused
Vice President True	All sessions	All sessions
Associate Vice President Foldesi	Excused	All sessions
Director Howell	Excused	All sessions
Director Murphy	All sessions	All sessions
Associate Director Braun	All sessions	All sessions
<u>Iowa State University</u>		
President Jischke	All sessions	Excused at 1:39 p.m.
Provost Richmond	All sessions	Excused at 1:39 p.m.
Vice President Hill	All sessions	Excused
Vice President Madden	All sessions	Excused at 1:39 p.m.
Executive Assistant to President Dobbs	Excused	Excused at 1:39 p.m.
Assistant to the President Mukerjea	All sessions	Excused at 1:39 p.m.
Director McCarroll	All sessions	Excused at 1:39 p.m.
Director Steinke	All sessions	Excused at 1:39 p.m.
<u>University of Northern Iowa</u>		
President Koob	All sessions	Excused at 1:45 p.m.
Provost Podolefsky	All sessions	Excused at 1:45 p.m.
Vice President Conner	All sessions	Excused at 1:45 p.m.
Executive Assistant to President Geadelmann	All sessions	Excused at 1:45 p.m.
Director Chilcott	All sessions	Excused at 1:45 p.m.
Assistant Director Saunders	All sessions	Excused at 1:45 p.m.
<u>Iowa School for the Deaf</u>		
Superintendent Johnson	All sessions	Excused at 1:38 p.m.
Director Heuer	All sessions	Excused at 1:38 p.m.
Interpreter Reese	Excused	Excused at 1:38 p.m.
Interpreter Gerischer	Excused	Excused at 1:38 p.m.
<u>Iowa Braille and Sight Saving School</u>		
Superintendent Thurman	All sessions	Excused at 1:38 p.m.
Director Woodward	All sessions	Excused at 1:38 p.m.

## GENERAL

The following business pertaining to general or miscellaneous business was transacted on Wednesday and Thursday, October 20 and 21, 1999.

**APPROVAL OF MINUTES OF BOARD MEETING OF SEPTEMBER 16, 1999.** The Board Office recommended the Board approve the minutes.

President Newlin asked that the minutes of the September 16 meeting of the Board of Regents include as an addendum to the minutes the exhibits utilized by President Coleman during her presentation on the University of Iowa's new strategic plan.

**MOTION:** Regent Turner moved to approve the minutes of the September 16, 1999, meeting, as corrected. Regent Lande seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

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

Ratify personnel transactions at the Regent institutions; and

Approve the Board meetings schedule.

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

**INTERINSTITUTIONAL COMMITTEE ON EDUCATIONAL COORDINATION.** (a) Name Change: ISU Center for Excellence in Science and Mathematics Education. The Board Office recommended the Board approve the name change of the Resource Center for Science and Mathematics Teachers to Iowa State University Center for Excellence in Science and Mathematics Education.

Iowa State University officials requested broadening the scope of this center from an emphasis upon serving teachers to a mission that also includes development of an active, internationally-recognized research program. The program's goal would be to foster collaborative reform and improvement in K-12 and post-secondary science and mathematics.

Collaborative efforts such as this are consistent with the Board of Regents' strategic plan key result area 1.0.0.0 (quality), and specifically the following action steps:

Encourage innovation in teaching by increasing resources and strategies for effective use of new instructional technologies.

Each university enhance its research efforts consistent with its mission.

Provost Podolefsky presented the report on behalf of the Interinstitutional Committee on Educational Coordination.

President Newlin asked for examples of the difference that will be made by the Center for Excellence in Science and Mathematics Education. Dr. Ann Thompson responded that the National Science Foundation is interested in funding projects that involve scientists and science educators. The center has several projects that fit into that classification.

Regent Smith asked about the center's impact on K-12 education statewide. Dr. Thompson stated that outreach was one of the major thrusts of the center. She noted there will also be collaboration with the other four Regent institutions.

Regent Smith asked if K-12 teachers would be involved with the center for in-service and pre-service work. Dr. Thompson stated that teachers would be attracted to the center's summer programs. There will also be work done in the schools.

**MOTION:** Regent Smith moved to approve the name change of the Resource Center for Science and Mathematics Teachers to Iowa State University Center for Excellence in Science and Mathematics Education. Regent Fisher seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

**ACCREDITATION REPORTS, UNIVERSITY OF IOWA.** (a) College of Nursing. The Board Office recommended the Board (1) receive the report on accreditation for the doctoral, master's degree, and baccalaureate nursing programs in the College of Nursing from the Iowa Board of Nursing and (2) request the university to report any changes in accreditation and provide copies of any subsequent reports to the Board Office regarding actions on recommendations.

The College of Nursing programs are reviewed every six years by the Iowa Board of Nursing. The review process for state reaccreditation occurred in 1995-96, with reaccreditation granted in June 1996, through 2002. Due to efforts to implement the recommendations made in 1996, together with changes in the College of Nursing administration, a report has not been made to the Board of Regents until now.

The university has met all standards related to organization and administration of the program, resources, curriculum, faculty, program responsibilities, clinical facilities, and preceptors. Four recommendations were given in the report which accompanied the letter authorizing the reaccreditation:

- Faculty assist Hardin Library staff to identify and maintain holdings of historical significance and cull selected materials for which more current information has become available;

*Response: A faculty member, with a background in historical studies in nursing, has worked with the library staff. One result has been the removal of significant historical materials to the rare books area. Culling of materials is an ongoing task for the faculty and staff.*

- Faculty continue to research factors that influence NCLEX passing percentages of baccalaureate graduates and implement strategies to maximize successful preparation for licensure;

*Response: The passage rate is now the highest in the state, according to university sources. It is above the national average. Factors contributing to the improved passage rates are continual review of course content, practice exams, and review sessions. Currently, the faculty is developing a database which would predict areas of difficulty for students on the NCLEX test.*

- Faculty continue to apply their substantial skill in the use of technology to assess and enhance critical thinking and clinical judgment skills via computerized clinical simulation techniques;

*Response: The administration and faculty are integrating more technology into the curriculum. One example is the use of an interactive program available at a web-site. Another is the use of a clinical simulation on wound healing.*

- Faculty continue to explore innovative clinical opportunities for student experience throughout Iowa to coincide with restructuring of the undergraduate curriculum and clearly demonstrate the preparation and contributions of the baccalaureate nurse;

*Response: The College of Nursing has expanded clinical opportunities. The last nursing class, for example, was matched with preceptors. The students engaged in 225 clinical hours with these mentors. The College has agreements with approximately 100 agencies which provide clinical opportunities.*

Provost Whitmore stated that two days ago university officials received a letter indicating that the College of Nursing programs had been fully accredited by a national accrediting organization.

Regent Turner referred to the 89 percent pass rate for 1996-97 and asked if there is a targeted pass rate. Also, are there other ways to evaluate how well the nursing classes are being prepared? Provost Whitmore stated that university officials' goal is always to improve on any targeted number. The 89 percent pass rate was a significant increase from 84 percent in 1994. A major change has occurred in the curriculum of the college.

Associate Dean Donahue stated that she had just completed the annual report to the Iowa Board of Nursing. The average pass rate for students in the University of Iowa College of Nursing was 94.3 percent last year. Statistics indicated that the pass rate of the University of Iowa's nursing students is higher than any other bachelor's degree nursing program in the state of Iowa and higher than the national average which is approximately 86 percent. She said college officials are very proud of the pass rate. Of course, they would like the pass rate to be 100 percent and that is what is strived for. College officials initiated a number of strategies this year. Because the college is implementing a new undergraduate program, college officials are administering a test to those who apply to the College of Nursing to determine whether it can give any indicators of success in passing the state board. The college is also compiling a student data base of grade point averages, ACT scores, etc. as a better means of tracking students who might be in difficulty of passing.

Associate Dean Donahue stated that college officials are developing a proposal for student fees related to review courses upon graduation that are specifically geared toward

the NCLEX exam. College officials hope to incorporate mandatory fees for students to take the exam. College officials are constantly reviewing and evaluating ways to ensure higher pass rates for students.

Regent Turner asked if the pass rate reflects on what students do with their careers. Associate Dean Donahue stated that college officials are trying to get that information. Students are asked to complete surveys and college officials follow up with students at 1, 3 and 5 years post-graduation.

President Newlin asked if it was anticipated that an acceptable pass rate would be set as a target. Associate Dean Donahue responded that the acceptable pass rate is 100 percent but college officials are not displeased with what students are doing.

MOTION: Regent Smith moved to (1) receive the report on accreditation for the doctoral, master's degree, and baccalaureate nursing programs in the College of Nursing from the Iowa Board of Nursing and (2) request the university to report any changes in accreditation and provide copies of any subsequent reports to the Board Office regarding actions on recommendations. Regent Turner seconded the motion. MOTION CARRIED UNANIMOUSLY.

(b) School of Music. The Board Office recommended the Board (1) receive the report on accreditation for the baccalaureate, masters degree, and doctoral programs in the School of Music and (2) request the university to report any changes in accreditation and provide copies of any subsequent reports to the Board Office regarding actions on recommendations.

The National Association of Schools of Music (NASM) has conducted an accreditation of the University of Iowa School of Music and, in July 1999, approved its reaccreditation.

One method of measuring quality of academic programs is to have them accredited periodically by appropriate professional and/or state agencies. The accrediting process typically focuses on the governance structure, faculty, curriculum, student background and performance, facilities, and resources. Such a practice is consistent with KRA 1.0, quality, of the Board of Regents' strategic plan. More specifically, it relates to objective 1.1.0.0, "to improve the quality of existing and newly created educational programs," and strategy 1.1.2.0, "strengthen the quality of graduate and professional education at Regent institutions within the unique mission of each institution."

Regent Neil asked about the number of faculty and students in the program. Director David Nelson responded that the School of Music has 450 students majoring in music, split 50-50 undergraduate and graduate. There are 52 faculty for an approximate 9-to-1 student-to-faculty ratio.

Regent Smith asked what benefit the School of Music realizes from this type of accreditation process. Director Nelson stated that as an advocacy and peer review group, the National Association of Schools of Music attempts to maintain standards for all schools. The major benefit has been the self-study process. He said the past review had been good for the school. School officials are able to redefine the Bachelor of Arts program and address some technicalities in the graduate program.

MOTION:

Regent Neil moved to (1) receive the report on accreditation for the baccalaureate, masters degree, and doctoral programs in the School of Music and (2) request the university to report any changes in accreditation and provide copies of any subsequent reports to the Board Office regarding actions on recommendations. Regent Smith seconded the motion. MOTION CARRIED UNANIMOUSLY.

(c) Henry B. Tippie College of Business. The Board Office recommended the Board (1) receive the report on accreditation for the Henry B. Tippie College of Business, University of Iowa and (2) request the university to report any changes in accreditation and provide copies of any subsequent reports to the Board Office regarding actions on recommendations.

The International Association for Management Education (formerly the American Assembly of Collegiate Schools of Business [AACSB]) has reviewed the University of Iowa's College of Business and reaccredited it through 2003-2004. This approval followed an extended review that began in 1991 and continued as the college addressed various concerns of the assembly through responses and progress reports in 1993 and 1995. During this extended review, a new dean was appointed. The college also provided an interim report in January 1999 which was accepted by AACSB.

The report of an earlier peer review team suggested progress could be made in three areas -- student outcomes assessment, niche identification and development, and benchmarking. The interim report detailed ways that these concerns had been addressed.

Regent Fisher asked, as a result of the accreditation process, what specific changes had been made to the program. Also, what are the three or four top programs in the school of business?

Provost Whitmore responded that capital market research, macroeconomics, econometrics, and human resource selection and operations are some of the major areas in which the college has particular strength.

Associate Dean Robert Forsythe stated that the accreditation process forced the college to look hard at a number of areas including doing a better job of establishing benchmarks. College officials were forced to think more deeply about how they focus and in what areas do they want the college to be good. For example, when the University of Iowa College of Business holds a conference on optimization methods, MIT attends.

Regent Fisher asked what is being done to prepare students for a global economy. Associate Dean Forsythe responded that a number of activities are taking place to prepare students for a global economy. A number of students are international. Some conferences incorporate participants from other countries. Also, increasing numbers of students travel abroad. Some students go to London during winter break. Individuals from Europe come talk to students. International students are asked to work with undergraduate students about their experiences. Students interact with people from Hong Kong via ICN phone lines.

Regent Fisher asked if there is a language requirement in the College of Business. Associate Dean Forsythe said the College of Business does not have a language requirement. He noted there is a small set of students who find the College of Business

attractive because they do not have to meet a foreign language requirement. College officials are considering a language requirement for business students.

Regent Fisher said he believes there is a demand for students who have at least two languages other than English. Associate Dean Forsythe stated that many of the international students in the business programs know three to four languages.

President Newlin asked how the College of Business defines benchmarking in its strategic plan application and whether it compares to itself or to peer institutions. Associate Dean Forsythe stated that in the case of benchmarking, the college receives on an annual basis related information from other Big 10 schools as well as other public universities. With regard to target indicators, the college focuses on many details including faculty members winning national awards and the CPA pass rate of students.

Regent Fisher said there was a story in the Wall Street Journal the previous day about the tremendous demand for students graduating from business school. The recruiting process is starting much earlier. Is that being experienced at the University of Iowa? Associate Dean Forsythe stated that everything across the board is happening earlier.

MOTION:

Regent Fisher moved to (1) receive the report on accreditation for the Henry B. Tippie College of Business, University of Iowa and (2) request the university to report any changes in accreditation and provide copies of any subsequent reports to the Board Office regarding actions on recommendations. Regent Turner seconded the motion. MOTION CARRIED UNANIMOUSLY.

Provost Whitmore stated that college officials are working with many companies to develop internship programs. He noted that less than a year ago the Board of Regents approved a new center for international business in the College of Business.

(d) College of Pharmacy. The Board Office recommended the Board (1) receive the report on accreditation for the College of Pharmacy, University of Iowa, and (2) request the university to report any changes in accreditation and provide copies of any subsequent reports to the Board Office regarding actions on recommendations.

The College of Pharmacy was reviewed by the American Council on Pharmaceutical Education and granted reaccreditation in 1998, for a period of six years, until 2003-2004. An interim report is to be sent to the council in December 1999, which will be reviewed by the council in January 2000.

At the time of the accreditation, a search for the new dean was underway. Also, the University of Iowa was discontinuing its baccalaureate degree program and beginning a Doctor of Pharmacy degree. A new dean is in place and the new degree program now underway.

Regent Turner questioned the statement that an interim report is scheduled for completion in December 1999. Provost Whitmore said it was not unusual for accrediting teams to issue interim reports.

Regent Turner asked if the pharmacy practice facility is for internships. Provost Whitmore responded affirmatively, noting that the University of Iowa College of Pharmacy has one of the best internship programs for placing students across the state.

Regent Fisher asked if students are going into drug stores or the pharmaceutical industry upon graduation. Associate Dean Lloyd Mathis responded that most of the students go into the practice of pharmacy. He noted that the college has many contacts in the pharmaceutical industry through its graduates.

President Newlin noted that the Pharm. D. program is a 6-year program. Is the Pharm. D. equivalent to a Ph.D.? Associate Dean Mathis responded that the Pharm. D. was not equivalent to a Ph.D. It is a doctorate but it is not a Ph.D.

President Coleman stated that "Pharm. D." is the accepted terminology in the profession.

Regent Kelly stated that pharmacists today are much more important to physicians' care of patients than they used to be. Pharmacists play an important role in daily patient care. He then stated that pharmaceuticals is the fastest rising part of the medical component of the consumer price index. It upsets him to hear people say they can go to Canada and get drugs at ½ price. He stated that 90 percent of all new drugs in the world come out of American pharmaceutical companies.

MOTION:

Regent Turner moved to (1) receive the report on accreditation for the College of Pharmacy, University of Iowa, and (2) request the university to report any changes in accreditation and provide copies of any subsequent reports to the Board Office regarding actions on recommendations. Regent Neil seconded the motion. MOTION CARRIED UNANIMOUSLY.

(e) Dietetics Internship Program, Clinical Laboratory Sciences – Medical Technology and Clinical Laboratory Sciences – Nuclear Medical Technology. The Board Office recommended the Board (1) receive the reports on accreditation of the Dietetics Internship program, the Clinical Laboratory Sciences -- Medical Technology program, and the Clinical Laboratory Sciences -- Nuclear Medical Technology program at the University of Iowa and (2) request the university to report any changes in accreditation and provide copies of any subsequent reports to the Board Office regarding actions on recommendations for these three programs.

The three programs reviewed offer at their completion either graduate credit (9 hours for the Dietetic Internship) or a certificate (the Medical Technology and Nuclear Medical Technology programs). The Nuclear Medical Technology program's certificate is for those students who already hold a baccalaureate degree.

All three programs were reaccredited. The visiting team reports and the final reports from the accreditation agencies listed no concerns. In the case of the Nuclear Medical Technology program, one condition was added -- enrollment in the clinical phase is to be limited to no more than eight students per year, which the university program administration and faculty accepted.

Regent Turner referred to the recommendation that enrollment in the clinical phase of the Nuclear Medical Technology program be limited to no more than eight students per year. She said it seemed the concern was about students receiving adequate clinical experience.



Provost Whitmore stated that university officials believe that 8 is an acceptable number of students. The clinical phase of the program was capped at 8 students, a drop from 10, which was welcomed.

Regent Turner asked if there are other such programs in the state. Provost Whitmore responded that the University of Iowa has the only program in the state.

MOTION:

Regent Fisher moved to (1) receive the reports on accreditation of the Dietetics Internship program, the Clinical Laboratory Sciences -- Medical Technology program, and the Clinical Laboratory Sciences -- Nuclear Medical Technology program at the University of Iowa and (2) request the university to report any changes in accreditation and provide copies of any subsequent reports to the Board Office regarding actions on recommendations for these three programs. Regent Smith seconded the motion.  
MOTION CARRIED UNANIMOUSLY.

Provost Whitmore stated that the programs for which accreditation reports were presented are all fine programs of which university officials are proud.

#### **PROGRESS REPORT ON TEACHER TRAINING PROGRAMS FOR BLIND AND DEAF.**

The Board Office recommended the Board receive the oral report on the progress of discussions regarding the feasibility of a teacher training program for the visually and hearing impaired teachers.

In July the Board requested a progress report on the feasibility of developing a teacher-training program for teachers of visually and hearing impaired students. At the October meeting, President Koob and Superintendents Johnson and Thurman provided the Board with a brief progress report.

