

The Board of Regents, State of Iowa, met on Thursday, March 16, 2000, at the University of Northern Iowa, Cedar Falls, Iowa. The following were in attendance:

March 16

Members of Board of Regents, State of Iowa

Mr. Newlin, President	All sessions
Ms. Ahrens	All sessions
Mr. Fisher	Excused at 1:58 p.m.
Dr. Kelly	All sessions
Mrs. Kennedy	All sessions
Mr. Lande	All sessions
Mr. Neil	Excused at 3:34 p.m.
Mrs. Smith	All sessions
Dr. Turner	All sessions

Office of the State Board of Regents

Executive Director Stork	All sessions
Deputy Executive Director Barak	All sessions
Director Elliott	All sessions
Director Wright	All sessions
Associate Director Hendrickson	All sessions
Associate Director Kniker	All sessions
Associate Director Racki	All sessions
Assistant Director Gonzalez	All sessions
Minutes Secretary Briggle	All sessions

State University of Iowa

President Coleman	Excused at 4:05 p.m.
Vice Provost Knight	Excused at 4:05 p.m.
Vice President Jones	Excused at 4:05 p.m.
Vice President True	Excused at 4:05 p.m.
Director Van Oel	Excused at 4:05 p.m.

Iowa State University

President Jischke	Excused at 3:57 p.m.
Provost Richmond	Excused at 3:57 p.m.
Vice President Hill	Excused at 3:57 p.m.
Vice President Madden	Excused at 3:57 p.m.
Assistant to the President Mukerjea	Excused at 3:57 p.m.
Director McCarroll	Excused at 3:57 p.m.

University of Northern Iowa

President Koob	All sessions
Provost Podolefsky	All sessions
Vice President Conner	All sessions
Vice President Romano	All sessions
Executive Asst. to the President Gadelmann	All sessions

Iowa School for the Deaf

Superintendent Johnson	Excused at 3:08 p.m.
Director Heuer	Excused at 3:08 p.m.
Interpreter Reese	Excused at 3:08 p.m.
Interpreter Young	Excused at 3:08 p.m.

Iowa Braille and Sight Saving School

Superintendent Thurman	Excused at 3:34 p.m.
Director Utsinger	Excused at 3:34 p.m.
Director Woodward	Excused at 3:34 p.m.

GENERAL

The following business pertaining to general or miscellaneous business was transacted on Thursday, March 16, 2000.

APPROVAL OF MINUTES OF BOARD MEETING OF FEBRUARY 10, 2000. The Board Office recommended the Board approve the minutes.

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

MOTION: Regent Neil moved to approve the minutes of the February 10, 2000, meeting, as written. Regent Turner seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

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

Receive the Iowa Measurement Research Foundation (SUI) affiliated organization report;

Ratify personnel transactions at the Regent institutions;

Approve the request from Iowa State University to add Kars & More, Explore, Inc., and the Hope Clinic to the University's list of approved vendors with a potential conflict of interest;

Approve the Board meetings schedule;

Approve the agreement with Iowa School for the Deaf and Lewis Central Community School District;

Approve the Iowa School for the Deaf calendar for school year 2000-2001 and holidays for fiscal year 2001; and

Refer the proposed curricular changes from the University of Northern Iowa to the Board Office and the Interinstitutional Committee on Educational Coordination for review and recommendation.

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

INTERINSTITUTIONAL COMMITTEE ON EDUCATIONAL COORDINATION.

(a) Approval of B.S. in Radiation, University of Iowa. The Board Office recommended the Board approve the University of Iowa proposal to establish a B.S. degree program in Radiation Sciences, effective immediately.

The Department of Radiology at the University of Iowa offers a number of hospital-based certificate programs for radiation science professionals. This proposal would allow these students as well as students from hospital and associate of science programs in radiology to complete a baccalaureate degree. University officials noted that there is strong support for such a program from students currently and previously enrolled in radiation science programs in Iowa. Many practicing technologists are interested in pursuing the degree since it has become increasingly required for career advancement into management and education. In 1993, the American Society of Radiologic Technologists passed a resolution calling for students entering into the field of radiation therapy in 2000 and after to earn a baccalaureate for entry into the profession. The size and quality of the pool of applicants for the current University of Iowa Hospitals and Clinics Radiologic Technology program may be threatened if a degree is not offered. Adding this option will encourage students to complete their baccalaureate degree and practice in Iowa. All graduates would be multi-credentialed.

This program was reviewed by the Interinstitutional Committee on Educational Coordination (ICEC) and the Board Office, and both recommended approval.

The Department of Radiology currently offers a masters degree program. The adoption of this program would require only the addition of a .5 FTE to administer the program and advise students, estimated to cost \$30,500 the first year. Resources will come from student tuition.

There were no concerns with respect to duplication for this proposal.

Provost Richmond presented the recommendation on behalf of the Interinstitutional Committee on Educational Coordination.

President Newlin noted that the material talked about the graduates being multi-credentialed. He asked in what areas students would be credentialed.

