

The Board of Regents, State of Iowa, met on Wednesday and Thursday, September 12 and 13, 2001, at the University of Iowa, Iowa City, Iowa. The following were in attendance:

	<u>September 12</u>	<u>September 13</u>
<u>Members of Board of Regents, State of Iowa</u>		
Mr. Newlin, President	All sessions	All sessions
Ms. Ahrens	All sessions	All sessions
Dr. Arbisser	All sessions	All sessions
Dr. Becker	All sessions	All sessions
Mr. Fisher	All sessions	All sessions
Dr. Kelly	All sessions	All sessions
Mr. Neil	All sessions	All sessions
Ms. Nieland	All sessions	All sessions
Dr. Turner	All sessions	All sessions
<u>Office of the Board of Regents, State of Iowa</u>		
Interim Executive Director Barak	All sessions	All sessions
Director Elliott	All sessions	All sessions
Director Wright	All sessions	All sessions
Associate Director Hendrickson	All sessions	All sessions
Associate Director Kniker	All sessions	Excused
Associate Director Racki	All sessions	All sessions
Assistant Director Gonzalez	All sessions	Excused
Assistant Director Stratton	All sessions	Excused
Minutes Secretary Briggie	All sessions	All sessions
<u>State University of Iowa</u>		
President Coleman	All sessions	All sessions
Associate Provost Hoch	All sessions	All sessions
Vice President Jones	Excused	All sessions
Vice President True	All sessions	All sessions
Dean Kelch	Excused	All sessions
Director Coulter	All sessions	All sessions
Director Howell	Excused	All sessions
Director Parrott	All sessions	All sessions
Associate Director Braun	Excused	All sessions
<u>Iowa State University</u>		
President Geoffroy	All sessions	All sessions
Associate Provost Carriquiry	All sessions	All sessions
Vice President Hill	All sessions	All sessions
Vice President Madden	All sessions	All sessions
Executive Assistant to President Dobbs	Excused	All sessions
Assistant to President Chidister	All sessions	All sessions
Director McCarroll	Excused	All sessions
Director Steinke	All sessions	All sessions
Associate Director Baumert	All sessions	All sessions
<u>University of Northern Iowa</u>		
President Koob	All sessions	All sessions
Provost Podolefsky	All sessions	All sessions
Vice President Romano	All sessions	All sessions
Interim Vice President Dell	All sessions	All sessions
Associate Vice President Koch	All sessions	All sessions
Assistant Vice President Gaston	All sessions	All sessions
Associate Director Saunders	All sessions	All sessions
<u>Iowa School for the Deaf</u>		
Superintendent Johnson	All sessions	Excused at 9:23 a.m.
Director Heuer	All session	Excused at 9:23 a.m.
Interpreter Reese	All sessions	Excused at 9:23 a.m.
Interpreter Gerischer	All sessions	Excused
<u>Iowa Braille and Sight Saving School</u>		
Superintendent Thurman	All sessions	Excused at 9:25 a.m.
Director Woodward	All sessions	Excused

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

www.state.ia.us/educate/regents

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

GENERAL

The following business pertaining to general or miscellaneous business was transacted on Wednesday and Thursday, September 12 and 13, 2001.

President Newlin welcomed everyone to the September meeting of the Board of Regents, State of Iowa. He then stated that he spoke for the whole Board when he said they were shocked and saddened by the reprehensible attacks in New York and Washington, D.C. The people who have been affected are in our thoughts and prayers. He said each of the Regent institutions has taken special steps to address the many issues and challenges that such tragedies create for the safety and welfare of faculty, staff and students. The Board acknowledges and greatly appreciates these efforts.

APPROVAL OF MINUTES OF BOARD MEETING OF JULY 18-19, 2001.

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

ACTION: President Newlin stated the Board approved the minutes of the July 18-19, 2001, meeting, as written, by general consent.

CONSENT ITEMS.

Approve the institutional and Board Office personnel transactions;

Approve the following additions to Iowa State University's list of approved vendors with a potential conflict of interest: Kroeschell Desktop and Persuade and Publish;

Receive the annual affiliated organization report on the Stanton Memorial Carillon Foundation;

Approve the Board meetings schedule;

Approve renewal of a contract with Loess Hills Area Education Agency 13 and Lewis Central Community School District for interpreter/integration services;

Approve an amendment to the ongoing agreement with Loess Hills Area Education Agency 13 for services to hearing impaired students;

Approve the change in name of the Iowa State University Affirmative Action Office to Office of Equal Opportunity and Diversity;

Approve the University of Iowa's request to merge the departments of Industrial Engineering and Mechanical Engineering to form the Department of Mechanical and Industrial Engineering in the College of Engineering; and

Adopt A Resolution authorizing issuance of a duplicate hospital revenue bond and coupons, series 1978 (State University of Iowa).

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

INTERINSTITUTIONAL COMMITTEE ON EDUCATIONAL COORDINATION. (a)
Approval of Change from a Joint Ph.D. Program to an Independent Ph.D. Program, and a Change in Name for both the Ph.D. and Master of Science Programs to Foodservice and Lodging Management, Iowa State University.

Provost Podolefsky presented the recommendation for approval on behalf of the Interinstitutional Committee on Educational Coordination.

President Newlin asked what evidence could be offered that the independent Ph.D. will attract more students. Department Chair Mary Gregoire responded that the joint Ph.D. requires applicants to be admitted into both departments. Students have gone elsewhere because the time and effort to apply to both departments is more than they want to deal with. She said the joint program status makes the program less competitive in the marketplace. Changing to an independent Ph.D. program would increase the number of students applying for admission.

MOTION: Regent Turner moved to approve the proposed change from a Joint Ph.D. Program to an Independent Ph.D. Program in the curriculum of the Department of Apparel, Educational Studies, and Hospitality Management. Regent Neil seconded the motion. MOTION CARRIED UNANIMOUSLY.

Interim Executive Director Barak mentioned that the Board members were provided with a second docket memo for this agenda item in a different format. If the Board likes the approach of the second memo, the Board Office would be glad to start making those changes in the Board memoranda. The second docket memo was created through information mapping, which he briefly described.

There was general agreement among the Board members that they preferred the new format for docket memoranda.

Regent Fisher expressed that he liked the new format and suggested that Dr. Barak's successor continue the usage of information mapping for the writing of docket memos.

Regent Kelly asked that the docket memoranda continue to include an executive summary, particularly for those agenda items related to the legislature.

Regent Neil said he believes the new format is much more readable and understandable.

Regent Turner expressed support for the information mapping format. She asked that ties to the Board's strategic plan continue to be included in the docket memoranda.

Interim Executive Director Barak indicated that additional training in information mapping would need to be arranged for Board Office employees. The Board approved.

(b) Approval of Undergraduate Minor in Emerging Global Diseases, Iowa State University.

In lieu of Provost Whitmore, who had experienced travel difficulties, University of Iowa Associate Provost Steve Hoch presented the recommendation for approval on behalf of the Interinstitutional Committee on Educational Coordination.

Regent Ahrens expressed her support for the program. She said Iowa State University has done a fabulous job in this area in the U.S.

Regent Fisher said he supported the request. He then asked if there is cooperation with the University of Iowa medical school on this subject. President Geoffroy responded that, since this is an undergraduate minor, he did not believe there were many opportunities for collaboration. The program has an intense focus on animal diseases.

Regent Turner noted that there was an indication that there would be no need for additional resources. She asked if there was a preliminary budget of how much the program will cost, even if costs are being shared with another program.

Associate Provost Alicia Carriquiry said she believed the minor would be cost neutral. Faculty are already conducting research in that area.

Regent Kelly stated that, approximately one year ago, a subject related to this was discussed by the Board members. University officials indicated that they would look more closely into diseases transferred between animals and plants and consider the implications for humans.

President Geoffroy said the transfer of diseases is very important.

Regent Neil asked why the offering of the minor is important since the courses are currently available to students. President Geoffroy responded that the benefit was that students can designate a minor in this particular field which can be included on a student's resume.

MOTION: Regent Becker moved to approve the Iowa State University proposal to establish an undergraduate minor in Emerging Global Diseases. Regent Ahrens seconded the motion. MOTION CARRIED UNANIMOUSLY.

REPORT ON MEETING OF THE IOWA COLLEGE STUDENT AID COMMISSION.

Interim Executive Director Barak stated that the only agenda item for the Commission meeting was preliminary review of budget proposals. He noted that one area of concern is the work study program. The work study program is in place but it has received no state funding this year.

Regent Fisher asked for the composition of the Iowa College Student Aid Commission. Interim Executive Director Barak responded that the Commission is composed of a number of individuals, some of whom are required by statute and some who are appointed by various boards. Membership includes the Board of Regents Executive Director, a representative of the independent colleges and universities, private citizens, and other student aid liquidity organizations. The Commission's authority is primarily over the programs administered by the College Student Aid Commission.

Regent Neil asked for the rationale for the 320 percent increase in the osteopathic forgivable loans. Interim Executive Director Barak said it was his understanding that the increase was part of an obligation to which the Commission agreed at an earlier time.

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

REPORT ON MEETING OF GOVERNOR'S EDUCATION ROUNDTABLE.

Interim Executive Director Barak stated that President Koob is the regular member of the Governor's Education Roundtable. Dr. Barak participated in the meeting on behalf of President Koob, who was unable to attend. He noted that former Regent Beverly Smith is also a member of the Roundtable.

Regent Neil asked for a definition of a "seamless" educational system. Interim Executive Director Barak responded that such a system was one in which students can move smoothly from preschool through post-doctorate education without problems of transfer of credit, etc.