The two special schools are collecting information about programs nationally and the need for such programs in Iowa. University of Northern Iowa officials will explore the possibility of such a program when the information is collected.

President Koob stated that he met with Superintendents Johnson and Thurman in early-fall. They reached agreement that the two special schools are different enough that a common course of action could not be developed. Following that meeting, the University of Northern Iowa's College of Education representatives began discussions with special schools representatives. Superintendent Thurman reported there had been

two Iowa Communications Network discussions and two telephone discussions. University of Northern Iowa officials are in the process of setting up discussions with Iowa School for the Deaf officials. He said a written presentation would be available for Board discussion in February.

Regent Kelly thanked institutional officials for proceeding with this effort. He was pleased that President Koob was taking an active role.

President Newlin said the Regents all concurred with Regent Kelly and appreciated the efforts of President Koob.

**ACTION:** President Newlin stated the Board received the oral report on the progress of discussions regarding the feasibility of a teacher training program for the visually and hearing impaired teachers, by general consent.

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

During Fall 1999, Regent universities are serving more students as measured both by headcount enrollment and FTE enrollment. The headcount enrollment is at an all-time high of 68,509. The three Regent universities are serving a combined total of 890 new students during Fall 1999.

The full-time equivalent (FTE) enrollment at Regent universities grew at a proportional level to the growth in headcount enrollment. The index of FTE to headcount enrollment for Fall 1999 is 0.87. An index of 1.00 would mean that all students enrolled at the universities would be classified as full-time. The implications of an index which is close to 1.00 are the breadth and scope of services which must be provided by the universities for full-time students.

In addition to providing educational opportunities on campus, Regent universities are doing an excellent job of reaching out to meet the needs of Iowans through off-campus offerings. More than 2,500 students are receiving instruction at one of the more than 200 off-campus sites available during Fall 1999. The off-campus headcount enrollment experienced a 5.3 percent increase from Fall 1998.

Approximately 75 percent of all students enrolled at Regent universities are residents of Iowa. The percentage of resident students decreased by 1.8 percent from Fall 1998.

The number of racial/ethnic minority students at Regent universities increased by 33 from 4,901 in Fall 1998 to 4,934 during Fall 1999. However, there were perceptible differences among universities within certain groups at different educational levels. For example, at the University of Iowa, there was a decrease of 15 African-American students in the total enrollment; there was a decrease of 5 students in new freshmen enrollment and a decrease of 21 students in the graduate enrollment. Furthermore, at the University of Iowa, there was a decrease of 58 Asian-American students in the total enrollment; there was a decrease of 49 students in the undergraduate enrollment and a decrease of 7 in the professional enrollment. At Iowa State University, there were increases in new freshmen for all racial/ethnic minority groups. At the University of Northern Iowa, there were increases in the total enrollment for all racial/ethnic minority groups.

The total enrollment (on-campus and off-campus) for Regent special schools and Price Lab School in Fall 1999 was 1,111. The Iowa Braille and Sight Saving School enrolled 36 students in on-campus services and 266 students in off-campus services. The Iowa School for the Deaf enrolled 146 students in on-campus programs and 109 students in off-campus programs. Price Lab School enrolled 554 students, all of whom are on-campus students.

Assistant Director Gonzalez reviewed with the Regents the information that was provided in the meeting materials. She discussed headcount enrollment from Fall 1989 (66,210) to Fall 1999 (68,509), headcount enrollment by residence, enrollment of minorities, and enrollment at the special schools and Price Laboratory School.

Regent Fisher asked if the new tuition policy for Native Americans is helping increase their enrollment numbers. President Coleman said the tuition policy for Native Americans was for individuals who could show they were members of tribes that had been forced out of Iowa, which was a relatively narrow focus. University officials have used that policy relatively aggressively. The policy has particularly helped get Native Americans interested in the graduate and professional schools. Native American enrollment has remained relatively level in the freshman ranks.

Regent Fisher asked about the decrease in racial and ethnic minorities at the University of Iowa. President Coleman expressed disappointment in some of the numbers. She believes that part of the reason relates to success in graduation. What worries her is the pipeline. She has notified admissions officers that she wants them to work harder with the public schools and the Department of Education.

Regent Fisher referred to the total enrollment of 68,509 and asked about capacity at the Regent institutions.

President Coleman stated that last year the enrollment at the University of Iowa increased over 800 students and this year enrollment increased in excess of 100 students. In two years the university has accommodated an additional 1,000 students. She said the on-campus capacity at the University of Iowa is about 30,000 students, given the size of the physical plant and the kind of university that university officials want it to be. She noted that university officials have implemented an enrollment management team.

President Jischke stated that at Iowa State University there was a complicated answer to the question because it depended on how the students would be distributed. In-state students' tuition only covers 1/3 of the cost of their education. University officials have been able to accommodate a gradual increase. The key resource is faculty. He said the real question is what resources can be made available to increase the faculty size to accommodate the students. He was unsure whether the university could accommodate 30,000 students but it has accommodated the gradual growth that has been experienced. There is always a quality question.

Regent Fisher asked about the quality of incoming freshmen. President Jischke said the quality remains high. Retention rates are increasing. Faculty are devoting a lot of time and effort to how they are educating students which impacts retention of students.

Regent Fisher noted that minority and ethnic graduate student enrollment had declined at Iowa State University. President Jischke responded that in some of the statistics they are dealing with rather small numbers. Also, the job market for students is very good.

Regent Smith asked for comment on the racial and ethnic minority enrollments at Iowa State University. President Jischke responded that those enrollments are increasing. University officials have had real success in recruiting students to Iowa State University. Freshman minority enrollment is up 35 percent due, in part, to more of a team effort in recruiting minority students. What he said was even more exciting was that the retention rates for minority students are increasing dramatically. The trends right now are very positive.

Regent Smith said she believes that Dr. Jischke talking to minority students in some of the urban areas of the state has also contributed to the recruitment success. She expressed appreciation for his efforts.

President Jischke stated that it was institutional team effort that was working pretty well.

President Koob stated that 14,000 is the capacity at the University of Northern Iowa based on available housing on campus. He said he echoed President Jischke's observation that the number one consideration is the availability of quality faculty. The enrollment increase this year at the University of Northern Iowa was quite a surprise to him. The size of the high school graduating classes in Iowa is going very flat. The fact that enrollments at higher education institutions is increasing means there is a change in belief in the need for higher education. Iowa is in what should be the worst enrollment environment. There is a change in the way people are thinking about their children going to college.

Regent Fisher said it appeared that enrollments at the University of Northern Iowa were close to capacity. President Koob stated that the enrollment level this year was at the level where he expected to be 4 years from now. He said university officials are revising the strategic plan and will have an opportunity to review the 14,000 maximum enrollment number. He noted that there are no automatic increases in resources for increased numbers of students.

Regent Turner asked about minority enrollment at the University of Northern Iowa. President Koob said he hoped the significant increase was a direct result of a university task force's efforts. He said the percentage of minority students on campus now exceeds the percent of minority student enrollment in the state of Iowa. University officials are taking two steps to try to increase enrollment: 1) long-term strategic effort beginning in preschool to increase the number of students eligible in the K-12 system and 2) recruiting out of state.

Regent Turner referred to enrollment of minority graduate students and said it appeared that the numbers have been decreasing since 1994. University officials need to take a closer look at that area of enrollment.

President Newlin asked President Koob to speak to the value of a college education. President Koob stated that, at the present time, 80 percent of the assets in the U.S. are controlled by 20 percent of the people and those people are college educated. Discretionary income has diminished over the entire last quarter of this century for those without a college education. He said that was a realization on the part of so many parents. The only way to participate in today's economy and for the next century will be to have a college degree. He said Iowa has a public education system that is generally available to all. The number of people over 25 years of age holding a bachelor's degree in this state has increased to 23 percent.

President Jischke stated that not only are the economic indicators of success created with education, so are all other indicators -- personal health, leadership in community and voting record. Education is a very powerful tool for personal and community development.

President Newlin stated that an education relates to quality of life.

President Jischke said an education relates to quality of life for all of us.

Regent Smith asked if the partnerships developed between community colleges and Regent institutions is helpful. President Coleman stated that one exciting recent development for the University of Iowa is joint admissions agreements with community colleges. Institutional presidents view it as a major vehicle to get in the fold early for all students who elect to start with a community college. Regent universities have on-site counselors. The community colleges give students a good preparation and the joint admission agreement encourages students to come to a 4-year institution. She hopes those types of relationships grow.

President Coleman referred to Regent Turner's encouragement for university officials to take a closer look at enrollment of minority graduate and professional students. She said she could think of no better way than for very young people to be exposed to minority individuals who are graduate and professional students. In the University of Iowa math department 20 percent of graduate students now are minority students. She said that is a very powerful tool to encourage grade school students to say "I can do this, too".

President Koob expressed an interest in obtaining information about the number of under-represented students graduating from community colleges. It has been his perception that the percentage of under-represented high school students graduating eligible for college is less than the numbers entering college.

President Newlin thanked Assistant Director Gonzalez for the charts of enrollment information and for the Power Point presentation. It was very helpful to show 10-year trends. He stated that the issues that had been discussed were fundamental to the strategic plans.

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

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

**MOTION:** Regent Kelly moved to enter into closed session. Regent Neil seconded the motion, and upon the roll being called, the following voted:  
AYE: Fisher, Kelly, Lande, Neil, Newlin, Smith, Turner.

NAY: None.

ABSENT: Ahrens, Kennedy.

**MOTION CARRIED.**

The Board having voted at least two-thirds majority resolved to meet in closed session beginning at 4:36 p.m. on October 20, 1999, and adjourned therefrom at 5:58 p.m. on that same date.

The Board of Regents meeting reconvened at 8:35 a.m. on October 21, 1999.

President Coleman asked Provost Whitmore to introduce two fabulous new deans who have been recruited to the University of Iowa.

Provost Whitmore stated that one of the most important responsibilities of provosts is to hire deans. He first introduced Sandra Damico, Dean of the College of Education, and described her background.

Dean Damico said she was delighted to have come to Iowa. She inherited a strong College of Education, one with solid programs and a strong faculty. Faculty have taken ownership in the college's strategic plan.

President Newlin said the Board was delighted that Dean Damico was at the University of Iowa.

Provost Whitmore next introduced Jordan Cohen, Dean of the College of Pharmacy, and described his background.

Dean Cohen stated that he moved into a very forward-looking university. He noted that in the previous day's report on the college's accreditation, it was indicated that pharmacy is taking new roles in health care. He was looking ahead to planning actively.

President Newlin said the Board was delighted that Dean Cohen was at the University of Iowa.

**FINAL APPROVAL OF TUITION RATES AND MANDATORY FEES INCLUDING PART-TIME TUITION.** The Board Office recommended the Board approve the proposed 2000-01 academic year tuition rates and mandatory fees, including part-time tuition, effective with the summer session 2000, as set forth below.

(1) Base Tuition

The Board Office recommended a 4.3 percent increase in base tuition, as follows:

Increase all base tuition categories at the University of Iowa, Iowa State University, and the University of Northern Iowa by 2.3 percent to maintain quality and effectiveness and 2.0 percent to improve quality to achieve the aspirations of the Board's strategic planning goals of excellence.

(2) PROPOSED TUITION SURCHARGES (University of Iowa)

In addition to the above base tuition increase, consider the following permanent tuition surcharges at the University of Iowa:

College of Law

Establish a permanent tuition surcharge per academic year of \$300 added to resident Law tuition and \$500 added to nonresident Law tuition to be used in line with the college's strategic planning goals to advance the strategic plans of the College of Law.

College of Dentistry

Establish a new permanent tuition surcharge of \$2,000 per academic year for resident and nonresident first year students entering the University of Iowa Dentistry program. Implementation is expected to take four years with each subsequent year surcharge increase to be brought to the Board for approval.

College of Business Administration

Establish a new permanent tuition surcharge of \$1,065 per academic year for resident and nonresident students for the University of Iowa Master of Business Administration program for those students entering the full time MBA program in fall 2000. Implementation is expected to take three years. Each subsequent year surcharge increase is to be brought to the Board for approval.

(3) Mandatory Fees

In addition to the above base tuition increases:

- a. Implement a multi-year restructuring of tuition and mandatory fees at the University of Iowa that will eliminate a portion of designated tuition and establish separate mandatory fees for that same portion of designated tuition, within proposed parameters. With this restructuring, the Board Office recommended no increase in the proposed new student activities fee and student services fee at the University of Iowa:

University of Iowa			
Fees Per Academic Year			
	Current Designated Tuition <u>1999-2000</u>	SUI Proposed Separate Mandatory Fees <u>2000-01</u>	Board Office Recommended Fees <u>2000-01</u>
Student Activities Fee	\$34.76	\$38	\$35
Student Services Fee	40.84	\$44	41

- b. Establish mandatory computer fees for the 2000-01 academic year as follows:

Computer Fees				
		Actual <u>1999-2000</u>	Proposed <u>2000-01</u>	Board Office <u>Recomm.</u>
SUI	All students except Business Administration, Law, Engineering, and Medical students	\$106	\$110	\$110
	Law students	180	220	220
	Business Administration students	350	362	362
	Engineering students	350	362	362
	College of Medicine students and students in division of associated medical sciences	106	194	136
ISU	All students except Engineering, Computer Science & Management Information Systems students	102	108	108
	Engineering students	338	350	350
	Computer Science & Management Information Systems students	266	280	280
UNI	All students	104	122*	122*

\* Decreased proposal from \$30 per academic year to \$18 per academic year.



- c. Establish student health fees for the 2000-01 academic year as follows:

	Health Fees			
	Actual	Proposed	Increase	
	<u>1999-2000</u>	<u>2000-01</u>	\$	%
SUI	\$ 96	\$102	\$6	6.3%
ISU	100	102	2	2.0%
UNI	98	102	4	4.0%

(4) STUDENT FINANCIAL AID

Increase the general institutional financial aid for students to retain the same institutional proportion of tuition and mandatory fees as student aid set aside to assure access for those having financial need to attend the universities.

(5) PART-TIME TUITION RATES

Establish part-time tuition rates as detailed on Table 2 of the docket memorandum.

## TUITION

### POLICY AND PROCEDURE FOR BOARD ACTION

The Board of Regents strategic plan identifies the following four key result areas: quality, access, diversity, and accountability. The Board's tuition policy (including rate setting for mandatory fees) reflects aspects of all of these areas. For example, the Board's policy is intended to promote broad access for Iowa residents to the Regent institutions, but also requires consideration of resources necessary to promote excellence.

Iowa law requires the Board to have a policy for the establishment of tuition rates that provides some predictability for assessing and anticipating changes. Consistent with this requirement, the Board's tuition policy provides as follows:

Resident undergraduate tuition at the Regent universities shall be set annually to keep pace with the Higher Education Price Index and to provide support to finance university programs at levels sufficient to implement the Board's aspirations for excellence as outlined in the Board's strategic plan.

The Board approved this language in December 1997 to make the Board's tuition policy compatible with its strategic plan. Previously (since 1990), the Board's policy restricted a tuition increase to a rate no higher than the percentage change in the Higher Education Price Index (HEPI), unless this rate was insufficient to "finance university programs at a level that maintains their quality or effectiveness."

In order to increase tuition or mandatory fees, the Board of Regents is required by law to take action no sooner than 30 days after notification of the proposed increase to presiding officers of each student government organization at each affected institution and no later than November preceding the fiscal year in which the increase would apply. The Board gave preliminary consideration to the proposed tuition rates and fees at its September meeting. Student leaders were notified of the proposed tuition and mandatory fee increases on September 9. All statutory requirements have been fulfilled for final Board action at the October meeting.

### RATIONALE FOR INCREASES IN BASE TUITION RATES

## Implement Board Mission and Policy (Maintenance and Quality)

The Board's mission statement challenges its institutions "to become the best enterprise of public education in the United States through the unique teaching, research and outreach programs established for each university and school." The Board policy anticipates maintaining quality, through a HEPI adjustment, and improving quality, through authorization of additional resources. The policy recognizes the joint aspiration of the Board and Regent institutions to achieve excellence. The Board Office recommendation reflects this aspiration and factors both maintenance and improvement into its recommended action.

The fundamental reasons for increasing the rates in tuition are, as mentioned above, to keep pace with inflation as measured by HEPI and to support aspirations for excellence as outlined in the Board's strategic plan.

The recommended increase of 4.3 percent utilizes a HEPI rate of 2.3 percent and an excellence factor of 2.0 percent. The projected range for the FY 2000-01 Higher Education Price Index is 2.3 percent to 3.5 percent. Accordingly, the Board Office recommended, this year, the lowest rate projected in the HEPI range.

The 2.0 percent quality factor is consistent with the increase approved by the Board last year and will assist the institutions in achieving quality in their strategic plans. This quality factor provides one benchmark and is not intended to be an exclusive factor with respect to future application of the Board's tuition policy. In fact, some flexibility in this area is essential for the Board as it addresses quality and improvement in strategic plans.

## Assure Access

The Board Office recommended that the universities allocate a proportional share of the proposed tuition increases for student financial aid. This allocation will maintain access for needy students by offsetting the increases in tuition rates. As noted in the annual student financial aid report presented to the Board last month, total student financial aid dollars increased 3.7 percent for the 1998-99 academic year.

## Provide Accountability and Stewardship

Tuition revenues constitute approximately 30 percent of total general university revenues and have remained fairly constant over a five-year period. The Governor and Legislature have provided increases averaging 5.3 percent over the last five years in general university appropriations to the Regents. The Regent tuition increases have averaged 4.0 percent for the same period. In August, the Revenue Estimating Conference (REC) for the state of Iowa met to review FY 2000 estimates for state general fund revenues and estimated them at a 4.7 percent increase over the FY 1999 estimate.

The Regent universities' 1999-2000 tuition and fees were among the lowest in each university's respective peer group of comparable institutions. The Regent 1998-99 tuition and fees as a percentage of Iowa's per capita income for 1998 (12.0 percent) are less than the percentages for regional and peer states (which average 15.0 percent) and the national average (14.0 percent).

A report issued by the College Board on October 5, 1999, indicated that average college tuition and fees in 1999-2000 had increased just under 5 percent, the lowest rate of increase for the past four years. It also reported, based on its survey of post-secondary institutions, that the average public four-year college and university tuition is \$3,356.