Marilyn Holland, a representative of the radiation sciences program, responded that students can be credentialed in several modalities such as nuclear medicine and radiation therapy.

MOTION: Regent Fisher moved to approve the University of Iowa proposal to establish a B.S. degree program in Radiation Sciences, effective immediately. Regent Smith seconded the motion. MOTION CARRIED UNANIMOUSLY.

ACCREDITATION REPORTS. (a) Journalism and Mass Communications, Iowa State University. The Board Office recommended the Board receive the report on accreditation of the Journalism and Mass Communications program, Iowa State University.

On May 18, 1998, the Accrediting Council on Education in Journalism (ACEJ) granted full accreditation to Iowa State University's Journalism and Mass Communications program, through 2003-2004. The program was found to be in compliance with all standards.

The on-site visiting team concluded its report by noting six key strengths: (1) an ambitious vision expressed by ambitious energetic leadership; (2) a continuing commitment to effective teaching; (3) a strong formal and informal advising program; (4) an excellent internship program, supported by effective relationships with media enterprises in the state and beyond; (5) impressive computerized facilities maintained by first-rate professional staff; and (6) a fund-raising program of increasing sophistication and promise.

The visiting team provided a summary of the problems or deficiencies that must be corrected before the next evaluation in 2003. They were:

- Re-evaluate the science communication program at both the undergraduate and graduate levels
- Implement the department's plans for recruiting and retaining minority students
- Improve the department's mentoring program for all faculty in tenure-probationary status, particularly female and minority faculty.

Provost Richmond and John Eighmey, department executive officer, presented the report on behalf of Iowa State University.

Regent Ahrens referred to the large enrollments and asked if there were any concerns about finding enough internships. Dr. Eighmey responded that the program provides more than enough internships. Approximately 150 students take internships in any given year, all over the globe.

Regent Turner noted that one of the areas addressed by the accreditation team was the mentoring program for faculty in tenure-probationary track position. She asked if there is a mentoring program in place now or are there plans for the future for a mentoring program?

Dr. Eighmey responded that Iowa State University has a university-wide mentoring program whereby new faculty are linked with existing successful faculty members in their first year. Faculty within the School of Journalism and Mass Communications pay special attention to the newest faculty members. The more senior faculty have reduced teaching loads in order to help accelerate the progress of new faculty members. Additionally, the promotion and tenure committee works with the newer faculty members each year to assess their progress. There is also an annual review within the department for the individual faculty members with a focus on specific steps in the coming year to accelerate their work.

Regent Turner asked about women and minority faculty in the program. Dr. Eighmey said that was a very important issue around the nation. He has been very active in the accreditation arena. Representation of women and minority in the student body and among the faculty is an absolute priority. He described three recent points of progress. The school has six new tenure-track female faculty members, three of whom are also African Americans. At the undergraduate level, the school is focusing on role models among the currently-enrolled students. Two weeks ago the school hosted a one-day series of meetings with students and the finance director of Blackvoices.com.

ACTION: President Newlin stated the Board received the report on accreditation of the Journalism and Mass Communications program, Iowa State University, by general consent.

(b) Teacher Education, Iowa State University. The Board Office recommended the Board receive the report on accreditation of the teacher education programs in the College of Education, Iowa State University, from the Iowa Department of Education.

On August 13, 1999, the Iowa Department of Education granted continuing approval to the practitioner preparation programs offered by Iowa State University. This action follows the on-site review and evaluation of the practitioner preparation programs and

the team reports based on the standards for the approval of teacher preparation programs. The approval covers the five-year period from July 1, 1999, through June 30, 2004.

During the 1997-98 academic year, there were 80 licensure/endorsement areas for which approved programs were available at Iowa State University. Thirty-one of the 80 programs are offered at the graduate level. The College of Education is responsible for overseeing these programs, which includes arranging for clinical field experiences as well as offering courses in the professional education core. It was noted that students seeking to be teachers are registered in five of Iowa State University's colleges. The five colleges, with an approximate number of students in baccalaureate programs leading to teaching degrees, are: College of Agriculture (98); College of Design (39); College of Education (870); College of Family and Consumer Sciences (109); and College of Liberal Arts and Sciences (478). Additionally, an estimated 160 graduate students are working toward licensure within either the Department of Curriculum and Instruction or the Department of Educational Leadership and Policy Studies.

Following the on-site visit, the Iowa Department of Education raised a number of concerns. The College of Education responded to these concerns and full reaccreditation was granted. The primary concern of the Department of Education was that students preparing to teach at the secondary level might have inadequate preparation to meet the needs of exceptional learners.

Regent Ahrens asked what university officials were planning to do to address the concern about differences in preparation programs for elementary and secondary schools. Associate Dean Wood responded that the college is working to establish a new double major. Some coursework will be added on exceptional learners. The college has also named a director of teacher education who will help coordinate the program.

Provost Richmond presented the report on behalf of Iowa State University.

ACTION: President Newlin stated the Board received the report on accreditation of the teacher education programs in the College of Education, Iowa State University, from the Iowa Department of Education, by general consent.