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

ANNUAL STUDENT FINANCIAL AID REPORT.

Assistant Director Gonzalez presented the Board members with a PowerPoint presentation of the annual student financial aid report. She stated that the amount of financial aid increased 23 percent over the past 5 years. The amount of aid is at an all-time high. Information presented included the types of financial aid available to students, source of funds (federal, state and institutional programs), amount and percentage of funds distributed at the three Regent universities over the past five years, amount and percentage of funds by source (grants, loan, employment), amount of awards to resident and nonresident undergraduates (more than 78 percent of the funds were awarded to undergraduates who are Iowa residents), and average undergraduate indebtedness at graduation. Examples of initiatives planned for next year included scholarship programs for transfer students (University of Iowa), debt counseling/debt management classes (Iowa State University), Students First campaign (University of Northern Iowa). Assistant Director Gonzalez highlighted issues and concerns identified by representatives of the Regent universities such as lack of funds for the Iowa Work Study Program, need to eliminate student origination fees, and need to increase spending on Pell Grants. She presented information on the Iowa Minority Academic Grants for Economic Success (IMAGES) and College Bound programs.

Regent Fisher asked if the category "non-need based" aid is for the student who has the financial capability of paying his/her own tuition. Assistant Director Gonzalez responded that "non-need based" aid is for the student/family who does not qualify for need-based

aid. Many families choose to borrow money because the interest rates are extremely good.

Regent Fisher said it was his recollection that a year ago the average indebtedness at graduation was \$18,000 to \$19,000. He asked why the amount was much less (\$11,259 to \$14,660) this year. Assistant Director Gonzalez responded that the figures to which Regent Fisher referred were calculated across all students, both those who graduated with and without indebtedness. She then referred Regent Fisher to the information for the amount of indebtedness for seniors who graduated with indebtedness: \$19,989 (University of Iowa); \$21,982 (Iowa State University); and \$17,812 (University of Northern Iowa).

Regent Ahrens stated that non-need based financial aid is a sensitive subject. For example, her family is a farm family; therefore, they are expected to sell land to finance their children's education. She said many students do not fit into the need-based category because of the formula.

Assistant Director Gonzalez stated that, in 2000-2001, the average indebtedness of resident students graduating with debt was as follows: \$19,612 at the University of Iowa; \$21,166 at Iowa State University; and \$17,729 at the University of Northern Iowa.

Regent Kelly asked about students with well-to-do parents who will not help the students finance their education. Regent Ahrens said those students would be able to apply for loans or could become classified as independent.

Regent Neil noted that 41.9 percent of the financial aid was through loans but the amount of money represented by loan was over 50 percent of the aid awarded. Assistant Director Gonzalez responded that, this past year, the amount of money represented by loans was 52.1 percent.

Regent Nieland asked if the athletic department grants are included in the figures on the total awards granted. Assistant Director Gonzalez responded that the figures in the report did not include athletic aid.

Regent Becker asked why the average debt of seniors is higher at Iowa State University than at the other two universities. President Geoffroy responded that there is a significant demographic difference in the students. He said Iowa State University attracts a large number of students from farm families, many of whom have more financial challenges.

Regent Ahrens noted that, at Iowa State University, there is a very high number of non-need students.

President Geoffroy stated that many of the families of Iowa State University students who do not qualify for need-based aid find it more attractive to take out the non-need based loans.

Assistant Director Gonzalez stated that Iowa State University promotes parent partnership loans more so than at the other two institutions. The parent partnership loan is available to parents who do not demonstrate need.

Regent Turner referred to information in the meeting materials which indicated that 33 percent of seniors graduate without debt. She asked if that figure is consistent with peer institutions. She then asked if information was available on sophomores and juniors who drop out because their debt is too high.

Assistant Director Gonzalez responded that an analysis of debt load of students who drop out has not been done. With regard to the question about 33 percent of seniors graduating without debt, she said that figure is a little better than the national figures. Typically, the rate is closer to 25 percent at the peer institutions.

Regent Turner referred to information provided in the meeting materials on the College Bound and IMAGES programs. She noted there was a significant increase and then a decrease in 2000-01. Assistant Director Gonzalez responded that one factor is the additional contributions that the institutions have made from institutional funds to the IMAGES program because the amount of funds appropriated is quite limited.

Roland Carrillo, University of Northern Iowa Financial Aid Director, stated that the figures shown for 1997-98 were the appropriations for the three state schools. Over the years, some institutional funds have been added to increase the funds available.

Regent Turner asked how it is known if the College Bound program is working. Associate Provost Coulter referred to the meeting materials which indicated the amount of activity by each Regent institution in outreach to students in the state. He noted that the pool of students to be recruited is small. He said the College Bound program offers an incentive to students to complete school and prepare for college. Last year, at the University of Iowa, over 1,200 minority students participated in College Bound activities.

Regent Turner asked how success in the program is being measured. Associate Provost Coulter responded that Regent Turner raised an interesting question. He said the universities probably now have enough experience with the program that such information could be developed.

Regent Turner stated that such activity might be useful in determining whether the program is effective.

Regent Becker asked if there are any programs like IMAGES and College Bound for students who are financially needy but who do not fall into the minority categories. Assistant Director Gonzalez responded that, while College Bound is targeted to minority students, it is not limited to minority students. She believes the same opportunity is given to youngsters by the other two institutions. IMAGES is restricted to minority students. In addition, the Upward Bound program at each Regent university is targeted to first-generation high school graduates.

With regard to the success of the College Bound program, President Koob stated that 87 percent of College Bound attendees at the University of Northern Iowa have completed college. He said that was an astounding success. He was convinced that College Bound is an extraordinarily successful program. With regard to Regent Becker's question about programs for non-minority students, he said the College Bound approach is directed toward economically-disadvantaged first-generation college attendees. Participants include a strong mix of ethnicities.

Regent Becker stated that, later in this meeting, the Regents would be discussing potential tuition increases. By increasing tuition, a larger number of students will become eligible for financial aid under the federal guidelines based on need. She said there was nothing in the report about addressing that issue other than increasing the debt load for students. When does the Board of Regents talk about what else can be done for the families? How else can they help families without relying as much on loans? When teachers come out of college with high debt and do not receive adequate salaries in Iowa, they leave Iowa. She asked if the Board members could be provided with information addressing her questions for the next Board meeting.

President Newlin stated that a more in-depth study could be done for the next meeting. Interim Executive Director Barak said those circumstances could be looked at but he was not sure whether that could be done within the next month.

Regent Becker said she wondered whether the Board of Regents should suggest a higher increase in tuition than was recommended by the Board Office in order to provide a greater amount of funds for financial aid. She would like to know about the percentage of tuition set-aside that is dedicated to merit scholarships and the amount that goes to need-based financial aid.

Regent Kelly stated that another topic the Board members should address is employers paying students' debt.

President Newlin referred to the percentage of students graduating without debt and asked that the information be broken out by resident and non-residents in next year's report. Assistant Director Gonzalez responded that the Board Office would do so.

Assistant Director Gonzalez noted that the institutions have campaigns underway to raise additional funds directed toward scholarships. There are activities for youngsters at the elementary and secondary schools that are specifically directed at first-generation college-going youngsters.

President Newlin thanked Assistant Director Gonzalez for the comprehensive report, noting that it gets better each year.

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

ANNUAL INSTITUTIONAL REPORTS ON ACADEMIC PROGRAM REVIEW/ STUDENT OUTCOMES ASSESSMENT.

Interim Executive Director Barak stressed that this report was one of the most important reports the Board receives every year. It provides evidence of the quality of academic programs. He presented an overview of the academic program review process and discussed why student outcomes assessment is now included in the report. Annually, the Regent universities are to review one-seventh of their academic programs in furtherance of Board and institutional goals to improve the quality of the programs and improve teaching and learning. Last year and this year, Iowa State University has been below the one-seventh figure (four reviews last year; seven this year).

Interim Executive Director Barak stated that the universities completed 36 program reviews during 1999-2000, compared to 31 last year. The University of Iowa completed 12 reviews, Iowa State University 7, and the University of Northern Iowa 17. Generally speaking, program reviews were better this year than in previous years. A new template used by all three institutions helped focus the reports, which highlighted what recommendations had come from the reviews and the evaluations from student outcomes assessments and what actions have been taken.

Although reviews are supposed to help departments and colleges ask what can be done better assuming no new resources (faculty and budget), it was difficult for the reviews not to mention the impact of reduced funding. Many reviews contained references to the linkages of programs with departmental, college, and university strategic plans.

The universities should be commended for their increased efforts to use student outcomes assessment information required by the Board which can be an important tool

for the improvement of teaching and learning. The universities are moving far beyond the traditional end-of-course questionnaire. For example, some programs are now experimenting with on-line surveys of alumni.

Interim Executive Director Barak stated that accreditation reports are also critical in bringing national standards to bear on programs.

Regent Fisher asked for an example of how an academic program was benefited by one of the reviews.

Provost Podolefsky discussed the academic program review of the management major in the College of Business Administration, University of Northern Iowa. He said student survey results showed that the core Operations course was deficient in terms of data analysis techniques and interpretations. Students with a BA emphasis identified that they felt deficient in communication skills, ability to work in groups, and in understanding of the realities of the business world. He said department officials went forward and made changes that accommodated the perceptions of those students.

Regent Fisher asked if the University of Northern Iowa is on schedule to complete one-seventh of its academic program reviews every year. Provost Podolefsky responded affirmatively. He noted that the program reviews are done individually rather than a review of the department as a whole.

President Newlin asked if the other two universities were on schedule to complete one-seventh of the academic program reviews every year. Associate Provost Hoch responded that the University of Iowa was on schedule. He noted that, on occasion, there is reason to delay a review, possibly due to personnel issues.