Over the past several years, Regent tuition increases have lagged behind the national per capita income increases. The most current projected increase in Iowa per capita personal income for the year 2001 is 6.7 percent, which does take into account the consequences of the projected decline in farm income for the state.

The estimated cost of attending the Regent universities, including proposed tuition and fees, room and board, and other costs is projected to average \$11,031 for the 2000-01 academic year.

## TUITION SURCHARGES

The University of Iowa was the only one of the three universities requesting to increase tuition surcharges. The proposed increases were for the following graduate/ professional areas: College of Law; College of Dentistry; College of Business MBA Program; and Masters of Physical Therapy.

Tuition surcharges represent earmarked amounts for specific colleges and purposes. Students enrolled in these colleges pay the surcharge in addition to the university's base tuition and receive the benefits of additional resources. Base tuition and base tuition increases are not earmarked for special academic units, but are part of the overall general university fund budgeting process.

The Board Office recommended the following tuition surcharges:

	University of Iowa			
	Proposed Surcharge 2000-01		Recommended Surcharge 2000-01	
	<u>Resident</u>	<u>Nonresident</u>	<u>Resident</u>	<u>Nonresident</u>
Law	\$ 300	500	\$ 300	500
Dentistry	2,000	2,000	2,000	2,000
MBA	1,065	1,065	1,065	1,065
Physical Therapy	2,692	2,692	0	0

The Board Office recommended deferring the proposed tuition surcharge for the Masters of Physical Therapy. The university, over the next year, should gather additional information and develop a proposal.

In response to questions raised during the September Board meeting, the Colleges of Dentistry and Business reviewed the tuition surcharge rates for nonresident students. Each college concluded that higher surcharges for nonresidents would have a negative impact on competitiveness for attracting those students.

## MANDATORY FEES

### PROPOSED CHANGE IN BOARD OF REGENTS TUITION AND MANDATORY FEES POLICY

University of Iowa officials requested a fundamental change in the structure of tuition and fees for the 2000-01 academic year. The proposal takes tuition revenues that historically have been designated for student activities and student services, and proposes to establish them as separate and distinct mandatory fees.

For many years, the Board has set tuition and mandatory fees in the fall of each year. During the following May Board meeting, the Board allocates (designates) a portion of tuition for specific purposes such as student activities, student services, and debt service.

During the early 1990s, the Regents approved three types of mandatory fees - health fees, computer fees, and health facility fees. In approving the student health fees, the Board, after several months of study, eliminated the existing voluntary health fees and approved mandatory student health fees for the benefit of all students. The mandatory computer fees were initiated in the fall of 1990 for FY 1992. Institutions had been charging numerous, miscellaneous computer fees for courses/programs. The Board consolidated these miscellaneous computer fees into a comprehensive mandatory computer fee for students at all three universities.

## REDIRECTION OF DESIGNATED TUITION TO MANDATORY FEES AT THE UNIVERSITY OF IOWA

In May of 1999, the Regents approved tuition allocations for the University of Iowa for the 1999-2000 academic year that included \$34.76 for student activities and \$61.02 for student services. University officials now asked that, in the future, the tuition revenues previously designated for these purposes be charged to students as mandatory fees.

This redirection of program support from tuition to fees has significant consequences:

- Tuition dollars (approximately \$3.8 million) become available for important academic areas and needs.
- Students will pay fees rather than tuition to support specific programs that promote student activities and services.
- Students will continue to pay the same amount for tuition, plus any base tuition increase approved by the Board for next year (i.e. students continue to pay same level of tuition but the funds are spent for different purposes).

The proposal would allow the university to redirect previously allocated tuition dollars (an estimated \$3.8 million over two years, based upon fall 1998 enrollments) to selective, strategic investments in financial aid and financial aid services, revitalization of university libraries, and transformation of the instructional equipment in classrooms, laboratories, and studios. Additional funding to support these academic components is also requested from state appropriations.

The Board Office recommended modification of the Board's tuition policy to allow the University of Iowa to establish separate and distinct mandatory fees for student activities and student services. The university should be directed to do the following as it implements this change:

- Consult with students regarding the proposed expenditures of the newly-available tuition revenues released by redirection of tuition to fees (statutory procedure remains same for consultation regarding student activities).
- Report to the Board on revenues and expenditures for all tuition and fees generated by this proposal (including the disposition of unallocated funds).
- Address the applicability of mandatory fees for part-time students, off-campus students, and summer session students.
- Return to the Board for specific approval of any proposed increase in fees in a subsequent year.

University of Iowa officials proposed a two-year phase-in schedule for the changes in the redirection of tuition to mandatory fees. Based upon the Board Office recommendation (which does not increase these fees for next year), the increased cost to each student would be \$76 in the first year and an additional \$78 increase in the second year, for a total increase over the two-year period of \$154. These amounts are exclusive of any tuition increase that the Board would approve.

## PROPOSED CURRENT MANDATORY FEE INCREASES

The Regents approved three types of mandatory fees in the early 1990s – health fees, computer fees, and health facility fees. The mandatory health fees replaced the voluntary health fees in order to benefit all students. The mandatory computer fee was initiated to replace numerous, miscellaneous computer fees that were charged for various courses/programs.

For 2000-01, the universities proposed increases to the computer fees and health fees. No changes were proposed for the health facility fees.

Since the Board's meeting in September, the University of Northern Iowa reduced its proposed computer fee amount from \$134 to \$122 to reflect input received from students. The Board Office recommended the modified increase.

### Computer Fees

		<u>Actual 1999-2000</u>	<u>Proposed 2000-01</u>	<u>Board Office Recomm.</u>
SUI	All students except Business Administration, Law, Engineering, and Medicine students	\$106	\$110	\$110
	Law students	180	220	220
	Business Administration students	350	362	362
	Engineering students	350	362	362
	College of Medicine students and students in division of associated medical sciences	106	194	136
ISU	All students except Engineering, Computer Science & Management Information Systems students	102	108	108
	Engineering students	338	350	350
	Computer Science & Management Information Systems students	266	280	280
UNI	All students	104	122*	122*

\* Decreased proposal from \$30 per academic year to \$18 per academic year.

	<u>Health Fees</u>		<u>Health Facility Fees</u>
	<u>Actual 1999-2000</u>	<u>Proposed 2000-01</u>	<u>Actual</u>
SUI	\$ 96	\$102	\$10
ISU	100	102	16
UNI	98	102	-

University of Iowa officials proposed inflationary increases in its basic computer fees for all students, for Business Administration students, and Engineering students. University of Iowa officials proposed a \$40 increase per academic year in computer fees for law students to employ computer support personnel for the evenings and weekends and offset the subscription rates for legal databases and services. University officials also proposed an \$88 increase per academic year in computer fees for medicine students to fund equipment replacement, upgrading, and enhancement of the new student e-mail system. The Board Office recommended these increases except for the proposed College of Medicine computer fee, for which a \$30 dollar increase was recommended. University officials were encouraged to further refine any proposal for increased fees in this area, with additional information on planned expenditures and consultation with students.

Iowa State University officials proposed inflationary increases for all categories of computer fees. These fees support microcomputing, as well as other student instructional computing facilities and services, such as print services, short courses, computer training opportunities, and library databases and other information services. Individual colleges use funds for hardware maintenance, hardware and software upgrades, student laboratory monitors, and printing supplies.

University of Northern Iowa officials had initially proposed a \$30 per academic year increase in computer fees (as presented to the Board in September). After receiving student input, the university revised the proposed increase to \$18 per academic year. Computer fees are used to maintain and improve academic and instructional computing services. Increased funding will substantially improve the computing environment at the university, as students are increasingly using e-mail and the Internet, while faculty are increasingly using multimedia to enhance their teaching and provide discipline-specific computer experiences for students.

The proposed increases in health fees, ranging from \$2 to \$6, are to meet the growing demands and rising health costs.

### ESTIMATED REVENUES

The estimated gross revenues from the proposed increases in tuition rates are \$11.1 million. After tuition aid set aside of \$1.6 million, the net tuition revenues generated from the proposed tuition increase and permanent tuition surcharges are estimated to be \$9.5 million.

The revenues from tuition and fee increases are to be utilized to maintain and improve quality. After financial aid set aside, net revenues are to be utilized to meet the unavoidable and nondiscretionary rising costs of maintaining programs. In striving to achieve the Board's aspirations of excellence, the universities will use the revenues to improve the quality of undergraduate and graduate education for students, enhance student academic programs, and provide other enrichments to students' educational experiences.

Executive Director Stork stated that the Board Office recommendation was essentially the same as last month's with a couple of modifications. The University of Northern Iowa's proposed computer fee increase was reduced to \$18. Part-time tuition rates were included this month. He said the deans of dentistry and business at the University of Iowa were consulted regarding differential tuition between resident and non-resident students. Both deans believe that differential tuition would have a negative impact on competitiveness.

President Newlin recognized the student representatives to speak to the tuition issue.

Lana Zak, President of the University of Iowa Student Government, first presented a video highlighting interviews with students regarding the tuition recommendation. She stated that she represents approximately 30,000 students, students who understand what it takes to be a world-class university. Student apathy has turned into activism. Ms. Zak distributed comments from 2,000 students. Students voted on where they want their money spent. Students support the need to separate tuition and fees; however, students do not support a tuition increase above the rate of inflation. Over 80 percent of the student body surveyed opposes any increase above inflation. She said the separation of tuition and fees provides accountability. An increase in tuition and fees can only be discussed after tuition and fees are separated.

President Newlin thanked Ms. Zak for all of her work and that of the other students.

Nick Arnold, Northern Iowa Student Government President, congratulated the three Regent universities for being ranked among the best buys in higher education. He then reiterated the students' position of last month. University of Northern Iowa students agreed with a 4.3 percent increase in tuition. Last month they were asked about the proposed fee structure change at the University of Iowa. Since the last Regents meeting, he has looked into the fee change and concluded that it would be detrimental to students at all three universities. Over two years there would be a \$154 increase in fees for University of Iowa students. Under the current structure, student fees are guaranteed a continued increase. Under the proposed structure, it would be necessary for students to come to the Board every fall to request an increase in fees. He said the only way to ensure adequate funding is through the current fee structure. The University of Iowa proposed fee structure sets a dangerous precedent for Iowa State University and the University of Northern Iowa. Student senates of both the University of Northern Iowa and Iowa State University passed resolutions opposing changing the fee structure.

President Newlin thanked Mr. Arnold for all of his work and that of the other students.



Matt Craft, President of the Iowa State University Government of the Student Body, stated that it was very reasonable to expect an increase for inflationary costs and an increase above inflation to allow the institutions to become better. He said there is nothing wrong with the Regent universities having the lowest tuition in their peer groups and that should not be used as a reason to increase tuition. Mr. Craft expressed concern about the proposal to separate fees from tuition. Doing so would mean an additional cost to students. Current student fees are a percentage of tuition. Amounts allocated for student fees increase as tuition increases. Under the proposed University of Iowa plan, the burden will fall on the student government to request increases in fees from the Board. It would be very hard for student government to convince the student body to increase fees.

President Newlin thanked Mr. Craft for his participation and that of the other students.

President Coleman stated that she supported the Board Office recommendation. She expressed appreciation for the discussions that she has had with each of the Regents on the issues. She said she has enjoyed the involvement of the University of Iowa students.

Regent Neil stated that he was very concerned about the cost of education. The Regent universities exist for the citizens of Iowa and those citizens have to have access to the universities. He expressed concern about the level of tuition increases versus wage increases in the last decade. He asked if university officials have looked within the university budget to find ways to make improvements. He said students want accountability.

President Coleman stated that she would not have brought the university's proposal forward if she did not believe it was necessary. She did not believe the need could be addressed through reallocation. Reallocation is used for critical needs. She said she respectfully disagreed with Regent Neil on the issue of Iowans' ability to pay for a college education. A policy of the University of Iowa is that Iowans should not be denied the ability to attend the university because of lack of financial resources. University officials have also done a careful analysis of the proportion of Iowans' income that pays for tuition and found that it has remained relatively constant.

Regent Lande referred to a letter that was sent to the Regents by a Professor Cox. Regent Lande said he spoke to a state economist about the information contained in Professor Cox's letter. The economist said the data used by Professor Cox was statistically meaningless in trying to describe what is affordable to Iowans.

Regent Kennedy stated that over the past several years the Regents have had a lot of discussion on the importance of the students' financial aid packages. She was concerned about the category of students who are not qualified for financial aid based on need. Those students come from middle-class families who plan for the future. She asked what the universities offer in the form of financial aid for families who are not directly affected by the farm economy, families in the \$40,000-50,000 annual salary range and who might not qualify for federal financial aid.

President Coleman described the bridge loan program for families affected by the farm economy. She stated that university financial aid officers look at the ability of Iowans to pay. Financial aid packages may be a combination of grants, loans and work study. She was pleased with the way financial aid officers have been managing those programs and was confident about the progress that was being made.

Regent Kennedy asked that the registrars and financial aid officers talk to the Regents in the future. President Coleman said she would be pleased to have Mark Warner, University of Iowa Director of Student Financial Aid, make a presentation to the Regents.

Regent Ahrens said she agreed with the points made regarding farm families and middle-class families.

Regent Fisher referred to per capita income in relation to tuition and fees and said it appeared that in Iowa those percentages have been very consistent.

Regent Lande asked each of the presidents to comment on the extent to which there is dormitory student housing still available. He noted that it was much less expensive to live in a dormitory than an apartment.

President Coleman stated that she was extraordinarily proud of the University of Iowa's dormitory system. Living in the residence halls is a very good bargain. She asked Vice President Jones to discuss the popularity of the residence halls.

Vice President Jones stated that there are 5,500 beds in the residence halls. First priority for housing is entering freshmen. Those already in the system have second priority. Residence halls are occupied 85 percent by freshmen and 10-15 percent by sophomores. Fifty percent of the apartments are occupied by single students. The university's residence system is currently over-subscribed and some students were in temporary housing for the first 5 to 6 weeks of the fall semester.

President Jischke stated that at Iowa State University the residence system situation is virtually identical to that described by University of Iowa officials. The dormitories are at capacity.

President Koob stated that the situation this fall at the University of Northern Iowa was similar to that of the other two universities. Some students were housed in lounges for about 2 weeks. The physical capacity is at 95 percent. University officials strive for a balance between students' desire for less crowded space and cost.

Regent Fisher stated that because of increased technology and the wiring in the residence system buildings, there might be increased demand by students to reside in the dormitories.

President Koob said the residence halls are now fully wired. Fifty percent of University of Northern Iowa students bring their own computers to campus. The university has a broad band versus modem connection.

President Jischke stated that the recommendation of the Board Office was consistent with Board policy for tuition and fee increases necessary to achieve the universities' quality goals. He was very pleased that students understand and support increasing the quality of Iowa State University although there are some students who do not share the goal for increased quality. He believes it is the responsibility of the Board to take a longer view. Iowa State University's strategic plan aspiration is to become the best land-grant university in America. He said quality is not free. Iowa State University officials share the concern for the cost of education as it affects students, particularly students of modest income. University officials see the impact of low commodity prices. He said the story for student financial aid is a very good story. The university is in the midst of a very successful capital campaign. Reducing the cost of going to school includes getting students through school faster. He said that because of the very low unemployment rate in the state of Iowa, students could easily make \$8,000-10,000/year on a part-time basis. As a fraction of personal income the cost to attend a Regent university is quite modest.

President Jischke stated that if the Board adopts a new policy on mandatory fees, Iowa State University officials would fully intend to come to the Board next year with a similar proposal. He said Iowa State University has serious needs. He expressed support for the Board Office recommendation and urged the Board's support.

President Koob stated that University of Northern Iowa officials support the Board Office recommendation. He outlined the primary expenditures from the increased tuition income. He noted that over 70 percent of students at the University of Northern Iowa presently receive financial aid. The university has a policy that no student will be denied admission because of financial considerations. He was very confident that any student who wishes to attend the University of Northern Iowa can do so.

Regent Kennedy stated that the Regents' strategic plan included a charge to the institutions to deliver distance education across the state. Not all students can come to campus. She questioned whether part of the tuition income resulting from the additional 2 percent for quality component should be devoted to fulfilling the Board's charge regarding distance education.

President Koob stated that while the growth in on-campus enrollment at the University of Northern Iowa has been double digit, the off-campus enrollments increased by 100 percent during the same period. Delivery of distance education is a more expensive endeavor than the on-campus delivery of education. He said it makes sense to provide a convenience for students. He said the university's most successful examples come as result of federal investments in the form of grants.

President Jischke stated that Iowa State University officials have expanded educational services at a distance. University officials intend to invest the revenues from the 2 percent quality component largely for those who pay the 2 percent, which is primarily the on-campus students. He questioned whether the distance education students would be subsidized by the state. Iowa State University has expanded its distance education services through private resources.

President Coleman said she echoed the comments of her colleagues regarding using the revenues from the 2 percent quality component for distance education. She noted that University of Iowa officials were doing more in the area of distance education than was being done several years ago.

MOTION:

Regent Kelly moved (1) a 4.3 percent increase in base tuition, as follows: Increase all base tuition

categories at the University of Iowa, Iowa State University, and the University of Northern Iowa by 2.3 percent to maintain quality and effectiveness and 2.0 percent to improve quality to achieve the aspirations of the Board's strategic planning goals of excellence. (2) In addition to the above base tuition increase, the following permanent tuition surcharges at the University of Iowa: College of Law. Establish a permanent tuition surcharge per academic year of \$300 added to resident Law tuition and \$500 added to nonresident Law tuition to be used in line with the college's strategic planning goals to advance the strategic plans of the College of Law. College of Dentistry. Establish a new permanent tuition surcharge of \$2,000 per academic year for resident and nonresident first year students entering the University of Iowa Dentistry program. Implementation is expected to take four years with each subsequent year surcharge increase to be brought to the Board for approval. College of Business Administration. Establish a new permanent tuition surcharge of \$1,065 per academic year for resident and nonresident students for the University of Iowa Master of Business Administration program for those students entering the full time MBA program in fall 2000. Implementation is expected to take three years. Each subsequent year surcharge increase is to be brought to the Board for approval. Regent Smith seconded the motion. MOTION CARRIED UNANIMOUSLY.