(c) College of Family and Consumer Sciences, Iowa State University. The Board Office recommended the Board receive the report on accreditation for the College of Family and Consumer Sciences, Iowa State University.

At its April 11, 1999 meeting, the Council for Accreditation of the American Association of Family and Consumer Sciences (AAFCS) voted to grant accreditation to the College of Family and Consumer Sciences (CFCS) at Iowa State University. Accreditation is granted by the Council for a period of ten years. This accreditation expires April 2009. The next self-study will be due February 1, 2008.

A number of strengths were noted in the Council's letter granting reaccreditation. The strengths were: 1) clearly stated mission and goals statements which are consistent with the mission and goals of the institution; 2) a well-defined planning process; 3) continuous responsiveness to the changing needs of society, through teaching, research, and outreach, as exemplified by a number of partnerships with industry and other constituent groups; 4) a well-qualified faculty; 5) a strong commitment to international programming; 6) programs reflecting commitment to continuous improvement; 7) receipt of approximately 85 percent of the funding for a \$6.9 million building for Human Development and Family Studies; and 8) a Career Services Office which effectively supports students and alumni.

The College was found to be in compliance with all standards. The Council offered seven recommendations to strengthen compliance with accreditation criteria. The CFCS of Iowa State University responded to these recommendations in its annual report to the Council on September 1, 1999.

Provost Richmond and Dean Meeks presented the report on behalf of Iowa State University.

Regent Neil asked what additional changes were envisioned for the program based on enrollment trends. Dean Meeks responded that there were a couple of facilities concerns, one of which was the food science labs. The college has raised about 1/3 of the money needed for that facility. Other programs are growing and additional needs will be seen in those areas. She noted that the hotel-restaurant program was recently accredited; although the facilities were old it was felt the facilities were operational. The program is also moving into the Palmer building.

ACTION: President Newlin stated the Board received the report on accreditation for the College of Family and Consumer Sciences, Iowa State University, by general consent.

(d) Social Work, University of Northern Iowa. The Board Office recommended the Board receive the report on accreditation for the baccalaureate program in Social Work at the University of Northern Iowa.

On February 17, 1998, the Commission on Accreditation of the Council on Social Work granted accreditation of the baccalaureate program in social work at the University of Northern Iowa for a term of eight years, extending to February 2006.

While the Commission determined that all six accreditation standards had been met, it requested an interim report be made by August 15, 1998, to provide more specific answers to three questions raised by the visiting team related to Evaluative Standard 6, Curriculum -- Generalist Practice. The report was made and fully accepted by the Commission, prior to the granting of reaccreditation.

Provost Podolefsky presented the report on behalf of the University of Northern Iowa. He introduced the new Dean of the College of Social and Behavioral Sciences, Dr. Julia Wallace, whose appointment was made last week.

Dr. Wallace said it was a pleasure to serve as the dean, which she said was a long-term commitment to the University of Northern Iowa.

President Newlin welcomed Dr. Wallace.

Regent Fisher noted that graduates are prepared for "generalist practice". He asked for the meaning of that term. Thomas Keefe, department head, said that term refers to across-the-board skills; preparing social workers to work with individuals, families, groups in communities, etc.

Regent Fisher asked for further information regarding field sites. Dr. Keefe responded that students take a full semester of internship near the completion of their academic program. The internship provides students with hands-on experience in a variety of settings.

ACTION: President Newlin stated the Board received the report on accreditation for the baccalaureate program in Social Work at the University of Northern Iowa, by general consent.

**ANNUAL INSTITUTIONAL REPORTS ON ACADEMIC PROGRAM REVIEW/
STUDENT OUTCOMES ASSESSMENT.** The Board Office recommended the Board (1) receive the report; (2) encourage the universities to focus academic program reviews more on curricular changes based on existing resources and to develop better indicators of changes made in programs which directly relate to student outcomes assessment measures; and (3) request that the Board Office meet with appropriate persons at each institution to ensure that the reviews and student outcomes assessments (SOA) meet Board expectations.

During the 1998-1999 academic year, the universities completed 31 program reviews -- 19 at the University of Iowa, four at Iowa State University, and eight at the University of Northern Iowa. According to Board policy, each year the universities are to review between one-seventh and one-fifth of the academic programs. That did not happen this year at Iowa State University, due in part to the transition to a new provost.

This is the third year that student outcomes assessments (SOA) are an integral part of the academic program reviews. Numerous examples can be found where curriculum changes have been made as a result of student evaluations and, in other cases, of alumni and instructor surveys. At Iowa State University, the Faculty Senate Curriculum Committee asked that intended learning outcomes identified through this process be placed in the next catalog so that students and others will know what is expected from each program. This attempt at informing students of program expectations is an excellent use of outcomes information.