Regent Fisher asked for an example at the University of Iowa of how an academic program review benefited a program or college. Associate Provost Hoch introduced the Department Executive officers of the School of Art and Art History, Dorothy Johnson, which recently was thoroughly reviewed.

Professor Johnson stated that the School's review was extremely helpful. It provided an opportunity for faculty to think about the School's needs. The review also looked at student outcomes assessment and the needs of students. One of the major results of the review was the hiring of three new faculty members. A two-thirds time undergraduate advisor was also added, which helped enormously. The review provided an opportunity to articulate the dramatic need for new facilities. The School of Art and Art History serves over 750 undergraduate majors and over 200 graduate majors.

President Geoffroy stated that Iowa State University also has a schedule for conducting reviews, although the schedule is somewhat behind. He noted that he is a strong believer in the value of academic program reviews.

Assistant to the President Chidister discussed an academic program review in the College of Design, of which he is a faculty member. He said he helped to coordinate the program review at the collegiate level. A team of design personnel with wide expertise were brought in to assist in the review. One outcome of the review was the laptop computer leasing program, recently approved by the Board of Regents. Another outcome was a restructuring of the design program department from six to three degree programs.

Regent Fisher asked how responses are obtained from alumni and students of the universities. President Koob responded that, for students on campus, student outcomes assessment is expensive to operate and difficult to get students to respond. University officials create a question or two that are presented at the front end of the University's computer-based registration system. University officials are thus able to get a statistically valid sample of responses from students. He noted that excellent information had been obtained that way and University officials had received no complaints from students to the questions. In seeking feedback from alums, University officials have tried to gain information about satisfaction in conjunction with fund-raising activities. Fund raisers have questions to ask alums to open up dialogue before asking them for money.

Associate Provost Hoch said the methods for obtaining information from students and alums of the University of Iowa are variable depending on the nature of the programs. One example was that exit interviews are conducted of students who are about to graduate. There is also a large number students who return to the University for re-certification which provides an opportunity for the University to solicit feedback.

President Geoffroy stated that Iowa State University has a very strong program of conducting exit interviews along with senior surveys and alumni surveys.

Provost Podolefsky stated that there are a number of efficient and reasonably effective ways to collect the data, some of which are more intensive and require considerable faculty effort. One example was in the University of Northern Iowa History Department. A sample of students who are just beginning their major are given an essay. A group of faculty judge the essays collectively as to the level of historical thinking. Four years late, a sample of seniors is done to judge essays as to what the students have learned as historians over the course of their degree. Faculty then adjust their curriculum based on whether or not the students have learned to be good historians.

Interim Executive Director Barak thanked Associate Director Kniker who, with his colleagues, worked hard on this report.

President Newlin stated that quality is one of four main targets in the Board's strategic plan; therefore, this report is at the heart of everything that is done. He then expressed appreciation for what the universities are doing and thanked them for their increased effort toward student outcomes assessment.

MOTION: Regent Fisher moved to (1) receive the report and (2) encourage the universities to focus academic program reviews more on program improvements based on existing resources and to describe more fully the changes made in programs that directly relate to student outcomes assessment measures. Regent Turner seconded the motion. MOTION CARRIED UNANIMOUSLY.

OPERATING APPROPRIATIONS REQUESTS FOR FY 2003.

Interim Executive Director Barak stated that the operating appropriations requests for FY 2003 were before the Board. He then recognized Director Elliott.

Director Elliott stated that the requests were the same as were presented to the Board in July. The appropriations requests were limited to 2.5 percent of the FY 2002 general education appropriations.

MOTION: Regent Neil moved to (1) approve the recommended appropriations requests for FY 2003 and (2) approve the priorities for restoring the base operating appropriations for FY 2003 to fulfill state statutory requirements for budget development. Regent Turner seconded the motion. MOTION CARRIED UNANIMOUSLY.

CAPITAL APPROPRIATIONS REQUESTS FOR FY 2003.

Interim Executive Director Barak stated that the capital appropriations requests for FY 2003 were unchanged from last month.

MOTION: Regent Fisher moved to (1) approve a FY 2003 capital improvement appropriations request of \$71,650,000, which include fire safety and

deferred maintenance projects and (2) approve the FY 2003 tuition replacement appropriations request of \$25,971,403 with the understanding that needs will be reassessed by November 15, 2001. Regent Nieland seconded the motion. MOTION CARRIED UNANIMOUSLY.

FINAL FIVE-YEAR CAPITAL IMPROVEMENT PLAN, FY 2003-FY 2007.

Interim Executive Director Barak stated that the recommendations were unchanged from the preliminary recommendations in July.

MOTION: Regent Ahrens moved to (1) approve the Five-Year State-Funded Capital Program for FY 2003 - FY 2007 of \$314.9 million, as presented, and (2) approve the Five-Year Program (FY 2003 – FY 2007) of \$152.4 million for the University of Iowa Hospitals and Clinics, as presented. Regent Turner seconded the motion. MOTION CARRIED UNANIMOUSLY.

REPORT OF THE BANKING COMMITTEE.

Regent Fisher stated that the Banking Committee deferred until next month the annual investment and cash management report. The representative from Wilshire Associates, the Board's investment advisor, experienced transportation difficulties. He said the Banking Committee received a report on the Costs of Bond Issuances. It also received a state audit report for Iowa State University, which was "clean". The Banking Committee received an external audit report on the Siouxland Interstate Metropolitan Planning Council (Simpco) which includes the Tri-State Graduate Center. There were no reported findings. Internal audit reports for the University of Iowa as well as a report on audit follow-ups were also received.

Regent Fisher stated that the Banking Committee approved a Preliminary Resolution for the Sale of up to \$14,000,000 Dormitory Revenue Bond Sales, Series SUI 2001, which also required Board of Regents approval.

MOTION: Regent Fisher moved to adopt A Resolution authorizing the Executive Director to fix the date or dates for the sale of up to \$14,000,000 Dormitory Revenue Bonds, Series S.U.I. 2001. Regent Neil

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

MOTION CARRIED.

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

EXECUTIVE SESSION. President Newlin requested that the Board meet in closed session pursuant to Iowa Code §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 Fisher seconded the motion, and upon the roll being called, the following voted:
AYE: Ahrens, Arbisser, Becker, Fisher, Kelly, Neil, Newlin, Nieland, Turner.
NAY: None.
ABSENT: None.

MOTION CARRIED.

The Board having voted at least two-thirds majority resolved to meet in closed session beginning at 4:02 p.m. on September 12, 2001, and adjourned therefrom at 4:50 p.m. on that same date.

TUITION POLICIES AND PROPOSED RATES.

Interim Executive Director Barak referred the Board members to the revised memorandum on tuition policies and proposed rates. He said the Board policy is that 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. He presented the Board Office recommendation, as follows:

Consider the following preliminary adjustments for the 2002-03 academic year tuition and fees, effective with the summer session 2002:

TUITION

1. Consider a preliminary increase of 11.5% in base tuition, derived from the following two components:
 - By 9.5% to maintain quality and effectiveness through an inflationary adjustment based on the Higher Education Price Index (HEPI); and
 - By 2.0% to improve quality to achieve the aspirations of the Board's strategic planning goals of excellence.
2. Consider increasing the financial aid set-aside in the same institutional proportion as the tuition increases to assure access for students.
3. Nonresident Professional Tuition (University of Iowa only) -- Consider the University of Iowa's proposal to increase certain nonresident professional tuition rates at the same dollar amount as the resident tuition increases rather than at the same percentage increase.

MANDATORY FEES

Consider, in addition to the proposed base tuition increases, the changes to the mandatory fees for the 2002-03 academic year, as presented.

SURCHARGES (University of Iowa only)

Consider, in addition to the proposed base tuition increases, the surcharges proposed by the University of Iowa.

TUITION-RELATED MISCELLANEOUS FEES

Consider the tuition-related miscellaneous fees and charges as presented.

Regent Becker asked if any recommendations were built in to the Board Office recommendation to address student financial aid for increased needs. Interim Executive Director Barak responded that the Board Office recommended increasing financial aid set-aside by the same percentage as the tuition increases.

Regent Becker asked how many additional dollars there would be for student financial aid. Director Elliott responded that there would be an additional \$4.8 million in financial aid set-aside for a total of \$47 million set-aside for the three universities.

President Newlin recognized the university presidents to comment on the Board Office recommendation.

President Coleman stated that what is done in tough times will be important for the University of Iowa in years to come. She did not want the University to “tread water”; it is important to move forward. She agreed with much of the Board Office recommendation, but said it falls short of what is required. She asked that the Board reconsider the tuition proposal. University officials are holding financial aid harmless from the budget cuts. There is a commitment to making cuts, where necessary, to ensure efficiency. University officials are committed to the 4-year education plan. She noted that 70 percent of incoming undergraduates participate in the 4-year plan. University officials are committed to supporting tuition and fees at levels necessary to provide a quality education.

President Coleman stated that the University of Iowa College of Liberal Arts and Sciences is the most comprehensive of its colleges. The College awards 70 percent of the University’s undergraduate degrees. She presented a proposal to address the needs of the College, which would involve a multi-year investment in the College of Liberal Arts and Sciences. Two complementary components to the plan are: 1) new and restored faculty lines and 2) support for faculty recruitment, instructional equipment and facility renovation. She discussed what can be accomplished with this multi-year investment, including an exciting four-year faculty-led plan to invigorate departments.

President Newlin said the Board of Regents understands the emphasis that President Coleman is putting on quality, and believes it is very important.