MOTION:

Regent Smith moved (1) In addition to the above base tuition increases: (a) Implement a multi-year restructuring of tuition and mandatory fees at the University of Iowa that will eliminate a portion of designated tuition and establish separate mandatory fees for that same portion of designated tuition, within proposed parameters. With this restructuring, there would be no increase in the proposed new student activities fee and student services fee at the University of Iowa (see page 238 for table of mandatory fee charges). (b) Establish mandatory computer fees for the 2000-01 academic year as presented on page 238. (c) Establish student health fees for the 2000-01 academic year as presented on page 239. (2) Increase the general institutional financial aid for students to retain the same institutional proportion of tuition and mandatory fees as student aid set aside to assure access for those having financial need to attend the universities. (3) Establish part-time tuition rates as detailed on table 2 of the docket memorandum. Regent Kennedy seconded the motion.

Regent Kennedy said there were two philosophical issues. The first is to keep fees at a minimum. Iowans appreciate that tuition is a “clean” amount. Second, if there is a mandatory fee, as was proposed by the University of Iowa, does it become the same as a tuition increase? The Regents were being presented with a philosophic change in policy. She said she has listened over the last 3 years as President Coleman has come to the Board and made good points about the needs on the University of Iowa campus. She thinks that in fairness to President Coleman and the University of Iowa, its needs should be considered critical and unique. President Coleman wants the University of Iowa to go to a new level of excellence. Regent Kennedy said that she believes that with the leadership of the University of Iowa it can get to a new level of excellence and President Coleman had presented a very solid proposal. University officials made a very compelling case. She said the Regents needed to support President Coleman’s proposal to break out fees from tuition. By doing so, the Regents will be better able to monitor the fees on an on-going basis and there will be more accountability.

Regent Turner referred to the point made by students about student fees increasing at the same rate as tuition. She asked if University of Iowa officials have looked at what is going to happen with student fees increases under the new policy.

President Coleman stated that in the past there has had to be internal justification of student fees that are part of designated tuition. She expected in the future there would need to be justification if some part of the student fee needed to be increased. The well-documented need for a fee increase would be brought to the Board. Fees would be reviewed every year and increases would not be automatic.

Regent Ahrens stated that the Board of Regents was entering the second year under the policy allowing for an increase in tuition to address quality. She said the proposed 6.9 percent increase at the University of Iowa was too much of an increase at this time. Since this was only the second year under the tuition policy allowing for a quality increase, she wished to allow more time to see what the increase for quality has allowed the universities to do.

Regent Neil said he echoed Regent Ahrens’ concerns. The policy allowing for the 2 percent quality increase has only been in effect for 2 years. He said he was going to vote against the mandatory fees for that reason although he thought the University of Iowa had made a strong case. He referred to the current economy of Iowa and said he would object to raising mandatory fees.

VOTE ON THE MOTION:                      The motion carried with Regents Ahrens and Neil voting “no”.

President Newlin said there had been very good discussion and debate on the issue. The vote appeared to be a reaffirmation of the strategic plans, the missions, visions and aspirations of the Regents and universities. There was also a vote of confidence in the leadership of the universities. He expressed appreciation for the efforts of institutional officials.

President Coleman stated that she had enjoyed working with the Board of Regents during the last four years. She noted that she was at an AAU meeting earlier in the week and had an opportunity to be reminded of how good Iowa is.

Regent Turner informed the students that the Regents did take their input into consideration. She was extremely impressed with their presentations. She said that if the

institutions stand still, they fall behind. Iowa has three commodities: 1) agriculture, 2) people and 3) education. In order to make its education stand out, Iowa's Regent universities have to continue to move forward. Issues to be considered as they move forward are: 1) access, 2) accountability and 3) communication. She would like to see some way to report to the Board on access. The Regents need to know if students drop out because of financial issues. With regard to accountability, she said it would be important for the Regents to look at the uses of revenues derived from fees very specifically. With regard to communication, she stated that University of Iowa students had distributed 7 pages of student comments, which she said were fascinating. She encouraged officials of all three universities to read the comments. Students provided good ideas and suggestions. One student wrote that the university needs to do a better job of educating students as to the rationale behind the tuition increase. What does, for example, the word "quality" mean? Why are tuition increases dramatically higher than inflation? A good idea would be to send a campus-wide e-mail once a year to explain the university's sources of income, expenses, operating costs and the individual student's U-bill. Cosmetic improvement, maybe, but changes in communication are often the key.

Regent Turner stated that if the universities are going to succeed they have to be accountable and they have to have access.

President Newlin thanked the students for their presentations. He said they had all done an excellent job and represented students well.

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

This report is presented to the Board each fall after the salaries for the current fiscal year are established. The Board of Regents received \$27.9 million in state appropriations for full funding of salary increases for fiscal year 2000. Institutional salary policies as approved by the Board stated that faculty and professional and scientific staff would receive average increases of 3 percent plus incremental steps. Regent Merit System employees, both organized and nonorganized, would receive increases of 3 percent plus step increases.

Average percentage increases and average salaries for faculty and professional and scientific staff for fiscal year 2000 are shown below:

	Faculty Salaries		P&S Salaries	
	Average Percentage Increase	Average 9-month Equivalent Faculty Salary	Average Percentage Increase	Average P&S Salary
SUI	4.0%	\$88,833	3.9%	\$43,806
ISU	4.3%	\$66,131	4.5%	\$45,549
UNI	4.0%	\$52,766	4.0%	\$42,996

According to the reports submitted by the universities, overall about 2.5 % of faculty and 4 percent of the P&S staff received increases of zero to less than 1 percent. Approximately 20 percent of faculty and 19 percent of P&S received increases in excess of 5 percent. Each university gave greater percentage increases to female faculty than to male faculty.

Estimated average increases given to faculty in the universities' peer groups ranged from 1 percent to 7.7 percent. Based upon estimates obtained from peer institutions, the universities maintained their relative positions in their 11-member peer groups--University of Iowa at 8<sup>th</sup> place; Iowa State University at 9<sup>th</sup> place; and University of Northern Iowa at 6<sup>th</sup> place.

In the Big 10, the University of Iowa stayed in 5<sup>th</sup> place. In the Big 12, Iowa State University moved from 3<sup>rd</sup> place to 2<sup>nd</sup> place.

These comparisons of average salaries are based upon survey data published by the American Association of University Professors (AAUP). The AAUP survey data excludes salaries for clinical faculty.

Average salaries and average increases at the special schools are shown below:

	Faculty Salaries		P&S Salaries	
	Average Percentage Increase	Average Faculty Salary	Average Percentage Increase	Average P&S Annualized Salary
ISD	4.4%	\$40,231	5.3%	\$44,556
IBSSS	4.2%	\$38,921	6.5%	\$40,490

The average faculty increases at the special schools include increases for a number of faculty gaining additional education and moving to a different track on the pay scale. P&S increases at Iowa School for the Deaf include additional pay for sign language proficiency at a level above the required level. One Iowa Braille and Sight Saving School staff member received an increase greater than 4 percent based upon merit.

Director Wright reviewed with the Regents the information that was provided in the meeting materials.

Regent Turner asked about the comment in the docket memorandum that the universities gave increases greater than average to female institutional officials and faculty. Director Wright responded that Iowa has a comparable worth law. The Regent institutions are making progress toward eliminating salary inequities based on gender.

President Jischke stated that at Iowa State University every year university officials review salaries not only for women compared to men but also for under-represented minorities to make sure there are no unjustifiable differences.

President Coleman stated that the first instruction given to all University of Iowa department chairs is to look for instances of inequity in salaries. University officials are doing a field-by-field study to see if there are any lingering areas of inequity.

President Koob stated that an analysis of salaries of University of Northern Iowa faculty shows that within discipline and rank there are no differences in salaries between men and women.

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

**COMPREHENSIVE FISCAL REPORT FOR FY 1999.** The Board Office recommended the Board (1) receive the comprehensive fiscal report for FY 1999 and (2) request that institutions supply certain information to the Board Office for further review and report to the Board in November.

This comprehensive fiscal report for FY 1999 compares actual revenues and expenditures with the Board-approved budgets, identifies significant variances, highlights strategic planning initiatives, summarizes the actual uses of the funding increases, and discusses institutional accomplishments regarding measures taken to improve efficiency and effectiveness.

This report generally focuses on the major funds at each of the institutions – general fund and restricted fund. General operating funds include operating appropriations, federal support, interest income, tuition and fee revenues, reimbursed indirect costs, and sales and services. Restricted funds are specifically designated or restricted for a particular purpose or enterprise and include capital appropriations, tuition replacement, residence system revenues, as well as other auxiliary or independent functions such as parking systems.

The combined general fund revenues of all Regent institutions totaled \$1.3 billion, which represented 99.9 percent of the total combined revised budgets. The combined restricted fund revenues of all Regent institutions totaled \$1.0 billion, which was 105.5 percent of the total budgeted amount. Part of the difference (\$20 million) results from the manner in which capital appropriations are recorded. Actual capital revenues reflect the draw-downs of funds from current and prior fiscal years, while the capital budgets reflect the amounts appropriated by the state for the current year only. The Regent institutions also received \$14.3 million more in federal funds than budgeted.

The institutional information indicates that strategic planning initiatives of \$36.7 million were met as budgeted; new appropriations of \$4.6 million, net of salary funding, and new tuition revenues of \$10.5 million were spent as intended; and reallocations of \$24.7 million were accomplished as budgeted.

Executive Director Stork stated the report related to FY 1999. The report compares actual revenues with expenditures.

Director Elliott reviewed the report with the Regents, noting that it contains a comprehensive review, after the fact, of how money was spent.

Regent Fisher asked about the statement in the docket memorandum that the off-setting entry for University of Iowa Hospitals and Clinics salaries as well as building repairs and equipment should have been made from professional and scientific supplies. Director



Elliott responded that University of Iowa Hospitals and Clinics officials had not made a financial adjustment allocation of expenditures among budget line items.

Regent Lande asked why expenditures between the general fund and restricted fund were less than budget. Director Elliott stated that much of that was attributable to University of Iowa Hospitals and Clinics, partly because of the adjustment that had not been made.

Vice President True stated that the FY 1999 general fund building repairs substantially exceeded the budget. The area of greatest concern is academic building maintenance. The budget was overspent by several hundred thousand dollars which, to some degree, is a reflection of cash flow. Year-to-year there can be some variance in building repair.

President Coleman stated that the University of Iowa budget expenditures follow the university's strategic plan initiatives. She was pleased with the amount of reallocation that has taken place and that the university has exceeded the Regent reallocation goals every year. She stated that university officials used tuition funds precisely for the purposes that had been previously identified.

Regent Neil asked for examples of reallocation. President Coleman stated that some of the most important reallocation occurs at the collegiate levels. When a faculty member retires the faculty line returns to the dean. There is also reallocation funding through the Vice President for Research. She said those funds are never tied up for long periods of time. The money may be used in the Department of Biology one year to hire an outstanding professor or to renovate a lab, and the second year it might be used in the Department of Microbiology. Every year the money is turned over.

Regent Neil asked if there was some way that reallocation activities could be reported in some detail year-to-year including programs that have been downsized. President Coleman responded that University of Iowa officials would provide the Regents with clear examples in the future.

President Jischke stated that Iowa State University revenues come from four sources: appropriations, tuition and fees, sponsored programs, and private funds. In fiscal year 1999, those categories of revenues were at record levels. He said the university's financial system is designed to keep expenditures within revenues. Expenditures over which university officials have some discretion are allocated according to the strategic plan. Nine years ago the university's total expenditures were approximately \$450 million. This year those numbers will total \$750 million. Budget expenditures are enhancing the quality of what is being done at the university.

Regent Neil stated that the universities need to be able to show the activities that were downsized and those whose quality was improved as a result of reallocation. President Jischke responded that university officials could provide anecdotes.

Regent Neil stated that providing examples would go a long way in disputing critics of the Regent system.

President Jischke stated that university officials tend to describe reallocation activities in the aggregate and the Board is in the position of making policy judgments. He said there were plenty of examples of reallocation which he would be pleased to share with the Regents.

President Newlin asked if the Regents could be provided with more information on reallocation activities. Executive Director Stork said the Board Office would gather that information.

President Koob stated that the University of Northern Iowa experienced a large number of retirements this past year. He said all fund expenditures were in line with the university's strategic plan. With regard to Regent Neil's question about examples of reallocation, he said the largest amount of reallocated funds is directed to undergraduate curriculum. An illustration of a curricular change is that two positions were recently moved from anthropology to criminology. There is also a significant allocation for technology. For example, the acquisition and utilization of resources plan, called Memphis, is a management information system. A third area to which reallocated funds are directed is diversity.

President Newlin stated that this was the third year the Board has received this comprehensive fiscal report, as it requested. He asked that future reports include additional detail regarding reallocation.

**ACTION:** President Newlin stated the Board, by general consent, (1) received the comprehensive fiscal report for FY 1999 and (2) requested that institutions supply certain information to the Board Office for further review and report to the Board in November.

**REPORT OF THE BANKING COMMITTEE.** The Board Office recommended the Board:

- (1) Adopt A Resolution authorizing the Executive Director to fix the date or dates for the sale of up to \$17,750,000 Dormitory Revenue Bonds, Series I.S.U. 1999B.
- (2) Authorize the University of Iowa to utilize master lease financing in the amount of \$1.8 million for University Services Building equipment and furnishings.
- (3) *Approve the amendments to the approved list of financial institutions, subject to the limitations specified as to purpose and maximum amount.*
- (4) Accept the report of the Banking Committee.

Regent Fisher reported on the meeting of October 20, 1999. He said the Banking Committee approved the Preliminary Resolution for the Sale of up to \$17,750,000 Dormitory Revenue Bonds, Series I.S.U. 1999B; received the semi-annual master lease report for the period ending September 30, 1999; approved master lease financing for the University of Iowa University Services Building equipment and furnishings; approved modification of institutional banking relationships; and received an external audit report on the University of Iowa Hospitals and Clinics and internal audit reports for the University of Iowa.

**MOTION:** Regent Fisher moved to adopt A Resolution authorizing the Executive Director to fix the date or dates for the sale of up to \$17,750,000 Dormitory Revenue Bonds, Series I.S.U. 1999B. Regent Smith seconded the motion, and upon the roll being called, the following voted:  
AYE: Fisher, Kelly, Lande, Neil, Newlin, Smith, Turner.  
NAY: None.  
ABSENT: Ahrens, Kennedy.

**MOTION CARRIED.**

**MOTION:**

Regent Fisher moved to (1) authorize the University of Iowa to utilize master lease financing in the amount of \$1.8 million for University Services Building equipment and furnishings; (2) approve the amendments to the approved list of financial institutions, subject to the limitations specified as to purpose and maximum amount; and (3) accept the report of the Banking Committee. Regent Smith seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

**LEGISLATIVE PROGRAM, 2000 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 2000 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.

The 2000 Session of the Iowa General Assembly is scheduled to convene on Monday, January 10, 2000. Prior to the legislative session, the institutions are to submit to the Board any matters that may be subject to legislative consideration. In addition to budgetary items, these matters become part of the Regent legislative program, which will be updated on a monthly basis.

In September, the Board approved requests by the University of Northern Iowa for initiatives related to its Ag-Based Industrial Lubricants program, Community Recreation and Tourism Research and Service, Center for Energy and Environmental Education (CEEE), Iowa Waste Reduction Center, Environmental Audit Training Initiative, Recycling and Reuse Technology Transfer Center Materials Testing Service, and Native Vegetation Center (NVC).

The Governor and Lieutenant Governor, with assistance of department directors, will hold several budget hearings at different sites around Iowa between November 29 and December 17. Each hearing will focus on one key policy area of the leadership agenda of the Governor and Lieutenant Governor (education; health care; workforce/economic development; environment; public safety; and accountable government).

The 1999 appropriations bill (HF 762) for state government technology and operations contained intent language for the creation of an Information Technology Department on July 1, 2000, and directed the establishment of a transition team to make recommendations for the scope and structure of the new department. In a recent meeting, the transition team rejected the consultant's first report and requested a second report, which is being prepared.

Executive Director Stork stated that the University of Northern Iowa proposals were approved last month. Suggestions will begin to be incorporated monthly as the legislative session approaches. With regard to the creation of an Information Technology Department, he said the Board Office has not had an opportunity to fully review how that new department would relate to the Board of Regents. State budget development is still underway. He was uncertain what level of specificity would be included. He has heard that the revenue growth in Iowa would be substantially less than anticipated which will require some budget discipline throughout state government. The Governor and Lieutenant Governor will be preparing information on how to deal with the revenue issue for the current fiscal year.

**ACTION:**

President Newlin stated the Board, by general consent, (1) gave preliminary consideration to the

proposals noted in the docket memorandum for inclusion in the Board's legislative program for the 2000 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.

**ANNUAL REGENTS MERIT SYSTEM REPORT.** The Board Office recommended the Board (1) receive the governance report on the operation of the Regent Merit System in fiscal year 1999 and (2) approve the upgrade of the Central Service Technician III from pay grade 111 to pay grade 112 effective November 1, 1999.

The Regent Merit System is established under authority of Chapter 19A of the Code of Iowa and covers nonprofessional supervisory, blue collar, security, technical, and clerical employees of the Board. In fiscal year 1999, there were 8,215 (head count) permanent and probationary employees in the Regent Merit System, an increase of 8 employees over the previous year-end total. Two-thirds of the covered employees are female. Minority employment increased slightly from 5.3 percent to 5.7 percent of the total.

The average Regent Merit System employee salary for fiscal year 1999 was \$26,858 excluding fringe benefits. Base salaries were increased by 3 percent on July 1, 1998. Eligible employees also received automatic step increases. About 60 percent of the merit system employees are on the top step (step 8) and do not receive step increases.

The fiscal year 2000 total budgeted expenditure for salaries and fringe benefits for employees in the Regent Merit System is \$271.2 million from all funds. The general fund portion excluding University of Iowa Hospitals and Clinics is budgeted at \$64.7 million.

Approval was requested to upgrade the classification of Central Service Technician III from pay grade 111 (\$25,844 - \$36,424) to 112 (\$27,143 - \$38,189). Since this is a supervisory class, the upgrade does not require negotiation with AFSCME. There are seven incumbents in the classification, all at the University of Iowa Hospitals and Clinics. The need for the upgrade is based upon expanded responsibilities assumed by the incumbents due to the elimination of management level positions in the department. The classification descriptions for the Central Service Technician I and II have been reviewed and revised without change in pay grade.

Director Wright reviewed the report with the Regents.