In general, the reviews have accomplished what was intended but the Board Office had several major concerns. First, despite instructions that academic program reviews should not be resource oriented (e.g., information about adding new faculty, obtaining new technological equipment, building new or remodeling facilities), the main focus in institutional reports is often on new resources, not curriculum revision. This tendency can sometimes be overcome by an appropriate orientation of the reviewers by the Dean or Provost prior to the initiation of the site visit. A second concern related to the use of a single outside reviewer. Nationally, those who have analyzed the use of outside reviewers recommend that two or three persons be used to give better balance and additional perspectives. That recommendation was emphasized last year, but a number of the programs reviewed this past year had only one outside reviewer. A third concern, especially in the case of the University of Northern Iowa and, to a lesser extent, with the University of Iowa, is the "disconnect" of student outcomes assessment with the program review. All too frequently, changes in programs were attributed to faculty discussions and decisions that either supported or disagreed with the external reviewers. In many cases, the student outcomes assessment simply stated that course evaluations were ongoing.

Vice Provost Knight presented the report on behalf of the University of Iowa.

Regent Kennedy asked for comment on the statement in the docket materials that University of Iowa College of Education representatives attended workshops to help prepare faculty to convert the practitioner preparation licensure endorsements from course-based to performance-based programs.

Vice Provost Knight responded that College of Education officials made a major decision to change its accreditation procedures body. The program is now designed to focus on performance indicators. The program is moving toward performance-based evaluation.

Regent Kennedy asked for examples of the recommendations for performance indicators. Vice Provost Knight responded that college officials are trying to model the accreditation assessments along the lines of those of European colleges and universities. Such an assessment requires faculty to ask questions about how they know their students meet a certain level of competency. Faculty discuss ways in which students can demonstrate competency.

Regent Kennedy asked if plans are being put in place in the College of Engineering to indicate how student outcomes will be assessed. Vice Provost Knight noted that the College of Engineering and the College of Education both have new deans. The education dean has moved quickly in the area of student outcomes assessment. The engineering dean will be working with department heads to develop interim student outcomes assessment.

Regent Kennedy asked that Dr. Knight inform the new deans that the Regents are behind them in that effort 100 percent.

Regent Kennedy referred to the College of Liberal Arts and stated that the Board wants outcomes measures, not inputs. She referred to the Department of Biological Sciences and asked how outcomes will be measured.

Vice Provost Knight responded that there will be a new department chair for biological sciences in July. That individual will receive the specific charge to focus on student outcomes. The department will have new laboratory facilities and will be linked with the College of Medicine.

Regent Kennedy noted that the University of Iowa report addressed national pre-licensure examinations for the College of Medicine student outcomes assessment. She asked about the current results of licensing examinations.

Vice Provost Knight stated that the entire College of Medicine graduating class of 1999 (169 students) passed the U.S. Medical Licensing Examination. For the class of 2000, all 158 of those students passed, as well.

Regent Kennedy offered congratulations and expressed appreciation for the efforts that are being made.

Regent Turner referred to the College of Medicine student outcomes and asked if national tests were only one measurement. Vice Provost Knight responded affirmatively. He stated that throughout the four years of students' medical education, students' clinical capabilities are measured. He noted that the college is moving toward far more simulations.

Regent Ahrens asked what the universities are doing to more closely link the student outcomes assessment with curricular changes. Vice Provost Knight responded that University of Iowa officials are trying to engage much better measurement capabilities including periodic student surveys during a course. Strategic planning for each college looks at curriculum and assessment criteria. Unfortunately, to make any kind of major curricular change requires substantial shifting of resources.

Provost Richmond said he believed the Board had not had an opportunity to review the detailed descriptions of student outcomes assessments. He offered to share a copy of the report of Iowa State University's chemistry department. The assessments are linking what students are doing with the curriculum. There are a whole series of methods by which to assess the abilities of students to do chemistry. A recently-published paper deals with students' evaluations in the Department of Statistics. He said the information is being used to improve the curriculum. He offered to provide Regent Ahrens with a copy of that published paper.

Provost Podolefsky said there are two levels of student outcomes assessment. The curricular changes are more visible and the way faculty teach courses, etc., is less visible. Both levels of assessment take place continually at the universities. He noted that 114 new courses and 90 dropped courses at the University of Northern Iowa were included on the Board's agenda this month. All of those changes come from a variety of formal and informal assessments.

Regent Ahrens stressed the importance of continuing to look at student outcomes assessment. She noted that the Iowa State University chemistry department does a wonderful job throughout the semester of asking students for feedback.

President Newlin asked if the University of Iowa College of Medicine will set a target of 100 percent pass rate for student examinations. Vice Provost Knight suggested beginning with a target of every professional licensure having a 100 percent pass rate. He noted that the unstated goal is to continue to achieve 100 percent passage.

Regent Lande referred to the statement in the meeting materials that the physical therapy examination pass rate during the past four years has ranged from 94.3 percent to 100 percent. He asked if the pass rate was going up or down.

Vice Provost Knight responded that the pass rate was going up to 100 percent. The 94.3 percent pass rate was achieved 4 years ago; each year the pass rate has increased. He noted that the program in physical therapy is a highly-ranked national program with a small number (14-16) of students.