President Geoffroy stated that Iowa State University officials will support whatever tuition increase the Board recommends. He acknowledged that setting tuition is a complex issue. Two issues to be considered are to: 1) maintain access and 2) ensure quality of educational programs. He said the student leaders would likely address the access issue and he would address quality. He was concerned that quality is being seriously eroded by the budget tightening of the last year. As a result, University officials have, for example, had to increase class size and limit hours computer labs are open. At a time when enrollments are skyrocketing, the University’s budget is being cut and the number of faculty and staff is being reduced. He then provided a graph that illustrated the challenges being faced in the ratio of the number of students to tenure-track faculty. The graph showed a 10-year comparison starting in 1991. While the number of tenure-track faculty over the period had declined, the number of students has increased as has the ratio of students to faculty.

President Geoffroy stated that the 11.5 percent proposed tuition increase would not return the University’s budget to where it was before the budget cuts of a year ago. There has been a continuing erosion of the budget due to the state’s continuing budget problems. He then presented peer university comparison data, noting that tuition and

fees at Iowa State University are third from the lowest. With regard to how Iowa State University compares to peer institutions regarding total funding for students, he said the amount is \$13,307/student at Iowa State University while the average of the peers is \$16,400/student. He said those figures do not align with Iowa State University's aspiration to be the best land grant university in the nation. Iowa State University officials are prepared to deal with the budget challenges. They intend to work hard to enhance quality, where possible. He hopes the budget challenges can be lessened by the tuition increase.

Regent Neil stated that the information presented by President Geoffroy which compared tuition and fees with peer institutions presented only one view of the Iowa situation. It did not consider income of Iowans compared to those in the other states. Regent Fisher referred to the meeting materials which provided comparison information of tuition and fees as a percentage of per capita personal income. He said Iowa ranked third lowest, behind Arizona and North Carolina.

Regent Ahrens pointed out that Arizona and North Carolina have constitutional restrictions on tuition increases. President Newlin stated that those constitutional restrictions on tuition increases may restrict the quality of those states' educational programs.

Regent Becker asked if there was information available on how the states whose universities have high tuition handle the issue of student financial aid. President Geoffroy responded that such information was not readily available. Regent Becker said she would be interested in receiving that before the Board is asked to make a decision on tuition.

President Koob stated that the University of Northern Iowa had enrolled in excess of 14,000 students this fall. He said this number was 299 students ahead of the number on campus on this date last year and more than 250 additional students than had been projected. The enrollment increase occurred in the face of the 9.9 percent tuition and fee increase for this year. He stated that salaries at the UNI are set by collective bargaining; therefore, when funds are moved into salaries and benefits line items, it is not a discretionary choice but rather is done because of a process external to the University. This year, the University's salary budget is up \$5 million from last year and funds fewer permanent positions than the University had the previous year. At the same time, state appropriations for the University are down \$1.4 million, for a combined loss to operations of \$6.4 million. He said tuition would need to be increased by a factor of 7 for every factor of 3 that state appropriations are lowered because there is a 70/30 ratio between tuition and state appropriations. With this ratio in mind, the University of Northern Iowa would require a 15.5 percent increase in tuition just to stay even with last year.

President Koob said it was clear that the choice apparently was to reduce access or increase the cost. While University officials are aware that raising the cost for students reduces access, he had no choice but to recommend that the Board raise tuition more than was proposed.

President Newlin asked President Geoffroy about enrollment projections at Iowa State University this year compared to last year. President Geoffroy responded that headcount enrollment at Iowa State University was 27,825 which was about 950 additional students from last year, a percentage increase of approximately 4 percent.

President Newlin stated that all three universities have had dramatic increases in enrollment this fall.

Regent Neil asked if the other university presidents concurred with President Koob's recommendation for a 15 percent tuition increase. President Coleman responded that a tuition increase close to 15 percent would allow the University of Iowa to maintain the current quality of education and begin the new initiative for the College of Liberal Arts and Sciences.

Regent Becker asked, if the Board of Regents desired to decrease the reliance on loans, would it have to increase tuition beyond the 15 percent increase suggested by President Koob. President Coleman said the increase would definitely have to go beyond 15 percent in order to decrease the reliance on loans. She believes the University is meeting the need for student financial aid. There has not been a huge increase in student debt load. University officials are committed to raising money for scholarships.

Regent Neil asked if the 15 percent increase is about equal to the shortage in state appropriations. President Coleman said the total increase for the University of Iowa would not quite meet the shortage in state appropriations. She stressed the importance of not just maintaining the status quo, which was why University officials developed the initiative for the College of Liberal Arts and Sciences. The University has to continue moving forward. She wants to do something dramatic during this trying period.

Regent Fisher referred to the issue of private fund raising. He stated that Iowa State University had just completed a very successful \$750 million campaign. The University of Iowa is embarking on a fund-raising effort, a great deal of which is for scholarships and fellowships. He said the University of Northern Iowa had the best year in its history in fund raising. Therefore, the private sector is coming to the table with a large amount of funds, which should be kept in mind.

Regent Becker expressed her belief that a tuition increase has to be undertaken in order to move the universities forward. She did not think the state was willing to raise taxes. She said she would be supportive of a 15 percent increase to save the universities. The Board needs to look at the more consistent source of funding which comes from tuition. If tuition were to increase by 18 percent, the additional 3 percent beyond the suggested 15 percent could be used for student financial aid. She questioned whether increasing tuition beyond 15 percent would keep the student loan debt from increasing.

Regent Kelly stated that he would look favorably at an 18 percent increase in tuition.

Regent Ahrens stated that she would be interested in seeing numbers on what was suggested by Regent Becker. She noted that 33 percent of students are graduating without debt. Students at the universities want a quality education and they feel fortunate that they have choices. She said it was important to remember that the universities are in existence because there are students at the universities. She cautioned against reducing access. She expressed concern about the average student indebtedness. She referred to the proposed tuition increases being discussed at this meeting which ranged from 11 to 11-1/2 percent to 15 to 18 percent, and cautioned that the Board of Regents needs to maintain a balance.

Regent Turner said the Board of Regents may be coming to a point of targeting various financial aid programs, such as a teacher loan program. Consideration should be given to the salaries that students will be earning when they graduate.

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

Mr. Klenske discussed the impact of the state appropriations reduction to the University of Iowa of \$19 million. He questioned the University's priorities for allocation of funds and the role of the state in providing its citizens with an education. He reminded the Board members that the state work study program, which provides funds for students to work to pay for their education, received no funding this year.

Mr. Klenske stated that, over the past two decades, University of Iowa tuition has risen steadily, at a rate almost double the rate of inflation. At the same time, wages and family income for most Iowans have changed little. Therefore, tuition consumes a greater portion of the average family budget. He said the right to an accessible education is in jeopardy due to the tuition increases, such as the proposal before the Board at this meeting.

Mr. Klenske asked the Board of Regents the following: 1) Consider looking other places for quality money; 2) Stay true to its policy of predictability in establishing tuition rates by freezing tuition and by creating a set tuition rate for a student's entire college education; and 3) Do not forget the students.

President Newlin thanked the University of Iowa students for the presentation. He then recognized Andrew Tofilon, Iowa State University student government president.

Mr. Tofilon stated that he represented 27,000 students of Iowa State University. He said students understand the Board's position and the gravity of the decision it has to make. He asked for consideration of the root cause of the devastating proposed tuition increase: the diminished priority of the Regent schools by state government. There must be preparation for the next legislative session. The state legislature dealt a severe blow to the Regent institutions with its appropriations reductions. They must plan for the future to come together to bring their case to the state of Iowa. The following are the steps that students and administrators should take: 1) Obtain lists from the Iowa State University Alumni Association of alumni, parents and donors. 2) Organize those lists by Senate and House districts. 3) Send a targeted mailing with phone numbers and email addresses of legislators. 4) Two email and letter blitzes from students to educate citizens of the state of Iowa.

Charlie Johnson, Iowa State University student government vice president, said there were several factors the Board of Regents needed to consider. First was the Iowa farm economy. He said the rural economy is in dire straits today. Second, out-of-state students carry a greater financial burden for tuition.

Mr. Tofilon addressed the components of the proposed tuition increase. He said students agree with the quality increase and encourage University administrators to decrease class size. With regard to student fees, he stated that, overall, students agree with the fees being assessed. He described the process for determining student fees that had been utilized by student representatives and Iowa State University's new President, Gregory Geoffroy, and stated that students are pleased with their relationship with President Geoffroy. With regard to the Higher Education Price Index (HEPI) component of the proposed tuition increase, he said students believe it is much too high. Students propose that the HEPI component be established at 7.5 percent, which is 2 percent lower than the recommendation.

Mr. Tofilon asked that President Newlin's comments, which were made at a previous meeting, be kept in mind: That the three universities are the crown jewels of the state of Iowa. He said student needs and concerns are not being met by the state and federal government. State work study funding was eliminated by the legislature. The legislature cut funding for the Iowa grant program.

Mr. Tofilon stated that many students have told him that they may no longer be able to attend Iowa State University. He cautioned that a tuition increase is not just a "quick fix". The students, who the universities were founded to serve, cannot be forced out. The universities need to make sure they can meet the needs of students.

President Newlin thanked the Iowa State University students for the presentation. He then recognized Adam Briddell, President of the Northern Iowa Student Government.

Mr. Briddell presented information on tuition and fees currently paid by University of Northern Iowa students and the total increase in the cost of education as proposed for FY 2003. He stressed the importance of compromise in determining tuition policy. With regard to the 9.5 percent increase in tuition to address the increase in the HEPI, he said students believe that a 5.5 percent increase is a more reasonable number. Quality of service at the Regent universities has not declined; therefore, students believe there is not a need to increase the Higher Education Price Index component to compensate for previous shortfalls.