Regent Neil asked how merit system employees move from one step in the salary range to the next. Director Wright responded that an employee comes into the system at step 1 and stays at step 1 for six months. At the end of the six-month period (assuming satisfactory performance) the employee moves to step 2. The employee then moves one step annually until the employee reaches the top of the salary range.

**ACTION:** President Newlin stated the Board, by general consent, (1) received the governance report on the operation of the Regent Merit System in fiscal year 1999 and (2) approved the upgrade of the Central Service Technician III from pay grade 111 to pay grade 112 effective November 1, 1999.

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

**ACTION:** This matter was approved on the consent docket.

**EMPLOYEE APPEALS.** The Board Office recommended the Board deny the request of the two faculty members for review of final institutional decisions.

Two faculty members at the University of Iowa appealed the Faculty Judicial Commission's decision to sustain denials of promotion. The faculty members have requested review of these final institutional decisions by the Board. The Board members had confidential memoranda and supporting documents in these matters.

Executive Director Stork introduced a new employee in the Board Office, Kayla Stratton.

Assistant Director Stratton reviewed the recommended action with the Regents.

**MOTION:** Regent Fisher moved to deny the request of the two faculty members for review of final institutional decisions. Regent Turner seconded the motion.  
**MOTION CARRIED UNANIMOUSLY.**

**STATUS REPORT ON YEAR 2000.** The Board Office recommended the Board (1) receive the updated report of the Peer Review Team on progress of the institutions in compliance with Year 2000 (Y2K) requirements; (2) receive information concerning the State's Emergency Management Division's Y2K activities for contingent operations; and (3) receive the report of the University of Iowa on its Y2K compliance activities.

The institutions have completed the activities of remediation of mission critical information technology systems for Y2K compliance. The institutions and the Peer Review Team will continue to monitor the national and international information technology environment to ensure that external activities do not contaminate or adversely affect institutional activities. The monthly update of the status of institutional activities related to Y2K compliance for the month of September is set forth as Attachment A to this Memorandum. As it shows all work completed, there will be no further monthly reports.

The State's Emergency Management Division (EMD) conducted on September 29 a simulation of the millennium transition procedures and processes for Contingent Operations for both EMD and State agencies. The Board's Manager (Charles Wright) and Associate Manager (Marcia Brunson) of Contingent Operations (MCO) participated in the exercise. They were joined in the exercise by James Wagner, Director of Information Systems at the University of Iowa Hospitals and Clinics. The statewide simulation of the millennium transition went smoothly and it appears the State is ready for this event.

The University of Iowa and the University of Iowa Hospitals and Clinics will provide an update on their Y2K compliance activities at the Board meeting. University officials indicated they will provide information to the Board on the implementation of its PeopleSoft system for human resources management.

Director Wright reviewed the report with the Regents. He said he anticipated there would not be much additional to report on this subject over the next 2 months.

Assistant to the President Mukerjea, on behalf of the Peer Review Team, thanked the Regents for the opportunity to report on Y2K activities. He said the team had completed

its work. Contingency plans are in place. The team functioned very well and members learned from each other. The knowledge contributed to each other was quite valuable. He asked to take the opportunity to thank the members of the Peer Review Team, whom he named individually.

Regent Neil asked for the plan if there is no telephone or electric service. Assistant to the President Mukerjea responded that each institution and the Board Office has developed a contingency plan including two-way radio communication.

Director Dobbins reviewed the report of the University of Iowa which he said was a success story. University staff have invested over 40,000 hours to this effort. He said he echoed the importance of the collaboration of the schools.

Director Wagner reviewed the report of the University of Iowa Hospitals and Clinics. He expressed appreciation for the Board's interest and patience. University of Iowa Hospitals and Clinics officials complied with the October 1 target date to complete testing and remediation. He said he was now ready for the most anticipated event of his life.

President Newlin thanked Assistant to the President Mukerjea, the Peer Review Team members and Director Wright for all their hard work.

**ACTION:** President Newlin stated the Board, by general consent, (1) received the updated report of the Peer Review Team on progress of the institutions in compliance with Year 2000 (Y2K) requirements; (2) received information concerning the State's Emergency Management Division's Y2K activities for contingent operations; and (3) received the report of the University of Iowa on its Y2K compliance activities.

**ADMINISTRATIVE RULES REVIEW PROCESS.** The Board Office recommended the Board (1) receive the report on the Governor's Executive Orders pertaining to administrative rules and (2) approve the work plan outlined below to bring the Board of Regents into compliance with the Executive Orders.

The Governor promulgated Executive Orders Number 8 through 11 addressing administrative rules as found in the Iowa Administrative Code. The Executive Orders direct all state agencies to review their rules and operations to ensure that they promote quality and efficiency. The tasks identified by the Executive Orders include deadlines for accomplishing selected parts of the review activity. Executive Director Stork met with the legal counsels of the universities and Director Wright to develop a work plan to meet the requirements of the Executive Orders. The work plan for accomplishing this activity will be presented to the Board for its approval in December.

Director Wright stated that the work plan to meet the requirements of the Executive Orders will take until approximately the end of Governor Vilsack's term.

Regent Lande asked if the Governor would object to a review that is not designed to be completed until the end of his term. Director Wright said the complete process including rules revisions would last until the end of Governor Vilsack's term. There will be reporting deadlines throughout his term.

Executive Director Stork stated that the Governor fully expects to have a large amount of the work done before the end of his term.

MOTION: Regent Lande moved to (1) receive the report on the Governor's Executive Orders pertaining to administrative rules and (2) approve the work plan outlined below to bring the Board of Regents into compliance with the Executive Orders. Regent Fisher seconded the motion. MOTION CARRIED UNANIMOUSLY.

**REPORT ON MEETINGS OF THE IOWA COLLEGE STUDENT AID COMMISSION.** The Board Office recommended the Board receive the report.

The Iowa College Student Aid Commission met on August 10 and September 21. Two members, Chairperson Ruth Ann Barry and Alice Villone, have left the Commission. Commissioner Michelle Durand-Adams has been elected to replace Ms. Barry as Chairperson of the Commission and Linda Kennedy from New Hampton has been appointed by Governor Vilsack to replace Ms. Barry. A replacement for Ms. Villone has not been appointed.

Significant actions taken by the commission include the following:

- Approval of planning initiatives to reduce student loan defaults - these would include the addition of debt management grants and a repayment assistance program that would emphasize pre-borrowing assistance, pre-default assistance, and counseling throughout the life of a loan.
- Approval of a state budget request for FY 2001, which includes an increase of
- \$1.9 million for the Iowa Grant Program (available to students attending the Regent universities) and a \$330,000 increase in funding for the Teacher Shortage Forgivable Loan Program.

The Iowa College Student Aid Commission met on August 10 and September 21. Two members, Chairperson Ruth Ann Barry and Alice Villone, have left the Commission. Commissioner Michelle Durand-Adams has been elected to replace Ms. Barry as Chairperson of the Commission and Linda Kennedy from New Hampton has been appointed by Governor Vilsack to replace Ms. Barry. A replacement for Ms. Villone has not been appointed.

Significant actions taken by the commission include the following:

- Approval of planning initiatives to reduce student loan defaults - these would include the addition of debt management grants and a repayment assistance program that would emphasize pre-borrowing assistance, pre-default assistance, and counseling throughout the life of a loan.
- Approval of a state budget request for FY 2001, which includes an increase of \$1.9 million for the Iowa Grant Program (available to students attending the Regent universities) and a \$330,000 increase in funding for the Teacher Shortage Forgivable Loan Program.



- Changes in expected family contribution for the Iowa Tuition Grant Program (\$500 increase) and the Iowa Vocational-Technical Tuition Grant Program (\$250 increase).
- Appointment of a Strategic Planning Committee for the Commission, which will include the Board's executive director.
- Changes in expected family contribution for the Iowa Tuition Grant Program (\$500 increase) and the Iowa Vocational-Technical Tuition Grant Program (\$250 increase).
- Appointment of a Strategic Planning Committee for the commission, which will include the Board's executive director.

Executive Director Stork stated that the Iowa grant program of student financial aid is based on need and applies to students attending the Regent institutions. This year the commission has tripled its appropriation request for this program which he thinks is a very good sign for Iowa students.

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

**STATEWIDE PLAN FOR PUBLIC RADIO.** The Board Office recommended the Board approve the Board of Regents Statewide Public Radio Plan, as presented.

As an outgrowth of their educational and service missions, Regent universities have operated radio stations for many years for the benefit of the citizens of Iowa. Within the unique environment of contemporary radio, the stations have endeavored to provide programming which enriches and gives meaning to people's lives, recalls and transmits the history of mankind and explores and analyzes the problems and experiences of contemporary society.

A Regent Statewide Plan for Public Radio has been prepared for developing and operating public radio stations. One goal of this plan is to provide at least one high quality radio signal to all Iowans. The first priority for developing new stations will be to areas currently unserved by public radio. Provision of an FM radio signal to an area already served by at least one Iowa public radio station may be appropriate if it is in the interest of the mission of the institution, if it is not inappropriately duplicative in programming, and if it is financed by private funds.

A team consisting of a representative from each Regent university and a representative from the Board Office developed the proposed Statewide Public Radio Plan. The Plan is an extension of the Board's policy on public radio, set forth in the Procedural Guide, Section 10.22.

Assistant Director Gonzalez reviewed the report with the Regents.

Regent Lande referred to the applications that have been approved by the Board of Regents and that are covered under the Board of Regents statewide plan. He asked which university might use those channels. Assistant Director Gonzalez responded that the applications which have already been approved are for the University of Northern Iowa and for Iowa State University. Those are the two institutions that have applications before the FCC.

John Monick, Director of Broadcasting Services, University of Iowa, stated that he believes the statewide plan for public radio is essential to the state.

Bill McGinley, Manager, Iowa State University Public Radio, stated that a variety of activities and initiatives have been undertaken at the university. He believes the statewide plan will foster much of what will be done in the future.

Doug Vernier, Director of Broadcasting Services, University of Northern Iowa, said he hoped the statewide plan would help the people of Iowa who are underserved currently. He believes that some of the ideas expressed in the plan will be very important for the future of Iowa.

Regent Fisher asked when it was anticipated that the FCC would identify the criteria for awarding licenses. Director Vernier said he has heard that the criteria would be identified this month. He noted that the FCC is in a great deal of turmoil.

Regent Fisher asked what happens to a license if a decision is made to not develop a station after a license has been approved by the FCC. Director Vernier said it would be an embarrassment to go as far as being granted a construction permit and then to not build a station. It would be a rare occasion to have that happen. A license holder has three years in which to build a station after receiving FCC approval.

Regent Lande asked what capital costs are involved in developing all of the stations for which the universities have license applications. Director Vernier responded that actual dollar costs for the facilities could range anywhere from \$20,000 to \$50,000. Capital costs for most of the stations are generally covered by non-state funds. The University of Northern Iowa had a grant application on file at the public telecommunications facilities program to build a station in Oskaloosa. Unfortunately, that frequency was tied up by other out-of-state applicants. The granting agency would not grant the license to the university. If mutual exclusivity can be resolved, the university would expect to receive funding from that agency for 50 percent of the cost to build the facility.

Regent Lande noted that there are currently ten applications on file with the FCC from the University of Northern Iowa and two from Iowa State University. Why were there none for the University of Iowa? Director Monick stated that University of Iowa officials have been actively involved with the current facility and keeping what it has on the air.

MOTION: Regent Turner moved to approve the Board of Regents Statewide Public Radio Plan, as presented. Regent Neil 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 of the October 8, 1999 meeting of the Iowa Coordinating Council for Post High School Education.

The Iowa Coordinating Council for Post High School Education met on October 8 at Ellsworth Community College in Iowa Falls. Below is a summary of the major actions taken at this meeting.

*Approved:*

Program in "Technology and Systems Integration" (Off-Campus) offered by Buena Vista University;

"MBA Degree" (Off-Campus - Pella) offered by Drake University;

“Animal Science Management” program (On-Campus) at Eastern Iowa Community College District.

*Did not approve:* “Associate in Leadership Studies” (Off-Campus) proposed by William Penn College.

*Re-confirmed:* earlier approvals dated 9/17/99 for four programs at: (1) the Des Moines Area Community College; (2) one program at Iowa Central Community College; (3) four programs previously approved by the Board of Regents to be offered by Iowa State University (Interdepartmental Major in Bioinformatics and Computational Biology, B.S. Program in Applied Physics, Ph.D. Program in Health and Human Performance, and various revisions for Graduate Majors in Animal Science); (4) six programs at Kirkwood Community College; and, (5) one program at St. Ambrose University.

*Heard:* a presentation on state coordinating and governing structures in higher education.

The council established a committee to review the procedures for program approvals with two members from each of the postsecondary education sectors in Iowa. The committee will identify issues and concerns with the current policy and propose recommendation no later than May 2000.

Regent Neil stated that at the October 8 meeting the council approved three programs and did not approve one program requested by William Penn College. It was found that the William Penn program was duplicative of one offered by DMACC. The council encouraged officials of DMACC and William Penn to address the council’s concerns. The council approved a work group to establish a procedure for program approval.

Regent Lande stated that he had an opportunity to be lobbied by someone from William Penn who made a fairly convincing case that there was not clearly duplication in its proposed program offering.

Regent Kelly said he believed the Coordinating Council was very fair. The night before the council meeting a member of the William Penn board had lobbied him.

President Jischke said there were three objections to the William Penn program. It was felt that William Penn officials had not adequately discussed the possibility of collaboration with others in the area. There was a view by some that it duplicated programs that are already available. Community college representatives argued that the community colleges are the institutions chartered to offer 2-year programs.

Regent Kelly noted that Dr. Barak gave a masterful presentation on organization of governing bodies.

Regent Neil said it was very evident at the Coordinating Council meeting that the rest of the institutions look to Dr. Barak as being an expert in the field. He noted that the Regents were well served at the meeting.

President Newlin asked that Dr. Barak provide the Regents with a one-page written dialogue and copies of overhead slides of his presentation to the Coordinating Council.

Director Barak stated that the Regent membership on the program review committee included President Koob and President Jischke.

**ACTION:**

President Newlin stated the Board received the report of the October 8, 1999, meeting of the Iowa Coordinating Council for Post High School Education, by general consent.

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

November 17-18, 1999	Iowa State University	Ames
December 15-16, 1999	West Des Moines Marriott Hotel	W. Des Moines
January 19, 2000	Telephonic Conference Call	
February 9-10, 2000	University of Iowa	Iowa City
March 15-16, 2000	University of Northern Iowa	Cedar Falls
April 19-20, 2000	Iowa School for the Deaf	Council Bluffs
May 17, 2000	Iowa Braille and Sight Saving School	Vinton
May 18, 2000	University of Northern Iowa	Cedar Falls
June 14-15, 2000	Lakeside Laboratory	Okoboji
July 19-20, 2000	University of Northern Iowa	Cedar Falls
September 13-14, 2000	University of Iowa	Iowa City
October 18-19, 2000	Iowa State University	Ames
November 15-16, 2000	University of Iowa	Iowa City
December 13-14, 2000	West Des Moines Marriott Hotel	W. Des Moines
January 17, 2001	Telephonic Conference Call	
February 21-22, 2001	Iowa State University	Ames
March 21-22, 2001	University of Northern Iowa	Cedar Falls
April 18, 2001	Iowa Braille and Sight Saving School	Vinton
April 19, 2001	University of Iowa	Iowa City
May 16-17, 2001	Iowa School for the Deaf	Council Bluffs
June 12-13, 2001	Iowa State University	Ames
July 18-19, 2001	University of Northern Iowa	Cedar Falls
September 12-13, 2001	University of Iowa	Iowa City
October 17-18, 2001	Iowa State University	Ames
November 14-15, 2001	University of Iowa	Iowa City
December 12-13, 2001	(To be determined)	Des Moines

**ACTION:** The Board meetings schedule was approved on the consent docket.

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 University of Iowa was transacted on Wednesday and Thursday, October 20 and 21, 1999.

### **TOUR OF BIOMEDICAL RESEARCH LAB.**

On the morning of October 21, 1999, the Regents toured selected areas in the Bowen Science Building. Dr. Mary Hendrix, Professor and Head of the Department of Anatomy and Cell Biology of the College of Medicine, provided the Regents with examples of cancer research that is taking place in her department. One such research project involves the molecular signature of tumor cells. Another research effort is studying how tumor cells form their own blood vessels in which to travel. Department researchers are working with pharmaceutical companies to develop drugs that will stop the movement of cancer cells.

Regent Fisher asked if there are other undertaking the same type of research and whether the University of Iowa collaborates with those other institutions. He also asked whether the university was working on gene mapping of DNA of the entire body.

Dr. Hendrix responded that University of Iowa researchers are working with members of the Human Genome Project in Washington, D.C., in a cooperative manner. University of Iowa researchers attend national and international meetings. The department's Web site, which can be accessed by anyone, includes the papers that researchers are publishing.

The Regents next visited the Department of Microbiology, where they were introduced to Dr. Michael Apicella, head of the department. Dr. Apicella gave a brief overview of the department's focus.

Dr. Caroline Harwood presented the Regents with examples of her research into gene therapy, one of which was the microbiology of hog lagoons. The "purple bacteria" are good at degrading noxious chemicals.

Dr. David Gibson presented examples of his research, one of which addresses the problem of gasoline leaking into aquifers. The organisms that his research has isolated break down all of the elements of gasoline. He also discussed "green" chemistry and the making of indigo dye.

Dr. Apicella asked that the Regents return in two years when a whole new series of drugs and processes will have been developed. There are bacteria that make light, an example of which the Regents viewed.

Regent Fisher asked if the department's research receives support from pharmaceutical companies and other industries. Dr. Apicella responded that the support is increasing.

Regent Fisher asked where the department's students go upon graduation. Dr. Apicella responded that some students become post-doctoral students, some go into industry, some become professors in major universities while others go to small undergraduate colleges. He said the students have tremendous opportunities because of the explosion in the field of microbiology.

Dean Kelch provided the Regents with a view of the College of Medicine's major teaching classroom, the heart of the educational space, which he said cannot be renovated until 2002, at the earliest. Upon renovation it will become a state-of-the-art lecture hall.

President Newlin expressed appreciation to university officials for the informational tour.

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

**PRESENTATION BY PROFESSOR KEITH STROYAN ON INNOVATIONS IN THE CLASSROOM.** The Board Office recommended the Board receive the oral report on innovations in the classroom.