Regent Neil asked for elaboration on an earlier statement by Dr. Knight that College of Education officials are trying to model the accreditation assessments with European standards. Vice Provost Knight responded that many European universities have gone toward an audit approach to assessment. Such an approach asks, "How do you know you are successful in your educational program?". As the University of Iowa moves more toward web-based supplements, such an approach would be a good way to provide feedback. The approach allows students to ask questions of faculty members at any point in the course.

Director Barak stated that this report and the accreditation reports are very important for quality assurance. He noted that one accreditation report included this month (teacher education) was different from the others in the sense that it was mandatory versus voluntary.

Director Barak stated that a couple of years ago the Board asked that outcomes assessment reports be included with program reviews because they are closely related. In merging the process there has been a problem with communication. In the memorandum for the academic reports, the Board Office was critical of some of the institutional reports. However, the Board Office subsequently determined that more extensive information had been provided than was originally thought. In fact, with regard to the psychology program in the University of Northern Iowa's College of Social and Behavioral Sciences, it has a nearly exemplary effort underway and is doing an excellent job. The information provided to the Board Office had not allowed the Board Office to come to that conclusion. He said there were other programs, as well, for which the Board Office had not received sufficient information with which to properly determine how well assessments were being done. The Board Office recommended that Board Office representatives meet with appropriate persons at each institution to ensure that the reviews and student outcomes assessments (SOA) meet Board expectations.

Director Barak referred to Vice Provost Knight's earlier comment that to make any kind of major curricular changes requires substantial shifting of resources. He said the Board Office periodically receives program reviews which include recommendations regarding a need for more graduate assistants, secretarial help, new facilities, etc. The Board Office concern was not that resources are mentioned but sometimes that resource needs are addressed at the expense of real program improvements. Resources are not always needed.

Regent Kennedy expressed support for Dr. Barak's comments regarding resources.

President Newlin noted that the Board has a seven-year program for academic program reviews; therefore, in a period of seven years, all of the programs will be reviewed.

Director Barak said there are circumstances that sometimes make that impossible but the intent is that all academic programs be reviewed every seven years.

Vice Provost Knight stated that when he became vice provost two and one-half years ago, the University of Iowa was slightly behind in its collegiate reviews. Over the course of the last two and one-half years, university officials have tried to move quickly in catching up. With the exception of the College of Pharmacy, the university will be nearly on track with college reviews and academic department reviews.

Provost Richmond stated that during the past year Iowa State University conducted four program reviews, which was an unusually low number. Some were held up in anticipation of the arrival of the new provost. During this year a number of reviews are underway, six of which are in the final stages. He noted that Iowa State University's review process is working quite well.

Provost Podolefsky stated that the University of Northern Iowa is on track with academic program reviews. The only slight hitch is that some departments have a large number of programs. Those departments might be allowed to review one-half of their programs one year and the other one-half the next year.

President Newlin expressed appreciation for the academic program reviews and the accreditation reports.

Regent Kennedy stated that in reading the student outcomes assessment for the Iowa State University chemistry department, she appreciated that exit interviews and formal research papers were reviewed. She asked that university officials make sure they are focusing on assessing growth of knowledge.

Provost Richmond said it was quite clear that Iowa State University has not done as good a job as could be done in assessing student outcomes. One of his colleagues in the College of Education is undertaking a process to develop student assessment throughout the university to determine how well the education is serving the needs of those who are employing the students.

Regent Kennedy referred to Iowa State University's statistics department review and noted that there were many examples of changes of curriculum. She asked what kind of assessment tools were being used.

Provost Richmond said he would provide Regent Kennedy with a copy of the published paper that he had also promised to provide to Regent Ahrens. He stated that assessment tools would include summer internships, success of students in paying positions, and success of students in obtaining admission to graduate school.

Regent Kennedy asked University of Northern Iowa officials for specific examples of learning outcomes in the College of Business Finance Department and whether learning outcomes have been defined for all core courses.

Dean Greer noted that the College of Business had just gone through the reaccreditation process. The accreditation team encouraged college officials to engage in a more intense program of assessment. The college has developed learning outcomes objectives and questions that relate to those objectives will enable establishment of objectives for the entire core curriculum. He noted that a company that prepares detailed exit surveys of students will be working with the college to allow college officials to compare the results of questions with those of other universities.

MOTION:

Regent Kennedy moved to (1) receive the report; (2) encourage the universities to focus academic program reviews more on curricular changes based on existing resources and to develop better indicators of changes made in programs which directly relate to student outcomes assessment measures; and (3) request that the Board Office meet with appropriate persons at each institution to ensure that the reviews and student outcomes assessments (SOA) meet Board expectations. Regent Smith seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

SPRING ENROLLMENT REPORT. The Board Office recommended the Board receive the report.

Headcount enrollment includes an unduplicated count of the number of students enrolled at the institution as of the official reporting date. For Spring 2000, headcount enrollment at Regent universities totaled 64,067 students as compared to 63,163 students during Spring 1999 (+1.4 percent). The increase of 904 students by institution is as follows: 81 students (+0.3 percent) at the University of Iowa, 460 students (+1.9 percent) at Iowa State University, and 363 students (+2.9 percent) at the University of Northern Iowa.