Kellie Greiner, Vice President of the Northern Iowa Student Government, addressed the proposed 2 percent increase in tuition for quality. She said students proposed a 1.4 percent increase in the quality component because the structure of fees on top of tuition mitigates the need for a 2 percent increase in tuition for quality.

Mr. Briddell stated that University of Northern Iowa students agree with the Board's desire to maintain quality through adjustments based upon the Higher Education Price Index and improving quality through allocation of additional resources. However, students feel that the increase in fees in addition to tuition increases should be taken into account when determining the need for such quality-based increases. He concluded by stating that he hoped a compromise could be reached.

President Newlin thanked the University of Northern Iowa students for their presentation.

Regent Turner stated that the Board of Regents is facing a hard decision in hard times. Having received two degrees from two of the Regent universities and having a brother who received his degree from the third Regent university, she said tuition has continually increased. The population of Iowa has not really grown. However, the number of students attending our Regent institutions continues to grow. Possible reasons were: 1) out-of-state tuition may be too high for Iowans to avail themselves of other institutions; 2) the cost of private education may be significantly too high for many Iowans to seek; or 3) people understand the importance of getting a higher education.

She said the quality of the education that is received at Iowa's Regent institutions is so good that Iowans and others understand its value.

Regent Turner stated that the students made some great points which would be considered. All three student presentations addressed quality. She said that if the universities attempt to maintain their current situation and hold their "ground", they actually do not. If they stay the same, they fall behind. As the premier higher education institutions in Iowa, she said the Regent universities cannot afford to fall behind because they may never catch up. Students understand they can go anywhere in the country with a degree from an Iowa Regent university. The value of the education is so important. One of the biggest issues in the tuition discussion will be to maintain quality.

Regent Turner challenged the institutions to continue to maintain access. She said that, in the past, she indicated an interest in knowing how many students leave the institutions because of finances. She asked that the institutions seek out that information. Nevertheless, tuition has been increasing, the state population is not increasing, state revenues are falling, and enrollments are increasing because of the quality of the education.

Regent Turner said she would like the Board of Regents to take action that may delay the Board's final action on tuition until the November Board meeting. She asked that the Board consider requesting the Board Office to look at the quality component of the tuition proposal and recommend consider using a quality component that is at least 1 percent of the universities' total educational budget. The Board members should be presented with what those numbers would be in order to compare the difference. She acknowledged that this may increase the numbers overall but the Board and institutions are at a critical point. She does not think the way to face a crisis is to destroy the value of something that is extremely valuable to this state.

MOTION:

Regent Turner moved to request that the Board Office modify the quality component of the tuition proposal with a recommendation that the component should be increased to no less than 1 percent of the universities' total education budgets. Regent Fisher seconded the motion.

Regent Fisher stated that in the mid-1980s, the state of Iowa experienced a deep recession. Tuition was not increased during those difficult years and the universities fell behind. As a result, in the late-1980s to early-1990s, the Board of Regents had to take dramatic measures to save its top professors. He said he liked the Iowa State University student idea of contacting alumni to take their concerns to legislators and the Governor. He encouraged the other schools to develop a program of talking to

legislators and the Governor. He acknowledged that there will be a tough road ahead. There is an anticipated \$300 million reduction in state revenues in the future. Many public universities across the country are facing the same issues and probably at higher magnitudes. Iowa is not isolated in this issue. Our elected officials have some tough decisions to make. There are less revenues with which to deal. The Board of Regents needs to look at the three-legged stool of funding its universities.

President Newlin stated that the implication of Regent Turner's motion was that the process for tuition deliberation would be pushed back by 30 days. Therefore, the Board will deliberate in October and November, with the final decision to take place in November.

Regent Becker asked that, during the additional time, the Board Office develop proposals for a funding system that will ensure that the amount of debt loan burden of students is not increased.

Regent Neil asked if Regent Turner was actually suggesting that the Board increase the quality component of the tuition increase to make up for the shortfall in the state's funding of the institutions. Regent Turner responded affirmatively, noting that the legislative shortfall in funding is threatening the quality of the Regent institutions.

VOTE ON THE MOTION: Motion carried with Regent Ahrens voting "no".

ANNUAL REPORT ON RETIREMENT PROGRAMS.

Director Wright reviewed the annual report with the Board members. He stated that a total of 41 employees entered the phased retirement program during FY 2001. An estimated net savings of \$2.4 million was realized through the program. A total of 254 employees retired through the early retirement program. A net savings of approximately \$9.7 million will be realized while these individuals are in the program. The net savings were reported to be generally unavailable at this time because they were used to meet budget reductions and staff replacements. It was also observed that the formula used to determine these savings is under review to determine if it accurately measures savings. He said early retirees have the option to receive payment for the value of future benefits in a lump sum or to receive the benefits over time. If taken in a lump sum, the benefits are discounted. The Board was asked to approve a present value discount rate for FY 2002 of 3.7 percent. He said that, in July, the Board approved renewal of the phased retirement program for a five-year period beginning July 1, 2002. At the same time, the Board approved discontinuation of the early retirement program upon its expiration on June 30, 2002.

Regent Fisher asked for clarification of the lump sum pay out. Director Wright responded that early retirees have the option to receive payment for the value of future fringe benefits in a lump sum. Employees can elect to receive the value of those future benefits in a lump sum rather than have them paid out over the length of the retirement program.

MOTION: Regent Fisher moved to (1) receive reports from the institutions on the operation of the phased retirement program and early retirement incentive program in fiscal year 2001; and (2) establish a present value rate of 3.7% for lump sum pay out under the early retirement incentive program for fiscal year 2002. Regent Ahrens seconded the motion. MOTION CARRIED UNANIMOUSLY.

ANNUAL REPORT ON ENERGY CONSERVATION.

Associate Director Racki reviewed the annual report with the Board members. She stated that, annually, the Board receives a report on energy conservation efforts at the Regent institutions. This report provides a means of assessing the efficiency and effectiveness of the operations of the Regent institutions. This year's report also provided information on energy usage and energy costs for FY 2001; addressed the institutions' plans to control energy costs in FY 2002 and future years; and provided a status report on the implementation of energy conservation measures. She said the Regent institutions have significantly reduced their energy consumption on a BTU per gross square foot basis since FY 1979, the peak consumption year. The Regent institutions are in the process of identifying and implementing additional energy conservation measures to reduce/control FY 2002 energy expenditures. The institutional efforts will focus primarily on improvements in temperature settings and lighting levels, equipment use, classroom scheduling, and campus communications to ensure cooperation with the energy conservation plans.

President Newlin asked representatives of each of the universities to discuss how they are dealing with increased fuel costs in FY 2002.

Vice President True stated that, in the University of Iowa's budgeting process, University officials have planned for a substantial savings (\$700,000) for the current fiscal year. If those savings are not achieved, the budget problem will be compounded. There is a campus-wide effort to emphasize what individuals can do. Many efforts are being undertaken "behind the scenes" in managing equipment. This past summer, the University experienced planned outages by MidAmerican Energy to reduce electrical costs.

Vice President Madden stated that Iowa State University officials are undertaking many of the efforts outlined for the University of Iowa. The budget for this year includes a savings of \$1.5 million in energy costs. He noted that coal prices have increased. University officials created a task force to address fuel costs and energy conservation. There are active conservation efforts including adjustments in building temperatures. There is a campaign to turn off equipment when not in use which has saved the University \$250,000 in energy costs through August. He noted that there are many efforts that can take place without impacting the way the University does business.

Vice President Dell stated that efforts on the University of Northern Iowa campus are similar to those of the other two universities. The University has had an extensive energy conservation program as well as an extensive preventive maintenance program. She said equipment that operates efficiently saves energy.

ACTION: President Newlin stated the Board, by general consent, (1) received the annual report on energy conservation and (2) encouraged the institutions to continue to pursue energy conservation measures and other methods to control energy costs in addition to the measures currently in place for FY 2002.

BOARD OFFICE PERSONNEL TRANSACTIONS.

The Board Office reported that there were no transactions on its personnel register this month.

APPROVAL OF VENDORS WITH A POTENTIAL CONFLICT OF INTEREST.

ACTION: This matter was approved on the consent docket.

REGENT AFFILIATED ORGANIZATION REPORT.

ACTION: The annual report of the Stanton Memorial Carillon Foundation was received on the consent docket.

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

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

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

BRINGING THE CLASSROOM TO LIFE: THE IOWA ELECTRONIC MARKET EXPERIENCE.

Associate Provost Lola Lopes stated that this was the fourth of six presentations on information technology arranged by the Interinstitutional Committee on Educational Coordination. She reviewed the series of presentations that had been made to the

Board to date. She then introduced Joyce Berg, Professor in the Department of Accounting of the Tippie College of Business.

Professor Berg presented information on the Iowa Electronic Market which has been an ongoing and growing program at the University of Iowa for the last 10 years. The Iowa Electronic Market has been trading online since 1988, which was before E-Trade began trading. She said the program is offered through an interdisciplinary team and provides a terrific example of how research, teaching and service work hand in hand. The program has captured the attention of the media and enables them to “show Iowa off”. The classroom is “brought to life” through this program which provides a real money financial market. Students perform online web-based trading. The Tippie College of Business is partnering with schools in Germany and Amsterdam to offer the Iowa Electronic Market. Supporting organizations include the U.S. Department of Education, the National Science Foundation, Environmental Protection Agency, NASDAQ and Microsoft.

Regent Kelly asked if any money is actually involved. Professor Berg responded that there is money involved. These are real money financial markets.