Calculus has served as the language of physical science for centuries but now also has an expanding role in areas like modern finance and management optimization. New materials use modern computing to make real applications accessible to beginners. This approach to calculus should make a broad spectrum of technical careers more attractive to students.

Professor Keith Stroyan discussed the reformation of the way calculus is taught to undergraduates. He noted that calculus can open the doors to career opportunities that students might never have considered. Professor Stroyan described three main projects with which he has been involved: 1) Calc: TLC, 2) Calc Wiz and 3) Multivariable Calculus. He said calculus is the language of change. Professor Stroyan's favorite calculus question is, "Why did we eradicate polio but not measles?" Students' favorite project is bungee diving which is a classic physics problem.

Regent Lande asked if there was any evidence of the advantages of the calculus program and whether the new teaching methods bring in students who are not traditional calculus types.

Professor Stroyan responded that obtaining that evidence has been an up and down battle. He said peer advisors are excited and enthusiastic about the course. It is a battle to keep students in college preparatory math courses.

Regent Lande noted that like many talented intellectuals, Professor Stroyan has a wide range of interests. He said Shohola Kennels, with which he is involved, is the leading authority on genetics of the black Labrador Retriever hunting dog line.

Regent Smith asked what mechanism is in place to communicate the emphasis on calculus and advanced math in the K-12 system. Professor Stroyan said the math department has outreach activities with high schools. It also has a Web page. Communication with the K-12 school is a constantly activity. The Web page is being used to try to reach out to all high schools in Iowa. There was a project with the other two Regent universities to get the word out. Communication with K-12 schools is an ongoing battle which university officials need to continually fight.

Regent Turner asked if the need for preparatory courses is integrated into the College of Education curriculum. Professor Stroyan stated that Professor Harold Schoen's project to try to improve high school preparation just received a national award. The project was partially funded by the National Science Foundation.

President Newlin thanked Professor Stroyan for bringing this topic to the Board.

Regent Smith stated that this was another opportunity to think about the relationship between the Regent universities and K-12 institutions.

Regent Lande encouraged each of the university presidents to emphasize the continued feedback between the people educating educators and the people teaching math.

**ACTION:** President Newlin stated the Board received the report on innovations in the classroom, by general consent.

President Newlin announced that the following item was inadvertently omitted from the University of Iowa docket.

**UNIVERSITY OF IOWA STRATEGIC PLAN.** The Board Office recommended the Board approve the strategic plan of the University of Iowa for 2000-2005.

At the September meeting of the Board of Regents, President Mary Sue Coleman presented an overview of the new University of Iowa strategic plan. University officials were asked to return to the October meeting of the Board for final approval of the plan.

The new plan is built upon two previous strategic plans. In the presentation, university officials provided evidence of the extensive efforts made to gain input from the various stakeholders of the university.

**MOTION:** Regent Smith moved to approve the strategic plan of the University of Iowa for 2000-2005. Regent Turner seconded the motion. MOTION CARRIED UNANIMOUSLY.

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

#### Cleary Walkway/Market Street Development

##### Project Summary

<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed	Oct. 1999	Requested

University officials requested permission to proceed with project planning and the architectural selection process for development of the site located on the east side of the T. Anne Cleary Walkway between Market and Bloomington Streets (across from the Chemistry Building). While the south portion of this site was included as a future building site in the Sesquicentennial Campus Planning Framework Report presented to the Board



in September 1998, the north portion of this site (which currently provides an outdoor recreation area west of Daum Residence Hall) was not included.

The university's plan for the area includes construction of a building on the north half of the site to house the university's honors program and gifted and talented program. The two programs are currently located in separate facilities, with the honors program housed in a residence-type structure adjacent to the proposed site, and the gifted and talented program housed in space in the Lindquist Center. The relocation of the programs to the shared facility would permit expansion of both programs, which currently is not possible in their existing locations. In addition, relocation of the gifted and talented program from the Lindquist Center would provide additional space for use by the College of Education. The Honors Center is included in the university's Five-Year All-Funds Capital Plan (FY 2001 – FY 2005) presented to the Board in July 1999 with proposed funding from gifts and grants, and Income from Treasurer's Temporary Investments.

According to the university, the two programs would benefit from consolidation in the proposed facility for a number of reasons. The arrangement would encourage interaction among the students in both programs and would provide opportunities for honors program students to serve as role models and mentors to the younger students in the gifted and talented program. The proximity of the proposed facility to Daum Residence Hall would allow connection of the two facilities and expansion of the existing honors program living/learning environment in the residence hall to include also the gifted and talented program. The two programs are complementary in that the honors program is more active during the academic year, while the gifted and talented program is more active during the summer. This schedule will facilitate the students' use of common spaces in the new building such as classrooms, libraries, computer facilities, and lounges, and the residence quarters in the residence hall. University officials indicated that the proposed site represents the only opportunity on the east campus to develop this relationship between the two programs.

The university's plan for the south half of the site (which currently consists of a staff parking lot with 57 spaces) may include development of a building for general university use to provide enhanced career planning and job placement opportunities for students, and to provide replacement facilities for new student counseling, orientation and admissions programs. These programs are currently housed in inadequate and scattered locations throughout campus. The career planning/placement programs are currently located in Calvin Hall and with some individual colleges. The other programs are located in the Quadrangle, Memorial Union and Calvin Hall, as well as other campus locations. University officials indicated that determination of the specific programs to be housed in the new facility will not be addressed until planning for this phase of the project is initiated. This facility was not included in the Five-Year All-Funds Capital Plan (FY 2001 – FY 2005) presented to the Board in July 1999.

University officials anticipate that any additional space in the buildings not needed to house the designated programs would be developed either as classrooms or constructed only as shell space depending on budgetary considerations. University officials indicated that any classroom space constructed at this central campus location would become part of the university's general classroom pool and would be available for use by any university program.

University officials project that replacement of the recreation space currently located at the north end of the site would be satisfied with the eventual construction of an east side recreation facility. University officials indicated that three existing parking structures located within one block of the site would provide the best opportunities for parking in the

area. This includes the Memorial Union parking ramp to the southwest, the North Campus parking ramp to the northwest, and the parking garage of the Pappajohn Business Administration Building which is located directly south of the site. Consideration may also be given to the development of an underground parking facility at the site if parking is seen as critical to the activities to be housed in the new facilities, and if the construction cost can be justified and adequate funding is available.

University officials anticipate that each building would consist of a ground floor plus three additional floors and total approximately 60,000 gross square feet. The estimated project costs are approximately \$10,000,000 for each facility (not including any underground parking areas that may be incorporated into the project). University officials indicated they expect a significant percentage of the project funding to be provided by private funds, with other non-state funding sources to be considered as necessary.

University officials proposed that one architect be selected to provide professional design services for development of the site, regardless of whether the development will include construction of one or more buildings or the phased construction of one consolidated facility. Due to the importance of the site and the limited number of remaining sites on the central east campus, it is very important that this area be utilized efficiently and effectively. Planning the utilization for the entire site will provide the most efficient use of the area in terms of building space and shared areas, architectural continuity, and project coordination.

University officials will convene the Architectural Selection Committee for selection of the architectural firm, in accordance with Board procedures for projects which exceed \$1,000,000, and return to the Board for approval of the selected firm. The project architect will assist initially with project programming and development of a site plan, then subsequently proceed with schematic design, building siting, and cost estimating for the entire development.

President Coleman stated that the facility for the university's honors program and the Belin Center for Talented and Gifted would add great distinction to the University of Iowa.

Regent Fisher asked if part of the reason this facility was not on the university's five-year capital plan for state appropriations was because it is being funded by private donations and there would be no request for state appropriations for the project(s). President Coleman responded affirmatively.

### Currier Hall—Dining Area Renovation

#### **Project Summary**

<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed	Oct. 1999	Requested

University officials requested permission to proceed with project planning and the architectural selection process to renovate the former dining area in the west wing of the first floor of Currier Hall, a residence hall. Food service is no longer provided in this area since the residential east campus food service operations were consolidated in Burge Hall in 1991.

The proposed project will renovate the area, which consists of approximately 35,000 square feet, for student service use. University officials indicated that potential amenities

for the space include a study hall, fitness center, conference room, game room, convenience store, coffee shop, vending areas, and outdoor patio area. The project will also include a number of building infrastructure improvements to address accessibility issues, fire alarm, electrical, and air conditioning systems, reconfiguration of the first floor corridor, and reconditioning of the freight elevator.

The estimated project cost is between \$4,000,000 and \$5,000,000. University officials proposed to finance the project with a future sale of dormitory revenue bonds.

University officials will convene the Architectural Selection Committee for selection of the architectural firm, in accordance with Board procedures for projects which exceed \$1,000,000, and return to the Board for approval of the selected firm.

Hydraulics Laboratory Modernization

**Project Summary**

<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed	Oct. 1999	Requested

University officials requested permission to proceed with project planning and the architectural selection process to renovate the Hydraulics Laboratory. This project is intended to provide a modern educational and research facility for the Iowa Institute of Hydraulic Research. The facility, which was constructed between 1919 and 1931 at the intersection of Riverside Drive and Burlington Street, serves as the headquarters of the Iowa Institute of Hydraulic Research. The building condition is not adequate for contemporary research and teaching and makes recruitment of faculty, staff and students difficult.

The project will include the systematic, phased modernization of the building to accommodate the faculty and senior staff, dry research activity, and the teaching programs of the Institute. The university plans to relocate most of the wet laboratory research from the Hydraulics Laboratory to smaller hydraulics buildings on campus.

The project will provide significant space improvements for graduate students, offices for new faculty and senior research staff, and a state-of-the-art undergraduate and graduate teaching laboratory. The project will also include a conference room/classroom with links to the Internet and ICN, an information resource center, space to house the Institute's high-performance computer system, and a site to receive hydraulics and water resources data. The total scope and phasing of the project will be determined during planning.

The estimated project cost is \$3,000,000. University officials proposed to finance the project with research funds from the Institute of Hydraulic Research and the College of Engineering, private gifts, and other university funds to be determined.

University officials will convene the Architectural Selection Committee for selection of the architectural firm, in accordance with Board procedures for projects which exceed \$1,000,000, and return to the Board for approval of the selected firm.

Residence Hall Telecommunications Improvements in Burge, Currier, Stanley, Slater and Rienow Halls

**Project Summary**

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed		Oct. 1999	Requested
Selection of Telecommunication Design Consultant (Alvine and Associates)		Oct. 1999	Requested

University officials requested permission to proceed with project planning and the selection of the telecommunications design consultant to extend the Campus Fiber Optic Network to Burge, Currier, Stanley, Slater and Rienow Halls. The project will complete the connection of all campus residence hall facilities to the Campus Fiber Optic Network. The project budgets for the connection of the Daum, Hillcrest and Mayflower Halls were approved by the Board in September 1999; the project budget to extend the network to the Quadrangle was approved by the Board in 1997.

University officials also requested approval of the selection of Alvine and Associates to provide telecommunications design services for the project. University official proceeded with the selection of Alvine and Associates since the firm is providing design services for the concurrent projects in Daum, Hillcrest and Mayflower Halls. The firm is familiar with the residence halls as a result of its work on the design of fire detection and sprinkler systems for the facilities. Utilizing the same firm will ensure that shared pathways are properly utilized and potential conflicts are minimized in the design of the projects.

The estimated project cost is \$2,700,000. University officials proposed to finance the project with the sale of dormitory revenue bonds. University officials also indicated that some components of the project could be funded from telecommunications improvement and replacement funds and campus video reserves.

#### Iowa Advanced Technology Laboratories—Third Floor Laboratories

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

#### **Project Summary**

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed		Sept. 1998	Approved
Architectural Selection (Herbert Lewis Kruse Blunck)		Sept. 1998	Approved
Project Description and Total Budget	\$ 3,100,000	Oct. 1999	Requested
Architectural Agreement	260,000	Oct. 1999	Requested

This project will complete the third floor laboratory wing of the Iowa Advanced Technology Laboratories. This portion of the building was constructed as shell space and will be completed as laboratory space that will support wet laboratory science. The finished area will total 12,400 square feet and will provide research space for the Departments of Chemistry and Chemical Engineering. The space will include 14 laboratories, ranging in size from 500 to 1,500 square feet, and two computer support rooms. This space was not finished during construction of the facility due to funding constraints and the need to determine the most appropriate use of the space.

Work will include construction of walls, ceilings, and lighting, and the installation of laboratory casework with fume hoods, sinks, benches, and cabinets. There will be special storage cabinets to house corrosive and solvent materials. The project will also provide various utility improvements to accommodate the laboratories.

University officials requested approval of the negotiated agreement with Herbert Lewis Kruse Blunck to provide design services for the project. The agreement provides for a fee of \$260,000, including reimbursables.

Regent Neil asked if the chemistry building is on schedule to be redone. Vice President True responded that the building is being redone in phases. The next phase will be the east side on the Clearly Walkway. Remodeling of that entire east portion of the building is included on the university's capital program for State infrastructure funding.

Medical Research Facility—Correct Fire Safety Deficiencies—Phase 2

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

**Project Summary**

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 1,156,000	Oct. 1999	Requested
Architectural Agreement (Wehner Pattschull Pfiffner)	107,000	Oct. 1999	Requested

This project is the second and final phase of work to correct outstanding fire safety deficiencies in the Medical Research Facility. The Phase 1 project, which was completed in FY 1999, removed asbestos from the mechanical shafts and installed temporary shaft walls to provide the necessary access to complete planning for the Phase 2 project. Phase 2 will construct permanent mechanical shaft enclosure panels, correct interior shaft and other fire separation deficiencies, construct elevator lobbies, replace corridor doors, install a new fire alarm and smoke detection system, and replace corridor ceilings and lighting.

University officials also requested approval to enter into an agreement with Wehner Pattschull Pfiffner to provide design services for the project. (The firm also provided design services for the Phase 1 project.) The agreement, which provides full services through construction documents and includes construction services, provides for a fee of \$107,000, including reimbursables.

University Hospitals and Clinics—Carver Pavilion Window Refurbishment

Source of Funds: University Hospitals Building Usage Funds

**Project Summary**

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 550,000	Oct. 1999	Requested

This project is the second and final phase of work to repair windows in the Carver Pavilion. This phase will repair the deteriorated polyurethane thermal barriers on approximately 850 windows on the north, west and east building faces and the interior light court. Permission to proceed with the project was not required since the project budget does not exceed \$1,000,000.

The shrinkage of the existing polyurethane barriers, which hold together the inner and outer windows, has resulted in the penetration of air and water into the building. The repair of the polyurethane barriers will secure the inner and outer windows, seal the voids where shrinkage has occurred, and replace window gaskets. This project will prevent failure of the windows, eliminate future water damage to the building, and reduce energy consumption.

Engineering Building Modernization/Addition

**Project Summary**

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed		July 1995	Approved
Program Statement		June 1996	Approved
Schematic Design		Sept. 1996	Approved
Project Description and Total Budget	\$ 26,500,000	Sept. 1996	Approved
Architectural Agreement (Neumann Monson)	1,807,000	Sept. 1996	Approved
Previous Amendments (11)	608,834		Approved
Revised Total Project Budget	28,022,000	Nov. 1997	Approved
General Construction Contract (Mid-America Construction Co.)	21,387,500	Nov. 1997	Approved
Revised Total Project Budget	30,800,000	Oct. 1999	Requested
Construction Contract Change Orders (1-6)	622,403	Oct. 1999	Requested
Architectural Amendment #12	76,250	Oct. 1999	Requested

This project will renovate approximately 78,000 square feet of space in the existing Engineering Building and construct an addition of 69,000 square feet. The project will improve the learning environment for students by relieving overcrowded conditions, modernizing outdated facilities, and improving access to electronic learning facilities and the ICN. The current project budget of \$28,022,000 includes funding from capital appropriations (\$14,340,000), Income from Treasurer's Temporary Investments and Building Renewal funds (\$4,100,000), and College of Engineering gifts, grants and earnings (\$9,582,000).

University officials requested approval of a revised project budget in the amount of \$30,800,000, an increase of \$2,778,000. The revised budget reflects the receipt of additional private funds which will accommodate program requirements in the new wing

and provide additional upgrades in the existing building, and the inclusion of master lease financing to provide furnishings and equipment for both areas. The use of master lease financing for the project is subject to future specific approval by the Banking Committee and the Board.

University officials requested approval of Change Orders #1 through #6 to the construction contract with Mid-American Construction Company. University officials anticipate that the six change orders will total approximately \$622,403, based on the estimated amount of each change as outlined below. University officials requested that the Executive Director be authorized to approve the change orders when they are finalized.

Change Order #1	Fourth Floor Build Out to Accommodate Program Assignments	\$ 92,000
Change Order #2	New Exiting Corridor Doors	109,000
Change Order #3	North Wing HVAC Upgrades	187,164
Change Order #4	Install Terrazzo Flooring – Entrance 1	64,239
Change Order #5	New Exterior Skin – SW Wall	80,000
Change Order #6	Northeast Corner Landscaping	<u>90,000</u>
		\$ 622,403

In addition to the work included in these change orders, university officials reported that the revised budget will provide additional improvements in the form of office and electrical upgrades, development of additional wet lab space, installation of additional terrazzo flooring, and exterior enhancements. The change orders to incorporate the additional work into the construction contract are not expected to exceed \$50,000 each and therefore will be approved by the university in accordance with Board procedures. However, if any change order exceeds \$50,000, it will be presented to the Board for approval. University officials also requested approval of Amendment #12 to the agreement with Neumann Monson to provide design services for all of the upgrades.

Project Budget

	Revised Budget <u>Nov. 1997</u>	Revised Budget <u>Oct. 1999</u>
Construction	\$ 23,804,000	\$ 25,520,000
Design, Inspection and Administration	3,331,000	3,331,000
Furnishings and Equipment	0	1,657,000
Art in State Buildings	132,000	132,000
Contingency	<u>755,000</u>	<u>160,000</u>
<b>TOTAL</b>	<b><u>\$ 28,022,000</u></b>	<b><u>\$ 30,800,000</u></b>
Source of Funds:		
Capital Appropriations	\$ 14,340,000	\$ 14,340,000
Income from Treasurer's Temporary Investments and/or Building Renewal Funds	4,100,000	3,860,000
Master Lease Financing	0	1,600,000*
College of Engineering Gifts, Grants and Earnings	<u>9,582,000</u>	<u>11,000,000</u>
<b>TOTAL</b>	<b><u>\$ 28,022,000</u></b>	<b><u>\$ 30,800,000</u></b>

\* Subject to future specific approval by the Banking Committee and the Board.