Another measure of enrollment for the universities is full-time equivalent (FTE) enrollment. FTE enrollment is calculated based on the number of credits students are taking that semester. An FTE enrollment that is close to headcount enrollment implies that more students are attending on a full-time basis (15.5 credit hours for undergraduates and 9 credit hours for graduate students). FTE enrollments for Spring 2000 (55,603) increased by 2.5 percent from Spring 1999 enrollments (54,260). The increase of 1,343 FTE by institution is as follows: at the University of Iowa, FTE enrollments increased by 630 (+2.8 percent); at Iowa State University, FTE enrollments increased by 518 (+2.4 percent); and at the University of Northern Iowa, FTE enrollments increased by 195 (+1.8 percent).

Between Fall 1999 and Spring 2000, the Regent universities experienced a decrease of 4,442 students (-6.5 percent) in headcount enrollment, from 68,509 to 64,067. The decrease by institution is as follows: 1,890 students (-6.6 percent) at the University of Iowa; 1,777 students (-6.8 percent) at Iowa State University; and 775 students (-5.7 percent) at the University of Northern Iowa. The decrease in headcount enrollment between Fall and Spring is typically due to the fact that more students graduate at the end of the Fall semester or do not register for the subsequent semester than enter the universities at mid-year. Historically, Spring enrollment is approximately 93 percent of the Fall enrollment with some institutional variances.

Resident students (47,856) comprise 74.7 percent of headcount enrollments at Regent universities during Spring 2000 as compared to 74.5 percent in Fall 1999. Approximately 68 percent of the University of Iowa's headcount enrollment consists of resident students (18,228); approximately 73 percent of Iowa State University's headcount enrollment consists of resident students (17,743); and approximately 93 percent of the University of Northern Iowa's headcount enrollment consists of resident students (11,885).

During Spring 2000, there are 2,843 students enrolled in off-campus educational opportunities offered by the Regent universities; most students are enrolled on a part-time basis. Approximately 89 percent of the students are residents of Iowa. At the University of Iowa, the off-campus enrollment is 1,308 students; at Iowa State University, the off-campus enrollment is 852; and at the University of Northern Iowa, the off-campus enrollment is 683.

Assistant Director Gonzalez reviewed the report with the Regents.

President Coleman suggested that caution be used in analyzing the data because the university has graduations in December. She said she believes the trends are moving in a positive direction.

President Jischke said there is a national trend toward increased enrollment. It is understood that education makes the difference in a person's ability to compete in today's job market. In Iowa the Regent enrollment is growing and rather handsomely. He noted that there are resource implications. Iowa State University has the highest enrollment in a decade. The biggest growth is in Iowa residents who pay about 1/3 of their educational costs. There is an implication that the other 2/3 will be paid by the state of Iowa although state support is going in exactly the opposite direction.

President Koob stated that the University of Northern Iowa is experiencing its fourth consecutive semester of record enrollments which is apparently the result of a recognition of the importance of higher education. In every enrollment period university officials found an increase in the summer, fall and spring semesters. He said he echoed the concern of President Jischke with regard to record enrollments and diminished budgets.

Regent Kennedy asked if there was any other reason that might cause the additional enrollment increases besides the understanding that college is important.

President Coleman stated that the University of Iowa is becoming increasingly attractive. There is great quality in the state of Iowa's public universities, but it is tenuous. The resource implications are enormous; the University of Iowa is teetering on the brink. The university does better than almost any other university in the country but it is hard. It will get harder if the resources continue to be constrained.

President Jischke stated that there are a number of things coming together to make Iowa State University more attractive. In strategic planning, the attention to issues of academic quality have paid off in the quality of the education that students receive. Students are competitive in the job market. Couple those items with the relative cost of public education, and these are enormously attractive institutions. He said he believes that, at the direction of the Board, Iowa State University has become much more effective in the recruitment process.

President Koob stated that the strategic planning process of the Board has forced University of Northern Iowa officials to pay attention to every detail on the campus and constant attention to the needs of students. There are regular campus climate surveys. Taken together, these items spell quality.

President Newlin asked for introductions of the new student government presidents.

President Jischke introduced Ben Golding, a senior in construction engineering, newly-elected president of the Iowa State University Government of the Student Body. He noted that the university experienced double the turnout in voting. He pointed out that

as part of the show for the Order of the Knoll dinner held in the new Howe Hall, Mr. Golding flew in on wires and dazzled the audience.

President Newlin offered congratulations on Mr. Golding's election.

President Koob stated that the University of Northern Iowa student government conducted internet polling and doubled the number of participants. He introduced the newly-elected president Dan Sterenchuck, a junior and an English major.

President Coleman stated that the University of Iowa's newly-elected student government president, Andy Stoll, was on spring break.

Regent Turner asked from where the new student body presidents come. President Coleman stated that Mr. Stoll is from Omaha. Mr. Golding and Mr. Sterenchuck stated that they are each from Cedar Rapids.