Regent Kelly asked if students participate in the market using their own money. Professor Berg responded that students put in their own money. Research has found that people pay more attention to the decisions they make if they have some interest in it. With regard to how students invest their own money in the market, she stated that the market is treated as a lab, just like a chemistry lab. At the beginning of finance class, students pay a \$10 lab fee to the Iowa Electronic Market and trade to the market. Unlike chemistry class, if students make good decisions in the market, they can get back their lab fee. Some schools partner in the market through a Department of Education grant which provides money for the student.

Regent Kelly said he was sure there are many good things about the learning process provided by the Iowa Electronic Market but he believed there were many “holes” in it in relationship to the “real” financial world.

President Newlin thanked Professor Berg for the presentation.

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

STATE UNIVERSITY OF IOWA

The following business pertaining to the University of Iowa was transacted on Wednesday and Thursday, September 12 and 13, 2001.

TOUR OF NATIONAL ADVANCED DRIVING SIMULATOR (NADS).

The Board of Regents members toured the National Advanced Driving Simulator on the Oakdale Research Park campus on the morning of September 13, 2001.

Vice President Skorton presented the Board members with background on the National Advanced Driving Simulator. He said it is a project of the U.S. Department of Transportation, administered through the National Highway Traffic Safety Commission, and created over a decade ago. The Department of Transportation contracted with the National Science Foundation to solicit competition for the National Advanced Driving Simulator. Through this process, the University of Iowa was selected. He said the University won the competition because of its faculty in the College of Engineering and, particularly, Professor Ed Haug. This will be the most advanced driving simulator in the world. The National Advanced Driving Simulator has the potential to reduce highway fatalities, most of which are due to human error.

Vice President Skorton stated that the National Advanced Driving Simulator will be used to study human factors related to highway safety. University officials are encouraging use of the simulator to test new drugs that may affect drivers' ability. He introduced Professor L. D. Chen, Director of the National Advanced Driving Simulator, and Distinguished Professor of Mechanical Engineering. Professor Chen has built a very high-quality professional staff. He is bringing faculty and students to the simulator and is dealing with the politics of a large federal project.

Dr. Chen stated that it was a privilege to be part of the National Advanced Driving Simulator project. He thanked the Board for its support of the project. Dr. Chen has been with the University of Iowa since 1982. He said it has been a privilege to work at the University.

The Board members toured the control room preparation area and then the simulator dome which contained a Jeep Cherokee cab. The simulator was undergoing scheduled

maintenance; therefore, no one was able to “drive” the vehicle. The simulator environment moves 60 feet by 60 feet and provides an accurate representation of motion cues. It contains a hi-fidelity visual system and a fully immersed environment. There are 18 projectors which provide 20-20 vision. The floor of the simulator contains 80” depth of cement. Inside the cab of the Jeep Cherokee are four video cameras, the images from which are transmitted through fiber optics back to the control room.

Dr. Chen described a National Science Foundation grant to link the C-6 virtual reality theater at Iowa State University with the National Advanced Driving Simulator at the University of Iowa. University officials will also be able to take advantage of the technology of the Iowa Communications Network.

Vice President Skorton stated that, since the beginning of the underlying work for the National Advanced Driving Simulator, there has been a very close relationship with Iowa State University. Professor Chen and the Deans of the two universities’ Colleges of Engineering have worked closely together to integrate the technologies.

Dr. Chen stated that drivers are chosen through a protocol defined by the faculty, including gender, age group, and driving experience. There is currently a large data base of volunteers. Research will determine how average drivers react to different threats on the road.

The Board members toured the cab preparation room. There was a Ford Taurus, Chevrolet Malibu, Freightliner truck and a John Deere tractor cab for use in the simulator. Automobile manufacturer’s engineers will utilize information obtained through the National Advanced Driving Simulator in new vehicle design. Private industry is charged \$1,000 per hour for simulator usage.

President Newlin thanked University officials for the tour.

REGISTER OF PERSONNEL TRANSACTIONS.

ACTION: The Register of Personnel Changes for June and July 2001 was approved on the consent docket.

NAME THE MISSISSIPPI RESEARCH RIVERSIDE ENVIRONMENTAL RESEARCH STATION THE LUCILLE A. CARVER RIVER RESEARCH AND EDUCATION FACILITY.

President Coleman presented the University of Iowa’s request to name the Mississippi Riverside Environmental Research Station in honor of Lucille A. Carver, as the Lucille A. Carver

River Research and Education Facility. She stated that both the Campus Planning Committee and the Advisory Committee on the Naming of Buildings have concurred with this request.

MOTION: Regent Fisher moved to approve the University of Iowa's request to name the Mississippi Riverside Environmental Research Station as the Lucille A. Carver River Research and Education Facility. Regent Neil seconded the motion. MOTION CARRIED UNANIMOUSLY.

COLLEGE OF NURSING FACULTY PRACTICE PLAN PROGRESS REPORT.

President Coleman stated that the report was in order. Dean Dreher was in attendance to answer questions.

ACTION: President Newlin stated the Board, by general consent, 1) received the status report on the University of Iowa College of Nursing Faculty Practice Plan and 2) requested that another status report be provided no later than September 2002.

APPROVAL TO MERGE THE DEPARTMENTS OF INDUSTRIAL ENGINEERING (IE) AND MECHANICAL ENGINEERING (ME) TO FORM THE DEPARTMENT OF MECHANICAL AND INDUSTRIAL ENGINEERING (MIE) IN THE COLLEGE OF ENGINEERING.

ACTION: This matter was approved on the consent docket.

PROFESSIONAL AND SCIENTIFIC CLASSIFICATION REVISIONS.

Director Wright stated that University of Iowa officials proposed revisions in its Professional & Scientific classification system that included the addition of two new classifications and change in pay grade assignment for one classification.

MOTION: Regent Neil moved to approve the revisions to Professional and Scientific Classification System at the University of Iowa, as presented. Regent Ahrens seconded the motion. MOTION CARRIED UNANIMOUSLY.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS.

Vice President True stated there were a number of items included in the University's capital register. He noted that a number of staff from University of Iowa Hospitals and Clinics were available to answer questions about the program statement on the Center for Excellence in Image Guided Radiation Therapy.

Dr. John Buatti stated that the current University of Iowa facility has multiple shortcomings. This project will enable UIHC to provide the best cancer care in the region.

President Newlin stated that this was a very important project for the University of Iowa Hospitals and Clinics to stay the "crown jewel" that it is.

Regent Turner noted that, in addition to improving the quality of care, there are certain changes that will happen in the standard of care in radiation oncology which this project will help the UIHC to meet.

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

APPROVAL OF LEASES.

MOTION: Regent Neil moved to approve 1) a lease agreement with Grandview Court Partnership for the University's use of space in Iowa City for the Iowa Lions Eye Bank of the Department of Ophthalmology and Visual Science of the College of Medicine; and 2) authorization to add to its tenant property inventory the day care property located at 701 Melrose Avenue, Iowa City, Iowa, and approval of the lease rate for FY 2002. Regent Ahrens seconded the motion, and upon the roll being called, the following voted:
AYE: Ahrens, Arbisser, Becker, Fisher, Kelly, Neil, Newlin, Nieland, Turner.
NAY: None.
ABSENT: None.

MOTION CARRIED.

MEETING OF BOARD OF REGENTS, STATE OF IOWA, AS THE BOARD OF TRUSTEES OF THE UNIVERSITY OF IOWA HOSPITALS AND CLINICS.

President Coleman introduced Ed Howell, Director and CEO of University of Iowa Hospitals and Clinics (UIHC), to present the quarterly report.

Director Howell stated that he was pleased to present the University of Iowa Hospitals and Clinics' first report of the fiscal year. The report included an update on operations, program and finances, a report on delegated governance functions, and a report on a project related to community pharmacies within Iowa. He said the UIHC's performance is solid and compares favorably with other academic hospitals. The forces of health care remain in a state of flux. Managed care remains a force and reimbursement continues to decline. The University of Iowa Hospitals and Clinics remains one of the premier health care centers in the country.

Director Howell then reported on how the University of Iowa Hospitals and Clinics is responding to Tuesday's (September 11, 2001) catastrophic events. He said it has been heartening to witness America's health care community rally to the tragedies in New York and Washington, D.C. Teaching hospitals and medical schools, which provide the majority of the nation's burn units, trauma care and intensive care units, are serving those in need. The providers of these socially-needed, but financially-challenged services note the tremendous challenges that are facing physicians and staff at these great facilities. As one of society's safety net hospitals, the UIHC has been drawn into this week's events. The nature of the disaster has resulted in many burn victims. The United States only has 139 burn centers, with slightly over 2,000 beds for burn victims. Thus, a single event, such as the one experienced two days previous, quickly exhausts the local capacity for burn victims. When the nature of the casualties became known, the University of Iowa Hospitals and Clinics was contacted by the American Burn Association to determine its capacity to accept victims. Staff quickly reached a determination as to the number of patients for whom care could be provided. He stated that, unfortunately, at times like this, one is reminded of how valuable the University of Iowa Hospitals and Clinics' role can be. On a matter associated with the events of this week, he noted that, on previous occasions, he has expressed concern that the UIHC should have the capacity to tolerate disruptions in cash flow. The offices of the Empire State Blue Cross Blue Shield were located in World Trade Center. Thus, New York's hospitals are now experiencing a disruption in their cash flow and their processing of claims. He then asked Mr. Staley to review the operating performance.