Medical Laboratories—Expansion of Central Air Conditioning System

Source of Funds: Income from Treasurer's Temporary Investments

**Project Summary**

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 988,000	May 1999	Approved
Construction Contract			
(McComas-Lacina Construction Company)	860,000	Sept. 1999	Approved
Revised Total Project Budget	1,184,000	Sept. 1999	Ratification*

\* Approved by Executive Director.



This project will continue the university's efforts to convert the lower four floors of the Medical Laboratories building to a central heating and air conditioning system by expanding the existing mechanical room and installing a new air handling unit and exterior ductwork.

University officials presented a revised project budget in the amount of \$1,184,000, which was approved by the Executive Director in accordance with Board procedures on September 24, 1999, to allow award of the construction contract to the low bidder. The low bid exceeded the engineering estimate by approximately 31 percent, but university officials indicated that the low bid appeared to be a fair representation of the work and that re-bidding the contract was not likely to result in the receipt of more favorable bids.

### **Project Budget**

	<u>Initial Budget May 1999</u>	<u>Revised Budget Oct. 1999</u>
Construction	\$ 783,000	\$ 1,002,000
Design, Inspection and Administration Consultants	75,500	75,500
Design and Construction Services	51,500	51,500
Contingencies	<u>78,000</u>	<u>55,000</u>
 TOTAL	 <u>\$ 988,000</u>	 <u>\$ 1,184,000</u>

### Spence Laboratories of Psychology Renovation

#### **Project Summary**

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed		June 1999	Approved
Architectural Selection (RDG Bussard Dikis)		July 1999	Approved
Architectural Agreement	\$ 369,000	Oct. 1999	Requested

This project will provide for the phased renovation of laboratory space in the Spence Laboratories of Psychology facility and Seashore Hall to provide modern research laboratories for the Department of Psychology. University officials requested approval to enter an agreement with RDG Bussard Dikis to provide design services for the project. The agreement, which provides full services through construction documents and includes construction services, provides for a fee of \$369,000, including reimbursables.

### Medical Research Center—Renovate Laboratories 243 and 245

#### **Project Summary**

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Architectural Agreement (Design Engineers)	\$ 42,500	Oct. 1999	Requested

This project will renovate rooms 243 and 245 of the Medical Research Center to provide ocular pathology laboratories for use by the College of Medicine. Work in these areas will include installation of an air handling unit, fume hoods, exhaust fans, casework, fire detection systems and utilities. The project will also provide minor renovations to nearby rooms including the relocation of casework, installation of flooring, painting, and connection to the building deionized water system. The total project area consists of approximately 2,700 square feet.

University officials requested approval to enter into an agreement with Design Engineers to provide design services for the project. University officials will return to the Board at a future date for approval of the project description and budget.

Hawkeye Athletic/Recreation Facilities Complex

**Project Summary**

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed		June 1997	Approved
Architectural Selection (Herbert Lewis Kruse Blunck)		Nov. 1997	Approved
Architectural Agreement	\$ 310,000	Jan. 1998	Approved
Architectural Amendment #1	235,000	Oct. 1999	Requested

This project will provide athletic and recreation facilities on the far west campus to serve men's and women's intercollegiate teams, recreational activities (when available), and physical education needs which cannot be accommodated on the main west campus. The proposed components of the project include an aquatics center, tennis complex, athletics visitor's center, and necessary support facilities.

University officials requested approval of Amendment #1 to the agreement with Herbert Lewis Kruse Blunck for the preparation of a master plan study and schematic design for the project. The amendment will provide additional design services for the Visitor Center/Hall of Fame and the Aquatics/Tennis Center. University officials indicated that the design for these facilities requires further development prior to approval of the schematic design to ensure that the buildings will be architecturally compatible. These are the same design development services that are typically provided following approval of the schematic design, and they do not represent additional design services or an added cost for the project.

The planning phase for this project has taken longer than anticipated as the proposed project scope, financing, and phasing were investigated. University officials intend to present to the Board in December the master plan, project program, schematic design and financing plan for the Aquatics/Tennis Center, one or two soccer fields, and related infrastructure. Amendment #1 will allow these elements of the project to be completed for the December presentation to the Board.

University Services Building

Source of Funds: Income from Treasurer's Temporary Investments, Facilities Services Improvement Fund, Building Renewal Funds, Property Sale Proceeds

## Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed		July 1998	Approved
Project Description and Total Budget	\$ 7,950,000	Oct. 1998	Approved
Architectural Selection (OPN Architects)		Aug. 1998	Approved
Architectural Agreement	364,000	Sept. 1998	Approved
Previous Amendments (1)	204,000	Dec. 1998	Approved
Construction Contracts			
Site Prep, Foundations, Structural Steel (Knutson Mid-America Construction)	1,334,700	Nov. 1998	Approved
Building Shell (McComas-Lacina Construction)	1,798,000	Jan. 1999	Approved
Interior, Mechanical/Electrical, Site Dev. (Knutson Mid-America Construction)	3,247,000	April 1999	Approved
Architectural Amendment #2	18,712	Oct. 1999	Requested

This project will construct a three-story facility to house the Human Resources Department, offices of the Facilities Services Group, and units of Information Technology Services.

University officials requested approval of Amendment #2 to the agreement with OPN Architects which will provide additional design services to incorporate an electrical vault and catwalk into the project, and associated printing costs.

### University Hospitals and Clinics—Ambulatory Cardiovascular Procedures Unit Development and Cardiology Clinic Renovation

Source of Funds: University Hospitals Building Usage Funds

## Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 295,000	Sept. 1997	Approved
Architectural Agreement (Durrant Architects)	27,610	Dec. 1998	Approved
Revised Total Project Budget	348,910	Feb. 1999	Approved
Construction Contract (McComas-Lacina Construction)	297,500	Feb. 1999	Approved
Architectural Amendment #1	7,910	Oct. 1999	Requested

This project will renovate approximately 7,900 gross square feet of Adult Cardiology Clinic and Diagnostic Laboratory space on the fourth level of the Carver Pavilion. The project will provide adequate facilities for expanded initiatives in cardiovascular disease diagnosis and treatment, permit consolidation of adult cardiology and cardiothoracic surgery ambulatory care services, and enhance the function and appearance of the Adult Cardiology Clinic.

University officials requested approval of Amendment #1 to the agreement with Durrant Architects. The amendment will provide additional design services to incorporate into the construction contract additional work required to meet building codes. This was one component of the revised project budget approved in February 1999.

\* \* \* \*

Included in the university's capital register were project budgets under \$250,000, construction contracts which were awarded by the Executive Director, and the acceptance of completed construction contracts. These items were listed in the register prepared by the university.

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

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

University officials requested approval to enter into a lease agreement as lessor with Canton Cellular Telephone Company for its use of space at the Kinnick Stadium pressbox. The space will be leased at the rate of \$1,000 per month (\$12,000 per year) for a five-year period commencing November 1, 1999, through October 31, 2004.

University officials requested approval to enter into a lease agreement as lessee with Richard V. deRegnier for the university's use of 300 square feet of office space located in Sigourney, Iowa. The space will be leased at the rate of \$315 per month (\$12.60 per square foot, \$3,780 per year) for a one-year period commencing November 1, 1999, through October 31, 2000. The space will be used by the College of Public Health for a federally-funded research project to study asthma in children from rural communities.

University officials requested approval of an amendment to its lease agreement as lessee with V. Warren Swayze for the university's use of clinic and office space in the V. Warren Swayze Medical Building, Muscatine, Iowa. The university has been leasing 5,200 square feet of space since December 1995 for a variety of outreach activities of University Hospitals and Clinics, including the Outreach Dialysis Program. The space was being leased at the rate of \$3,500 per month (\$8.08 per square foot, \$42,000 per year). The amendment will remove 2,600 square feet of space which is no longer used for outreach activities. These services have been reduced due to the lack of available staff to conduct the outreach activities, and a decreased need for the outreach services due to the availability of additional health care services in the Muscatine area. However, the university will continue to operate the Outreach Dialysis Program in the remaining 2,600 square feet of space. This space will be leased at the rate of \$1,750 per month (\$8.08 per square foot, \$21,000 per year), which is the same rate per square foot as the previous agreement. The amendment is effective October 1, 1999, through the end of the current lease term, May 31, 2005.

University officials requested approval to enter into a lease agreement as lessee with Thomas Alberhasky for the university's use of a total of 19,649 square feet of office and warehouse space located in Iowa City. The space will be leased for a three-year period commencing November 1, 1999, through October 31, 2002. The rate for the first year of the lease term will be \$8,350 per month (\$5.10 per square foot, \$100,200 per year). The rental rate will increase to \$8,800 per month (\$5.37 per square foot, \$105,600 per year) for the second year, and \$9,250 per month (\$5.65 per square foot, \$111,000 per year) for the third year.

University officials requested approval to renew its lease agreement as lessee with Mercy Health Center, Dubuque, Iowa, for the university's use of 436 square feet of office space for the university's Child Health Specialty Clinics. The space will be leased at the rate of \$181.67 per month (\$5 per square foot, \$2,180.04 per year) for a two-year period commencing October 1, 1999, through September 30, 2001.

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

In all cases the tenants agree to indemnify, defend, and hold harmless the university as customarily required.

University officials requested approval to enter into a new lease agreement with SportVu, Inc., for its use of 171 square feet of space at the rate of \$85.50 per month (\$6.00 per square foot, \$1,026 per year) for a one-year period commencing November 1, 1999, through October 31, 2000.

University officials requested approval to renew its lease with Advanced Technologies Group, dba National Medical Waster Resource Center, for its use of 179 square feet of space at the rate of \$126.79 per month (\$8.50 per square foot, \$1,521.48 per year) for a one-year period commencing November 1, 1999, through October 31, 2000. The new rate, which is an increase of 41.7 percent over the current lease rate, is consistent with the university's rate schedule for tenants of the Technology Innovation Center.

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

MOTION CARRIED.

**MEETING OF THE 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 amendment to the UIHC Bylaws, Rules and Regulations of the UIHC and Its Clinical Staff.

The Board of Regents, in its role as Trustees of the University of Iowa Hospitals and Clinics, was provided a quarterly report on the operations of the University of Iowa Hospitals and Clinics. Areas covered in this report were: 1) quarterly update on University of Iowa Hospitals and Clinics operations, programs and finances; revised University of Iowa Hospitals and Clinics strategic planning program; 3) report on delegated governance functions; and, 4) amendment to the Bylaws, Rules and Regulations of the UIHC and Its Clinical Staff. This report was consistent with a number of the Board of Regents key result areas, especially 4.0, to provide effective stewardship of the institutions.

UIHC posted a solid performance during FY 1998-1999 which closed June 30, 1999. From July 1, 1998 to June 30, 1999, clinic visits increased 7.2 percent, while acute inpatient admissions increased 3 percent compared to FY 1998. The average length of inpatient stays continued the downward trend begun more than two decades ago. Similarly, the source of reimbursement for care provided to patients continued to shift from traditional insurance programs to managed care. Total revenue increased 5.1 percent compared to the preceding fiscal year. However, due to reductions in reimbursement from Medicare required by provisions of the 1997 Balanced Budget Act and other third party payers, University of Iowa Hospitals and Clinics' operating margin decreased 12.8 percent from the prior year.

President Coleman provided introductory comments. She stated that a good job is being done by the chief executive officers of the University of Iowa College of Medicine and the University of Iowa Hospitals and Clinics.

Director Howell began the presentation of the University of Iowa Hospitals and Clinics' quarterly report. He noted that there has been a continued shift of clinical care from inpatient to outpatient. Revenue from managed care could surpass Medicare revenues in the next year.

Associate Director Madden-Rice provided a summary of the year-end financial position for the fiscal year ended June 30, 1999, on an accrual basis of accounting. She stated that net revenues were not keeping pace with expenses. There is continued growth in managed care. Pharmaceutical and supply costs are increasing.

President Newlin referred to the comprehensive fiscal report which was presented earlier in the meeting. He said there had been discussion that the offsetting entry for University of Iowa Hospitals and Clinics salaries and building repairs and equipment should have been made from professional and scientific supplies.

Associate Director Madden-Rice stated that salaries were under budget by \$12.5 million. Faculty salaries in the College of Medicine were classified in supplies. It was an accounting fluke. Because there were some unavoidable increases in supplies, University of Iowa Hospitals and Clinics managed to underspend in minor repairs and equipment.

Associate Director Madden-Rice addressed the University of Iowa Hospitals and Clinics operating margin. Hospital officials predicted the operating margin would be 5.6 percent but it actually ended up at 5.3 percent. She said University of Iowa Hospitals and Clinics has had success in expense management.

Regent Neil asked whether the reduction in payments through Medicare resulting from the Balanced Budget Act or the reduced payments from managed care has had the biggest impact on revenues. Associate Director Madden-Rice stated that the dollar amount resulting from Balanced Budget Act reductions has been very significant. Director Howell stated that Medicare continues to be the UIHC's largest single source of payment.

Mr. Staley reviewed the quarterly update on UIHC operations. He said admissions have been relatively stable in the last 3 years. Acute patient admissions have increased while admitted outpatients has decreased. He discussed patient admissions by county, average length of patient stay (which is reduced), and case mix index. The UIHC's case mix index is much greater than that of any other Iowa hospital. Clinic visits increased from 643,216 in 1997-98 to 689,705 in 1998-99.

Regent Turner referred to the increase in the outreach clinic visits and asked if those patients would have been seen at the hospital or were they new patients? Mr. Staley responded that many were patients who would have come to the University of Iowa Hospitals and Clinics but who can now receive treatment at an outlying clinic.

Mr. Staley reviewed patient clinic visits by county, average daily clinic census, managed care patient volume, progress in meeting capital replacement objectives, phased capital replacement plan financing, and sources of capital development funds.

President Newlin asked about the amount of state money that had supported capital costs. Mr. Staley responded that some capital funds were received in 1898 and 1928. There has also been some bonding authority.

Regent Neil asked for Mr. Staley's definition of managed care. Mr. Staley responded that managed care is a program that finances and manages the health care of an individual. Preferred provider organizations would fall into that category.

Regent Turner asked that, in the future, UIHC officials show the percentage of managed care that is through Medicare and Medicaid. Mr. Staley said that would be done.

Regent Kelly referred to an exhibit which indicated that UIHC had patients from 31 foreign countries. How many patients is that?

Mr. Staley responded that there were 150 ambulatory patients and 10-12 admitted patients from foreign countries.

Regent Kelly asked if there was a separate balance sheet showing income and expenses for outpatient clinics. Mr. Staley said there were not separate balance sheets but he could provide the information requested regarding income and expenses.

Regent Kelly asked for the balance sheet for the Pomerantz Family Care Center. Mr. Staley said he would provide that information.

Director Howell stated that University of Iowa Hospitals and Clinics officials would provide Regent Kelly with an income statement analysis on the operating margin.

Regent Turner asked if each of the departments has an obligation to pay for some of the costs. Director Howell said the expenses are incorporated but not charged back to the departments.

Regent Turner referred to care being provided to indigent patients at home which eliminates some in-patient days. She asked if other patients are being provided with the same service through in-home care. It is a valuable avenue of care for indigent patients and would be valuable for other patients, as well.

Director Howell said there was the question of source of payment and willingness to pay for the service. Mr. Hesson stated that the program for indigent patients has been in place for nearly 2 years. It is still in a pilot phase. UIHC officials have been working with Medicaid and some third-party payors. As soon as those payors are willing to reimburse for the service the University of Iowa Hospitals and Clinics would expand the service.

Director Howell discussed the estimated revenue loss associated with the Balanced Budget Act of 1997. He said a bill being considered in Congress could bring much needed relief from further reductions in the Balanced Budget Act. Senator Harkin supports the bill.

Regent Neil asked if it would be meaningful for the Board of Regents to write a letter voicing its concern with the Balanced Budget Act and the effect it would have on the University of Iowa Hospitals and Clinics. Director Howell stated that anything that can be done to help call attention to the problem would be helpful. He offered to work with the Board Office to help construct such a letter.

**MOTION:**

Regent Neil moved that the Board of Regents advise congressmen and senators of the potential impact of the legislative bill on the University of Iowa Hospitals and Clinics. Regent Lande seconded the motion.



Regent Kelly asked to whom he should personally lobby. Director Howell responded that Senator Grassley is in a critical position with regard to the legislation.

President Newlin said he would prefer to have an opportunity to think about the effect of writing such a letter and to discuss the ramifications of such.

Regent Neil stated that in the early-1980s, business and labor leaders worked together to address rising health care costs. They were successful in driving down health care costs in this state. Not only are teaching hospitals suffering but so are community hospitals. He said it was for this reason that Iowa is being treated differently under Medicare. It was important to remind Congress that Iowans tried to do what was right and were now being penalized for that.

Regent Lande said the point was well taken that the Board of Regents has tried to confine any political views to funding of its institutions by the Iowa legislature. However, this might be an exception because of the major impact the bill has on one of the Regent institutions.

President Newlin asked that the motion be withdrawn to allow 30 days for discussion.

WITHDRAWAL OF MOTION: Regent Neil asked to withdraw the motion, to which Regent Lande agreed.

Regent Kelly stated that the business and labor health care cost reduction effort to which Regent Neil referred had provided for a very substantial reduction in health care costs for Iowans which many do not understand. Iowa's health care costs are the second lowest of any state in the country.

Director Howell stated that he has been anything but silent on his communication of the importance of this item.

Regent Fisher asked if there are lobbyists in Washington, D.C., who represent hospitals. Director Howell stated that University of Iowa Hospitals and Clinics officials work through two organizations. Executive Director Stork noted that the University of Iowa has a federal liaison, Mr. Derek Willard.

Director Howell introduced the revised UIHC strategic planning program which contains 110 initiatives. He said the University of Iowa Hospitals and Clinics strategic plan is closely coordinated with the University of Iowa strategic plan.

Dr. Carroll Scott-Conner, Chair of the Strategic Planning Committee, provided the Board members with an overview of the UIHC's strategic plan.

President Newlin asked Dr. Scott-Conner for her definition of the difference between "vision" and "aspiration". Dr. Scott-Conner responded that vision is more focused while aspiration is more "blue sky".