Regent Neil referred to the decline in enrollment in the spring versus fall semester, and asked for the breakdown among resident and non-resident students.

Assistant Director Gonzalez stated that included in the materials was an analysis by residency, which she described. She said there was a decrease in total non-resident enrollments between Spring 1999 and Spring 2000.

Regent Neil stated that he would like to know the number of students who graduate between the fall and the spring semesters. Assistant Director Gonzalez said she would gather that information. President Newlin asked that Assistant Director Gonzalez mail the information to the Regents.

President Newlin asked about the rather dramatic off-campus enrollment increase at the University of Northern Iowa between the spring of 1999 and the spring of 2000. President Koob responded that University of Northern Iowa officials have had an ongoing interest in distance education. Since the distance education program was introduced three years ago, there has been an increasing number of people interested in participating in that program. The distance education program is part of the commitment of the University of Northern Iowa to be more outgoing in serving the needs of the state of Iowa.

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

ANNUAL REPORT ON INTERNATIONAL AGREEMENTS. The Board Office recommended the Board receive the report on international agreements, including study and work abroad programs of the Regent universities.

Each Regent university maintains many active agreements with universities and agencies abroad. During 1998-1999, the three universities together had 170 active and proposed agreements with international educational institutions and other agencies, involving approximately 70 different countries. These figures cannot be compared in all respects with the figures from last year, 1997-98, when it was reported that there were 247 active and proposed agreements in 71 countries. A chief reason is the University of Iowa's new definition of international linkages, which excludes programs that are only student study abroad programs. However, if a linkage agreement involves faculty and staff exchanges, in addition to student exchanges, the program is included in its report.

In 1998-1999, a total of 1,996 Regent university students studied abroad in over 70 countries through Regent programs. This was a decrease from the 2,117 figure in the 1997-1998 report, but more than the 1,771 students in 1996-1997 who worked or studied abroad through Regent programs. However, the number of countries in which students studied and worked increased in 1998-1999 to 70, compared to 60 the year before.

Some 439 students from non-Regent universities participated in the Regent study and work abroad programs. Almost 2,500 students were enrolled in Regent study and work abroad programs in 1998-1999. Almost 500 students (486) were involved in the UNI Camp Adventure program, which provides summer work experiences in youth recreation activities for children on U.S. military bases and government installations.

Section 6.26 of the Regent Procedural Guide requires the universities to submit annual reports on international agreements, including faculty and student exchange programs, study abroad programs, and research and development projects. International agreements may be specific to the needs and interests of particular departments and colleges, or they may be more comprehensive and permit participation by students and faculty across the institution. These agreements are consistent with the Board of Regents strategic plan, specifically strategy 1.1.4.3, which asks each institution to increase its service to Iowans, the nation, and world.

The funding of the programs comes from many sources. The universities report that frequent sources are federal grants from such agencies as US AID, National Institutes of Health, United States Department of Agriculture, and the United States Information Agency. The World Bank, private foundations, and international universities underwrite the costs of some programs. Often, faculty and students pay their personal expenses for participation in exchange programs. Students also pay program fees assessed by

each Regent university. Such fees are proposed by the institutions and approved by the Board.

This year's report, like last year's, contained an extensive student profile, as requested by the Board. Last year, the Board had requested that each university update its efforts to develop and implement guidelines to establish basic standards of quality assurance, financial management, risk management, and student safety for all programs involving travel and residence abroad. Those topics were addressed and incorporated into institutional policies which were presented in a separate report to the Board of Regents in June 1999. The Board approved the revisions.

Associate Director Kniker reviewed the report with the Regents. He noted that a recent article in the Chronicle of Higher Education reported that last year the number of students studying abroad rose by 15 percent. He referred to the students from Antioch College who were recently killed in Costa Rica and stated that it was timely that the Regents looked at the issue of student safety in June 1999.

Regent Fisher asked if university officials see the trend in student enrollment in study abroad programs continuing. President Jischke responded affirmatively. He stated that university officials work hard to facilitate opportunities for students to study abroad. He said there is a changed attitude among students about the desirability of studying abroad. It is clear that people who employ the students give a premium to those students who have studied abroad.

Regent Fisher asked about the enrollment trends for foreign students coming to the Regent universities. President Jischke stated that the number of foreign students coming to Iowa State University is relatively stable. He noted that foreign students enrich the university in immeasurable ways.

President Coleman stated that University of Iowa officials have seen relatively dramatic increases in the number of students who elect to study abroad, all across the educational sector. Medical students go to Russia to help develop programs in primary care. Students are not just going to places that are predictable and safe. Many students send her postcards when they are abroad; she is amazed at some of the eye-opening experiences that students report. With regard to international students coming to the University of Iowa, she stated that after experiencing a period of stagnation, the enrollment of foreign students is moving in a positive direction. University officials are working hard to keep that part of the experience robust. International students bring an interesting dimension to students' education.