Mr. Staley stated that admissions for the past fiscal year have been stable. Total admissions for the past fiscal year are up slightly from the previous year. The average length patient stay rose just slightly while the case mix index rose 9/10 of 1 percent this past year. The case mix index for the Medicare patient population at University of Iowa Hospitals and Clinics is 1.83 while at Iowa's secondary level hospitals the Medicare patient case mix index is 1.45.

President Newlin asked for a definition of secondary level hospitals. Mr. Staley responded that secondary level hospitals are those hospitals that serve a regional population.

Regent Becker asked if University of Iowa Hospitals and Clinics is the only tertiary care hospital in the state. Mr. Staley responded that it is the only comprehensive tertiary care facility in the state.

Mr. Staley next reviewed the statistics for clinic visits for the past five years.

Regent Turner asked if there are fewer off-site clinics this year. Mr. Staley responded that there has been a change in organizational relationships of some of the clinics, but the number of clinics is consistent with last year's number.

Director Howell noted that there are two different kinds of clinics. The first is primary care clinics and those are decreasing by two. There are also a number of specialty outreach clinics.

Mr. Staley discussed patient statistics on admissions and clinic visits by Iowa county.

President Newlin said it was very important that University of Iowa Hospitals and Clinics is serving every county in the state.

Mr. Staley discussed the managed care patient volume. He said the percentage of patients who are in a managed care program and the percentage of revenues from managed care is increasing.

Director Howell reviewed with the Board members the UIHC's financial performance for the fiscal year ending June 30, noting that the numbers were un-audited. He stated that, while net revenues and expenses were higher than for the previous year, the increase in net revenue was not keeping pace with the increase in costs. State appropriations continue to be over-earned. For FY 2001, the operating margin was

3.6 percent which is below the 5.1 percent achieved for FY 2000 but compares favorably with the operating margins of other academic medical centers.

President Newlin asked for a projection as to how the operating margin will fare in FY 2002. Director Howell responded that UIHC officials have budgeted for a 3 percent operating margin. He said that will not come easily; there will be a challenge to achieve 3 percent but it is achievable. UIHC officials have been indicating for the last six or seven years that, over the long term, the operating margin should be in the range of 3 percent. The 347 free-standing state hospitals that Moody's rated in 2000 had a median operating margin of 0.8 percent. For those hospitals that had a AA or higher rating, the median operating margin was 3.1 percent. Therefore, he said the University of Iowa Hospitals and Clinics compares quite favorably. He said the long-term planning projection suggests the 3 percent operating margin, as well as the programmatic needs and capital needs, can be met.

President Newlin asked Director Howell to comment on the \$65 million expense reduction. Director Howell stated that, over the last 5 years, UIHC officials have reduced the expense budget by \$65 million, with those dollars adjusted back to 1995. He said that was done on time and in a thoughtful way. UIHC officials began by addressing issues of quality and worked backward toward cost. He noted that, in the process, 566 positions were removed from the FTE base but no one lost employment with UIHC.

Regent Kelly congratulated Director Howell and his staff for their success in the face of adverse circumstances.

Director Howell introduced Bill Hesson and Chuck Helms to report on delegated governance functions.

Mr. Hesson presented information on the review of functions that are delegated to the Hospital Advisory Committee. Those functions included 1) establishing and approving internal policies and procedures for the University of Iowa Hospitals and Clinics; 2) receiving, reviewing and following up reports of studies; and 3) granting and decreasing clinical privileges.

Dr. Helms presented highlights of quality improvement activities and granting of clinical privileges this year.

Regent Arbisser asked if staff perform the credentialing. Dr. Helms responded affirmatively, noting that staff and a hospital committee perform the credentialing.

Regent Arbisser asked for the cost of credentialing. Mr. Hesson said he would have to get that information from the budget. There is a staff of about 4 people who work full time on credentialing.

President Newlin asked that, once the information is obtained, that the information be sent to the Board Office for distribution to the Board members.

President Newlin expressed the Board's appreciation to Dr. Helms for the job he is doing as chief of staff.

Mr. Hesson presented the proposed revision to Article VIII, Section 4, of the Bylaws, Rules and Regulations of the University of Iowa Hospitals and Clinics and its Clinical Staff. He said the amendment, which changed from 24 hours to three days the length of time within which a signature is required on a patient's order, had been approved by the Hospital Advisory Committee.

Director Howell stated that the final agenda item related to a program with community pharmacies. It was a collaborative relationship with the College of Pharmacy and the University of Iowa Hospitals and Clinics called University of Iowa Pharmaceutical Enterprise. He said the program was established in 1997 with goals similar to the clinical enterprise. He introduced Jordan Cohen, Dean of the College of Pharmacy, and Paul Abramowitz, Director of the UIHC Department of Pharmaceutical Care, to describe the effort.

Dean Cohen expressed his excitement about the project to improve medication therapy continuity for UIHC patients. He presented background on medication use issues in the U.S. including the impact of non-compliance by patients.

President Newlin expressed appreciation to Dean Cohen for accepting the deanship and coming to Iowa. He said Dean Cohen has implemented many changes. He referred to six-year Pharm.D. degree program and asked for the national posture on such a program. Dean Cohen said that was now the standard of accreditation.

Regent Fisher asked about enrollment in the pharmacy school. Dean Cohen responded that enrollment is stable and steady. He noted that there is great pressure to consider expanding enrollment because of the shortage of pharmacists.

Regent Fisher stated that he had recently spent some time with the CEO of one of the largest grocery chains in the country. Their focus in the next 5 years is on increasing pharmacy departments.

Dean Cohen stated that the current estimate was that there is a deficit of 15,000 pharmacists and that number continues to grow. He said the shortage has driven up salaries.

Regent Fisher asked what would be the average starting salary for a student graduating with a Pharm.D. degree and obtaining employment in Des Moines or Davenport. Dean Cohen responded that the average starting salary would be \$70,000 to \$85,000.

Regent Neil referred to the "fight" over the health care dollar and asked about the conflict between medical doctors and pharmacists in consultation with patients. Dean Cohen said there is always some conflict over roles. The driving force has become patient care; the multitude of therapies is becoming a real issue. In busy practices, doctors often rely on pharmacists to provide patient pharmaceutical consultation.

Regent Kelly referred to the pharmaceutical companies and stated that advertising has increased costs by 25 percent. The lobbying efforts in D.C. by those companies has been phenomenal. Research and development is tremendously expensive. He asked if pharmacist organizations are doing anything about what is being done about drug prices in Canada and other countries.

Dean Cohen stated that he was extremely interested in the issue. He said the high cost of drugs is primarily related to costs imposed by the manufacturer, about which there is a tremendous need to educate the public. The issue of how the industry prices its product is pivotal.

Regent Kelly said the pharmacy industry should not be telling the U.S. government what to do. Dean Cohen expressed the need for balance between letting the industry remain innovative while controlling costs.

Dr. Abramowitz discussed the continuity of pharmaceutical care project. Topics included the rationale for establishing a communication link, benefits to the patient, initiation and objectives of the project, communication pathways, and the project process. Project achievements to date include establishment of a bilateral relationship between UIHC and 30 location pharmacies; establishment of a formal electronic communication pathway between sites of care; increase in the potential to improve

patient compliance and reduce adverse drug events; and increase in information available to community pharmacists regarding their patients.

Regent Kelly asked if consideration had been given to the development of a nationwide database regarding drugs for every individual. Dr. Abramowitz agreed there is a need for such a database.

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

PROPERTY ACQUISITION AND LEASE – 3 OAK PARK COURT.

Vice President True presented the University's request to purchase the property located at 3 Oak Park Court in Iowa City. The property consists of a 1,264 square foot single-family, ranch-style home on a 15,750 square foot lot. The home was constructed in 1953, has been renovated, and is in excellent condition. The property is located near the University's west campus to the south of the Boyd Law Building.

MOTION: Regent Fisher moved to (1) Approve the purchase of property located at 3 Oak Park Court, Iowa City, Iowa, from Gregg A. Gerdes and Mary M. Murphy, at the purchase price of \$180,000, subject to approval of the Executive Council of Iowa; and (2) Authorize the University to add the dwelling to its tenant property inventory to be leased at the rate of \$1,200 per month through the remainder of FY 2002. Regent Becker seconded the motion, and upon the roll being called, the following voted:
AYE: Ahrens, Arbisser, Becker, Fisher, Kelly, Neil, Newlin, Nieland, Turner.
NAY: None.
ABSENT: None.

MOTION CARRIED.

ISSUANCE OF DUPLICATE HOSPITAL REVENUE BOND AND COUPONS, SERIES 1978.

ACTION: This matter was approved on the consent docket.

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

IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Wednesday and Thursday, September 12 and 13, 2001.

REGISTER OF PERSONNEL CHANGES.

ACTION: The Register of Personnel Changes for July and August 2001, which was approved on the consent docket, included the following appointments: Wolfgang Kliemann, Professor of Mathematics, as Associate Vice Provost for Research and Advanced Studies beginning July 1, 2001, at an annual salary of \$139,541; and Corlice Brooke, Professor of Human Development and Family Studies and Director of the Center for Teaching Excellence, as Associate Vice Provost for Undergraduate Programs beginning July 1, 2001, at an annual salary of \$85,448 (nine-month academic year salary).

APPROVAL TO AWARD AN HONORARY DOCTORATE OF HUMANE LETTERS DEGREE TO JOHN RUAN AT WINTER COMMENCEMENT 2001.

President Geoffroy presented Iowa State University's request to award an honorary doctorate degree to John Ruan. He said Mr. Ruan is widely acclaimed for his business accomplishments and for his humanitarian good works. In the companies that he founded and led, he has influenced many fields of interest to Iowa State University, including transportation and logistics, finance, agronomy, and construction engineering. His sponsorship of the World Food Prize matters greatly to a university internationally recognized for its contributions to agriculture.