President Newlin congratulated University of Iowa Hospitals and Clinics officials on the strategic plan, noting that they have a very systematic method of planning.

Director Howell requested the Board's approval of the revised UIHC strategic plan.

MOTION: Regent Turner moved to approve the revised University of Iowa Hospitals and Clinics strategic

plan, as presented. Regent Fisher seconded the motion. MOTION CARRIED UNANIMOUSLY.

President Newlin stated that the universities present their annual reviews of the strategic plans to the Board in November and December. He said he had no objection to reviewing the UIHC's strategic plan in October if that was what was preferred.

Director Howell stated that University of Iowa Hospitals and Clinics officials had coordinated the strategic plan presentation with President Coleman. The strategic plan was presented at this time because of the UIHC's quarterly report presentation.

President Newlin said the strategic plan presentation would be left as is until there is further discussion about whether to tie it in closer with President Coleman's annual report on the University of Iowa strategic plan.

Director Howell introduced Associate Director William Hesson and Chief of Staff Charles Helms to present the report on UIHC delegated governance functions.

Dr. Helms presented the report on governance functions delegated to the University Hospital Advisory Committee. Several aspects he discussed included the quality and performance improvement program and clinical privilege delineation.

President Newlin asked about customer satisfaction benchmarking. Dr. Helms responded that several years of patient satisfaction information has been gathered which shows the UIHC is doing very well in that regard. Internal benchmarking takes place.

President Newlin thanked Dr. Helms for the report. He said it sounded like a very thorough job was being done.

Regent Lande stated that the Board previously directed UIHC officials to more effectively communicate the University of Iowa Hospitals and Clinics story to Iowans. Where does that process stand?

Director Howell stated that UIHC officials are currently engaged in communicating the information via various mechanisms including television, radio and print media. Of particular importance to communicate is the relationship between the College of Medicine and the University of Iowa Hospitals and Clinics.

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

Director Howell stated that there were incorrect references to the Board of Regents in the Bylaws, which would be corrected. The Bylaws would reflect the official name: "Board of Regents, State of Iowa".

Associate Director Hesson discussed proposed revisions to the Bylaws, Rules and Regulations of the University of Iowa Hospitals and Clinics and its Clinical Staff. He said UIHC officials had completed the final phase of a three-step process of reviewing the Bylaws.

MOTION: Regent Neil moved to approve the Bylaws, Rules and Regulations of the University of Iowa Hospitals

and Clinics and its Clinical Staff, as amended.  
Regent Fisher seconded the motion. MOTION  
CARRIED UNANIMOUSLY.

President Newlin thanked Director Howell for the report. He acknowledged that UIHC officials operate under much stress in trying to control costs and keep expenses in line with revenues.

President Newlin then asked Board members and institutional officials if there were additional items for discussion pertaining to the University of Iowa. President Newlin thanked President Coleman and her staff for their hospitality.

## IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Wednesday and Thursday, October 20 and 21, 1999.

President Jischke introduced at his first Board meeting Dr. Rollin Richmond, newly-appointed provost, who is a distinguished evolutionary geneticist. Provost Richmond has been warmly received by faculty and administrators.

Provost Richmond stated that it was a pleasure and an honor to have been selected as the provost of Iowa State University. He said his heart has always been in the Midwest. It was a pleasure to come to a land-grant institution. He is enjoying learning about outreach to the community and what Iowa State University can do for the state and the country. He said it was a pleasure to be working with the Regents.

President Newlin stated that the Board of Regents welcomed Dr. Richmond.

**RATIFICATION OF PERSONNEL TRANSACTIONS.** The Board Office recommended the Board approve the personnel transactions at Iowa State University as follows:

Register of Personnel Changes for September 1999.

Appointment of Dr. Colin Scanes, Associate Dean, College of Agriculture, as the Interim Director of the Plant Sciences Institute effective September 15, 1999, at an annual salary of \$155,716.

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

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

Institutional Roads—Reconstruct Daley Drive  
 Source of Funds: Institutional Roads Funds

PROJECT SUMMARY

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 300,000	March 1999	Approved
Architectural/Engineering Agreement (Kirkham Michael Consulting Engineers)	29,968	March 1999	Approved
Revised Total Project Budget	380,000	Oct. 1999	Requested

This project will reconstruct Daley Drive in the West Pammel Court area of the north campus to provide adequate service to the Library Storage and Administrative Services Facilities Office Building. The project has included paving, curb construction, and installation of drainage components to serve a storm sewer. The sewer line was to be installed as part of a separate project.

University officials requested approval of a revised project budget in the amount of \$380,000, an increase of \$80,000, which reflects an expanded project scope to incorporate the storm sewer installation into the Daley Drive project. The sewer main will connect to the existing storm sewer infrastructure of Hawthorn Court.

The project is consistent with the institutional roads program approved by the Board.

PROJECT BUDGET

	Initial Budget <u>March 1999</u>	Revised Budget <u>Oct. 1999</u>
Construction Cost	\$ 245,000	\$ 318,000
Professional Fees	40,500	47,500
Contingency	<u>14,500</u>	<u>14,500</u>
TOTAL	<u>\$ 300,000</u>	<u>\$ 380,000</u>

Marston Hall—Remodel Rooms 305, 305A-B and 306  
Source of Funds: General University Funds

PROJECT SUMMARY

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 409,050	Sept. 1999	Approved
Architectural/Engineering Agreement (Stott and Associates)	30,712	Oct. 1999	Requested

This project will remodel approximately 2,500 gross square feet of existing computer laboratory and storage space on the third floor of Marston Hall for use by the Engineering Career Services office of the College of Engineering. This office is currently located in the Engineering Annex, which will be demolished to permit construction of the East Wing of the Engineering Teaching and Research Complex on the site.

University officials requested approval to enter into an agreement with Stott and Associates to provide design development through construction phase services for the project.

Hawthorn Court Development—Phase 2  
Source of Funds: Dormitory Revenue Bonds

PROJECT SUMMARY

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Phases 1 and 2			
Permission to Proceed (Phase 1)		June 1998	Approved
Architectural/Engineering Agreement— Schematic Design (Rietz Consultants)	\$ 580,040	Sept. 1998	Approved
Permission to Proceed (Phase 2)		Oct. 1998	Approved
Program Statement		Oct. 1998	Approved
Schematic Design		Dec. 1998	Approved
Phase 2			
Project Description and Total Budget	25,430,500	Dec. 1998	Approved
Revised Total Project Budget	24,730,500	Feb. 1999	Approved
Architectural/Engineering Agreement— Design Development (Rietz Consultants)	1,027,433	Oct. 1999	Requested

The Hawthorn Court Development project will construct 23 apartment units with up to 2,000 beds and a multi-purpose community center on the north side of campus. The Phase 1 project (\$30,123,000) will fund construction of the first 1,000 beds (currently underway) and the community center. The Phase 2 project will fund construction of the second and final series of approximately 1,000 bed apartment units in the Hawthorn Court area. The estimated completion date for the 23 apartment units is January 2001.

In October 1998 the Board authorized the university to proceed with the schematic design for Phases 1 and 2 of the project (due to the integral nature of the planning elements for both phases), with further design development for Phase 2 to proceed following approval of the schematic design and when funding was available. The schematic design for both phases was approved by the Board in December 1998. A preliminary resolution for the sale of a portion of the dormitory revenue bonds to finance construction of the Phase 2 project is included on this month's Banking Committee agenda. Therefore, university officials requested approval to proceed with design development for the Phase 2 project and enter into a design agreement with Rietz Consultants. The agreement will provide design development through construction phase services for the project, and will include the services of consultants in housing design, and landscape, civil, and mechanical/electrical engineering.

\* \* \* \* \*

Included in the university's capital register were project budgets under \$250,000 and an amendment to an architect/engineer agreement which were approved by the university, the acceptance of completed construction contracts, and a final report. These items were listed in the register prepared by the university.

MOTION: Regent Smith moved to approve the Register of Capital Improvement Business Transactions for Iowa State University. Regent Lande seconded the motion. MOTION CARRIED UNANIMOUSLY.

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

University officials requested approval to enter into lease agreements as lessor with NovaScan Technologies and MSTRS Technologies for their shared use of 272 square feet of business incubator space (136 square feet each) at the Iowa State Innovation System at the ISU Research Park. The space will be leased at the rate of \$162.50 per month for each tenant, for a total monthly rate of \$325 per month (\$14.34 per square foot, \$3,900 per year), for a six-month period commencing October 1, 1999, through March 31, 2000.

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

MOTION CARRIED.

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 20 and 21, 1999.

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

Register of Personnel Changes for September 1999.

Approve the leave of absence of Patricia Geadelmann, Executive Assistant to the President and Director, External Relations, for the period November 1, 1999, through March 1, 2000.

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

**MUSEUM NAME CHANGE.** The Board Office recommended the Board approve the request for change of name from University of Northern Iowa Museum to University of Northern Iowa Museums and Collections.

University of Northern Iowa officials requested to change the name of the University of Northern Iowa Museum to University of Northern Iowa Museums and Collections. This name better reflects the expanded campus role of the unit, which now administers two museum facilities (the University Museum and Marshall Center School) and has specific responsibilities regarding departmental teaching collections.

Regent Lande said he has always assumed that museums contain collections. President Koob stated that the change of name was very important for museum officials.

**MOTION:** Regent Smith moved to approve the request for change of name from University of Northern Iowa Museum to University of Northern Iowa Museums and Collections. Regent Lande seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

**GRADUATE DEGREE PROGRAM OVER THE ICN TO IOWA'S MIDDLE SCHOOL TEACHERS.** The Board Office recommended the Board receive the informational report on new off-campus offering of an existing program.

Regent policy on distance education requires that existing programs offered in new locations off-campus be reported to the Board for informational purposes. University of Northern Iowa officials proposed that the existing Masters Degree for Middle School

Teachers be offered in the Quad-Cities and Sioux City beginning next spring semester over the Iowa Communications Network.

**ACTION:** President Newlin stated the Board received the informational report on new off-campus offering of an existing program, by general consent.

**TEACHER EDUCATION ADDRESSING MINORITY LANGUAGE SPEAKERS PROJECT.**

The Board Office recommended the Board receive report on the Elementary Teacher Education Grant Program for adults whose language is other than English (Teacher Education Addressing Minority-Language Speakers [TEAMS] Project) to be offered in Marshalltown.

Teacher Education Addressing Minority-Language Students (TEAMS) is a bilingual career ladder grant program funded through a five-year period from the Office of Bilingual Education and Minority Language Affairs (OBEMLA), U.S. Department of Education. The TEAMS Project provides college tuition for bilingual adults who are currently working as paraprofessionals in schools or who have recently graduated from high school.

The four key components of the TEAMS Project are: (1) recruitment of adults whose native language is other than English and who are interested in teaching as a career (with preference for paraprofessionals currently working in Iowa schools); (2) the delivery of a 2+2 elementary education program (with ESL endorsement) in the Marshalltown community between the Marshalltown Community College freshman and sophomore years and the University of Northern Iowa junior and senior years delivered at Marshalltown through ICN); (3) articulation between Hawkeye Community College and the University of Northern Iowa for delivery of an Associate of Arts degree at Hawkeye Community College followed by the completion of a Bachelor of Arts degree in Teacher Education at the University of Northern Iowa with an endorsement; and, (4) retention of project participants in a teacher education program of study through support networks within and across institutions, and with practicing educators in the field.

Regent Smith asked if the program was currently up and running and serving individuals. Provost Podolefsky responded that the grant had been received but he did not believe the courses were in place yet.

President Koob stated that individuals begin by enrolling in community college courses. He noted that students' dominant languages are Spanish and Croatian.

**ACTION:** President Newlin stated the Board, by general consent, received the report on the Elementary Teacher Education Grant Program for adults whose language is other than English (Teacher Education Addressing Minority-Language Speakers [TEAMS] Project) to be offered in Marshalltown.

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

UNI-Dome North Parking Lot Reconstruction—Phase 2

Source of Funds: Parking Operations

Amount                      Date                      Board Action

Project Description and Total Budget	\$ 325,000	Oct. 1999	<u>Reque</u> <u>sted</u>
<u>ARCHITECTURAL/ENGINEERING</u> <u>AGREEMENT</u>			
(Van Winkle-Jacob Engineering)	\$ 28,500	Oct. 1999	Requested

This project represents the second of three phases to reconstruct the UNI-Dome North Parking Lot. The Phase 1 project replaced 28,600 square yards of deteriorated asphalt pavement with a concrete surface. The Phase 2 project will replace the remaining 8,600 square yards of asphalt pavement with concrete, and will provide landscaping and lighting improvements. Permission to proceed with this project was not required since the project budget does not exceed \$1,000,000.

University officials also requested approval to enter into an agreement with Van Winkle-Jacob Engineering to provide design services for the project. The firm also provided design services for the Phase 1 project.

The third and final phase of the reconstruction project will replace with concrete the crushed rock surface of the parking lot. The project description and budget for this phase will be presented for Board approval at a future date.

#### Preliminary Budget

Contracts/Purchase Orders	\$ 260,000
Consultant/Design Services	40,000
Contingency	<u>25,000</u>
 TOTAL	 <u>\$ 325,000</u>

\* \* \* \* \*

Included in the university's capital register were project budgets under \$250,000 which were approved by the university, and the acceptance of a completed construction contract. These items were listed in the register prepared by the university.

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

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

University officials requested approval to enter into a lease agreement as lessor with Iowa Radio Service for its use of space on a KUNI radio tower located near Greene, Iowa (approximately 30 miles northwest of Waterloo). The space will be leased at the rate of \$121.55 per month (\$1,458.60 per year) for a three-year period commencing October 1, 1999, through September 30, 2002.

**MOTION:** Regent Fisher moved to approve the lease, as presented. Regent Neil seconded the motion, and upon the roll being called, the following voted:

AYE: Fisher, Kelly, Lande, Neil, Newlin, Smith,  
Turner.

NAY: None.

ABSENT: Ahrens, Kennedy.

MOTION CARRIED.

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

## IOWA SCHOOL FOR THE DEAF

The following business pertaining to the Iowa School for the Deaf was transacted on Wednesday and Thursday, October 20 and 21, 1999.

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

Register of Personnel Changes for September 1999.

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

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

### Central Utility Plant Equipment Replacement—Phase 1

Source of Funds: FY 2000 Capital Appropriation

#### Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 400,000	Oct. 1999	Requested
Architect/Engineer Agreement (Alvine and Associates)	35,000	Oct. 1999	Requested

This project will replace the steam generating equipment and associated distribution piping in the school's power plant and the adjacent utility tunnel. State-of-the-art, high-efficiency boiler units will be installed to replace two water tube boilers, which are 35 years old. The project will also install a new condensate make-up and receiver tank and a new domestic hot water generation system.

School officials also requested approval to enter into an agreement with Alvine and Associates to provide engineering services for the project.

#### **Preliminary Budget**

Construction	\$ 365,000
Architectural/Engineering Fees	<u>35,000</u>
<b>TOTAL</b>	<b><u>\$ 400,000</u></b>

Administration Building—Front Entrance Staircase Replacement

Source of Funds: FY 2000 Capital Appropriation

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$125,000	Oct. 1999	Requested

The project will replace the staircase and sidewalks to improve the walkway to the Administration Building from the main entrance drive on the north side of the facility. The steps have experienced extensive deterioration, consisting of cracked concrete and vertical shifting, due to structural deficiencies and sulfate deterioration. The project will install new footings for the stairway and replace the concrete.

**Preliminary Budget**

Construction	\$ 112,500
Architectural/Engineering Fees	<u>12,500</u>
TOTAL	<u>\$ 125,000</u>

Steam Piping, Condensate Return, and Domestic Hot Water Distribution Pipe Replacement

Source of Funds: FY 2000 Building Repair Funds

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 55,000	Oct. 1999	Requested

This project will replace the deteriorated components of the campus utility tunnel in the area of the Dobson Circle/Bell Drive intersection. The utility tunnel is being reconstructed in conjunction with an Institutional Roads project to reconstruct a portion of the roadway at the intersection.

The proposed utility project will replace the deteriorated piping, supports and thermal insulation for the utility tunnel, which houses the campus steam distribution system from the school's power plant.

**Preliminary Budget**

Construction	<u>\$ 55,000</u>
TOTAL	<u>\$ 55,000</u>

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

**UPDATE ON RECREATION CENTER PROJECT.** The Board Office recommended the Board receive the report by Superintendent Johnson on the Recreation Complex project.

Superintendent Johnson presented a report on the Recreation Complex including the evolution of the project. He stated that in July the Regents decided that insufficient financial information was available and that a status report should be made at this meeting. Since major foundation grants were to be determined in late-September to mid-October, it was decided that school officials would report in October on the status of external funding.

Superintendent Johnson said it was his pleasure to inform the Board that the Iowa School for the Deaf has received written commitments of \$8,550,000 which includes \$3,260,000 from the State of Iowa and over \$5,290,000 from other sources. There are several additional funding requests pending which school officials will be actively seeking during the next 30 days. He noted that during the last 10 days the school was notified that it would receive nearly \$2.5 million. He said the Iowa School for the Deaf is going to reach its goal of raising \$8,750,000. He then asked that the schematic design for the project and certain foundation funding grant documents be on the docket for the November Board of Regents meeting.

President Newlin congratulated school officials on the \$2.5 million pledges that were received in the last two weeks.

Regent Kelly said it was nice to receive such a marvelous report.

Regent Lande informed Superintendent Johnson that his enormous success was contrary to what some thought could be done.

Regent Neil asked if the financial commitments included money from Nebraska for its students attending Iowa School for the Deaf. Superintendent Johnson responded that it included funding from Nebraska.

President Newlin said he looked forward to Superintendent Johnson's report in November.

**ACTION:** President Newlin stated the Board received the report by Superintendent Johnson on the Recreation Complex project, by general consent.

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



## IOWA BRAILLE AND SIGHT SAVING SCHOOL

The following business pertaining to Iowa Braille and Sight Saving School was transacted on Wednesday and Thursday, October 20 and 21, 1999.

**RATIFICATION OF PERSONNEL TRANSACTIONS.** The Board Office recommended the Board approved personnel transactions, as presented.

Register of Personnel Changes for the period of August 22 through September 18, 1999.

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

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

### **ADJOURNMENT.**

The meeting of the Board of Regents, State of Iowa, adjourned at 3:12 p.m. on Thursday, October 21, 1999.

---

Frank J. Stork  
Executive Director