Regent Fisher noted that Mr. Ruan received the Iowa Award last week, which is Iowa's highest citizen award. He has known Mr. Ruan for over 50 years and considers him a very good friend, a great supporter of the state of Iowa, and a greater supporter of Iowa State University. He said he was proud and privileged to make the motion.

MOTION: Regent Fisher moved to approve Iowa State University's request to award an honorary doctorate of humane letters degree to John Ruan at Winter Commencement 2001. Regent Ahrens seconded the motion. MOTION CARRIED UNANIMOUSLY.

APPROVAL TO AWARD AN HONORARY DOCTORATE OF SCIENCE DEGREE TO KATHERINE ABRAHAM AT SPRING COMMENCEMENT 2002.

President Geoffroy presented Iowa State University's request to award an honorary doctorate degree to Katherine Abraham. He said Dr. Abraham is widely acclaimed for her contributions to our understanding of unemployment and wage markets.

MOTION: Regent Ahrens moved to approve Iowa State University's request to award an honorary doctorate of science degree to Katharine Abraham at Spring Commencement 2002. Regent Arbisser seconded the motion. MOTION CARRIED UNANIMOUSLY.

APPROVAL OF PROPOSAL TO CHANGE THE NAME OF THE ISU AFFIRMATIVE ACTION OFFICE TO THE OFFICE OF EQUAL OPPORTUNITY AND DIVERSITY.

ACTION: This matter was approved on the consent docket.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS.

Vice President Madden presented the capital register on behalf of Iowa State University. He said the major project included on this month's capital register was development of the proposed North Campus Childcare Facility. The new childcare facility would replace the existing Pammel Court childcare facility. The site is north of Hawthorn Court. He then introduced Pierce Coady of InVision Architecture.

Mr. Coady presented the Board members with the schematic design for the proposed North Campus Childcare Facility. He stated that the design goals were taken from the building program document, meetings with user groups, and recommendations from the University's planning and facilities staff. The schematic design will be the basis for proceeding with more detailed development of the design. He then provided a

PowerPoint presentation of the site, exterior and interior design, project budget, and floor plans.

Regent Neil asked if there would be a “flat” roof on the facility. Mr. Coady responded that the roof would have a slight pitch.

Regent Neil asked if utilities would be located on the roof. Mr. Coady responded that some utilities would be located on the roof.

Regent Arbisser referred to the proposed sick child care facility and asked if it would be the only such facility available on campus. Vice President Madden responded that it would be the only sick child care facility in Ames. It will be offered in cooperation with student health center.

Regent Arbisser asked for the anticipated daily population of the sick child care facility. Julie Hagen, child care program coordinator, responded that the population would vary, depending on the flu season.

Regent Arbisser asked if the size of the child care facility was determined by the current average occupancy. Vice President Madden responded that the intention for the new childcare facility is to replace and expand on the current Pammel Court Quonset hut facility.

Regent Turner referred to the entrance of the facility. She asked if parents have to bring their child through the reception area which would be staffed at all times. Ms. Hagen responded affirmatively.

President Newlin thanked University officials and Mr. Coady for the presentation.

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

NAMING OF BUILDINGS.

President Geoffroy stated that Iowa State University officials were presenting requests to name four buildings.

Regent Fisher asked if the proposed namings conform to the proposed naming policy under consideration by the Board. President Geoffroy responded affirmatively.

(a) Naming of Building for the College of Business as the Gerdin Business Building.

President Geoffroy stated that Iowa State University requested approval to name the College of Business Building as the Gerdin Business Building in honor of Russell and Ann Gerdin of Coralville, Iowa. The Gerdins made a lead gift of \$10 million for this \$25.1 million facility while the State of Iowa has appropriated \$11.2 million. At the time of their gift in October 1998, the Gerdin gift was the third largest gift in ISU's history. Their generous personal and financial support of this new College of Business building for Iowa State University reflects the Gerdins' strong confidence in the quality of business programs at Iowa State University.

MOTION: Regent Neil moved to approve Iowa State University's request to name the new College of Business Building as the Gerdin Business Building. Regent Nieland seconded the motion. MOTION CARRIED UNANIMOUSLY.

(b) Naming of the Engineering Teaching & Research Complex (ETRC) Phase II Building as the Gary and Donna Hoover Hall.

President Geoffroy presented Iowa State University's request to name the Phase II Building of the new Engineering Teaching and Research Complex as Gary and Donna Hoover Hall. The Hoovers donated \$3 million — the leadership gift for the ETRC Phase II building. This facility will be vital for the implementation of Iowa State University's strategic plan to re-engineer engineering education for the 21st century. The groundbreaking ceremony for Phase II was held on September 8 and construction will begin this fall.

MOTION: Regent Fisher moved to approve Iowa State University's request to name the Phase II Building of the Engineering Teaching and Research Complex as Gary and Donna Hoover Hall. Regent Turner seconded the motion. MOTION CARRIED UNANIMOUSLY.

(c) Naming of the New Research Building for the Plant Sciences Institute as the Roy J. Carver Co-Laboratory.

President Geoffroy presented Iowa State University's request to name the first new research and administrative building for the Plant Sciences Institute as the Roy J. Carver Co-Laboratory in honor of Roy J. Carver and the Roy J. Carver Charitable Trust of Muscatine, Iowa. In 1999, the Roy J. Carver Charitable Trust made a gift of \$3 million to lead this important Iowa State University initiative. This gift is the most recent and one of the most significant in its 20-year partnership with Iowa State University. This generous gift reflects the Carver Trust's commitment to advancing scientific discovery and to improving educational opportunities for Iowa's youth.

MOTION: Regent Neil moved to approve Iowa State University's request to name the new Co-Laboratory Research Building for the Plant Sciences Institute as the Roy J. Carver Co-Laboratory. Regent Becker seconded the motion.
MOTION CARRIED UNANIMOUSLY.

(d) Naming of the Student Health Center as the Thomas B. Thielen Student Health Center.

President Geoffroy presented Iowa State University's request to name the Student Health Center the Thomas B. Thielen Student Health Center in honor of Thomas B. Thielen, who served Iowa State University for twenty years as the Vice President for Student Affairs and retired from the University in 1997.

MOTION: Regent Becker moved to approve Iowa State University's request to name the Student Health Center the Thomas B. Thielen Student Health Center. Regent Nieland seconded the motion.
MOTION CARRIED UNANIMOUSLY.

President Newlin expressed the Board's appreciation to the University's donors.

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, September 12 and 13, 2001.

REGISTER OF PERSONNEL TRANSACTIONS.

ACTION: The Register of Personnel Changes for June and July 2001 was approved on the consent docket.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS.

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

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

President Newlin then asked Board members and institutional officials if there were additional items for discussion pertaining to the University of 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, September 12 and 13, 2001.

REGISTER OF PERSONNEL CHANGES.

ACTION: The Registers of Personnel Changes for July and August 2001 were approved on the consent docket.

APPROVAL OF TECHNOLOGY/INTERNET POLICY.

Superintendent Johnson stated that the technology/internet policy was a requirement by federal regulations in order for the school to receive technology funds.

MOTION: Regent Neil moved to approve the ISD Technology/Internet Policy. Regent Turner seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS.

Superintendent Johnson stated that School officials would like to add one item to the capital register, with regard to the Utility Distribution System Replacement—Phase 3 project (\$250,000) which would replace plumbing systems in Long and Giangreco Halls. In addition to approval of the project description and budget, School officials requested approval to contract with Ferris Engineering (for \$34,997) to assist with the design.

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

APPROVAL OF ISD/AEA 13 2001-02 INTERPRETER/INTEGRATION CONTRACT.

ACTION: This matter was approved on the consent docket.

APPROVAL OF ISD/AEA 13 AMENDMENT TO UMBRELLA AGREEMENT.

ACTION: This matter was approved on the consent docket.

APPROVAL OF BUSINESS PROPERTY LEASES.

MOTION: Regent Neil moved to approve 1) renewal of the lease with Iowa Western Community College for its use of 800 square feet of space located in Room C of the Careers Building on the Iowa School for the Deaf campus, as presented, and 2) a lease agreement with Catherine Wredt for her use of a residence located at 2901 Valley View Drive on the Iowa School for the Deaf campus. Regent Ahrens seconded the motion, and upon the roll being called, the following voted:
AYE: Ahrens, Arbisser, Becker, Fisher, Kelly, Neil, Newlin, Nieland, Turner.
NAY: None.
ABSENT: None.

MOTION CARRIED.

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

IOWA BRAILLE AND SIGHT SAVING SCHOOL

The following business pertaining to Iowa Braille and Sight Saving School was transacted on Wednesday and Thursday, September 12 and 13, 2001.

REGISTER OF PERSONNEL CHANGES.

ACTION: The Register of Personnel Changes for June and July 2001 was approved on the consent docket.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS.

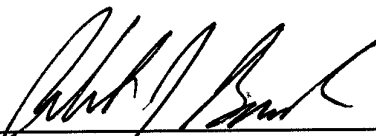
Superintendent Thurman stated that the one item (Old Hospital Accessible Entry) on the capital register was being undertaken to comply with the Americans with Disabilities Act.

MOTION: Regent Fisher moved to approve the Register of Capital Improvement Business Transactions for the Iowa Braille and Sight Saving School. Regent Nieland seconded the motion. MOTION CARRIED UNANIMOUSLY.

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

ADJOURNMENT.

The meeting of the Board of Regents, State of Iowa, adjourned at 1:00 p.m. on Thursday, September 13, 2001.



Robert J. Barak
Interim Executive Director