President Koob stated that the University of Northern Iowa strategic plan for the last five years has encouraged students to study overseas and for international students to

come to the University of Northern Iowa. University of Northern Iowa officials have developed exchange agreements and, in four instances, have created articulation agreements with specific universities in foreign countries.

Regent Ahrens asked about the variety of ways that international agreements are funded at the universities. Is there anything in place to protect the universities from losing funds on the agreements?

Steven Hoch, Associate Provost for International Programs, University of Iowa, responded that there are a number of different ways to fund programs, depending on the country or the institution. The more problematic countries are those that have many students who want to come to the University of Iowa but not many University of Iowa students who want to go there. Such countries are usually those experiencing substantial financial/economic difficulties. The University of Iowa must first send a student to a particular country before a student from that country can be sent here so the University of Iowa does not come up short financially.

President Newlin congratulated Associate Provost Hoch on his new role in the Provost's office.

Dennis Peterson, Director, International Education Services, Iowa State University, stated that 60-65 percent of the students who study abroad are in programs called Project Assist. In Project Assist programs, Iowa State University officials are more involved in the financial management. Financial accountability is foremost in university officials' minds. In some instances, the programs will bring in more money than anticipated. University officials conservatively project the number of students anticipated to participate. For programs that are not Project Assist programs, many of which have been run for years, there is an emergency fund. The emergency fund provides financial assistance, for instance, if students experience health problems overseas or replacement faculty need to be sent overseas.

Regent Ahrens asked Iowa State University officials to explain the shift in the number of active agreements to inactive agreements. Director Peterson stated that 27 agreements with former republics of the Soviet Union were now listed as inactive, 15 of which are from Russia. He said that, because of the high degree of political instability, those agreements would not be renewed. There are several inactive agreements with China which he felt was a political fallout from the bombing of the Chinese embassy in Yugoslavia. Six Eastern European agreements are also inactive.

President Koob stated that in addition to the traditional student exchange program, the University of Northern Iowa has a federal Department of Defense grant of \$two million/year. The university has a blanket agreement with a number of Russian institutions.

Regent Ahrens expressed appreciation for the dynamic international programs at the universities. As part of Future Farmers of America last year, she traveled to Japan. She said that experience changed how she views the world and global agriculture. She encouraged the universities to continue to move forward in this area in order to make students more marketable in their fields.

ACTION: President Newlin stated the Board received the report on international agreements, including study and work abroad programs of the Regent universities, by general consent.

ANNUAL REPORT ON FAMILY PRACTICE TRAINING PROGRAM. The Board Office recommended the Board receive the report on the Statewide Family Practice Training Program.

Since its inception in 1973, the Statewide Family Practice Training Program has provided opportunities for newly-graduated physicians to continue their training through community-based residencies in family practice. Each of the nine training sites in seven Iowa communities consists of a model family practice office in which the residents train under the supervision of clinical instructors who already practice in the community.

As part of these community-based residencies, resident physicians perform clinical activities in a variety of communities across Iowa. These clinical opportunities enable many residents to experience life in other communities, some of which are seeking physicians. Three out of every five graduates of the program have established their first practices in Iowa communities. Forty-four percent of the graduates who selected Iowa sites have chosen communities with populations under 10,000. One fourth of the graduates have located in the metropolitan areas where the training programs are based.

During fiscal year 1999, the state appropriation of \$2,312,290 was 6.6 percent of the \$34,926,287 revenue used to support the program. The primary sources of income are from patient fees and support provided by the hospitals sponsoring each of the program sites. Actual expenses for the program in fiscal year 1999 totaled \$34,758,433, of which 53 percent went to overhead and general expenses to operate the model clinics, 27 percent went to pay the faculty, and 20 percent went to pay the residents.

Roger Tracy, Director of the Statewide Family Practice Training Program, said the program is truly an Iowa success story. He reviewed the annual report with the Regents.

Regent Turner asked for the amount of funding by the general medical education appropriations and whether the federal Balanced Budget Act was impinging on this program. Director Tracy responded that the Balanced Budget Act reduced the amount of funding from the federal government. The subsequent tweaking of the Balanced Budget Act has restored much of what would have been lost. He noted that, in the next 5 years, fewer and fewer dollars will go toward general medical education. With regard to how much of the balance comes from sponsoring hospitals, he said that money comes entirely from the general medical education funds from the federal level.

Regent Turner asked if it was true that, because of the efforts of this program, the number of areas designated as under-served has significantly decreased. Director Tracy responded that the program has reduced the federally-designated shortage areas. The program has filled the major cities with primary care doctors. As students graduate, more are locating in non-hospital towns with populations under 2,000.

Regent Neil asked if the value change in the Medicare reimbursement program had an effect on increasing the interest in family practice medicine. Director Tracy responded affirmatively. He said there was clearly a leveling of the playing field in terms of what various specialists are reimbursed by Medicare. When primary care physician payments were increased at the expense of other disciplines, it made the field more attractive.

Regent Neil asked if more family practitioners are going into private/solo practice or partnerships. Director Tracy said there is a substantial increase in the probability that graduates will go to non-hospital communities where they practice alone or with one other doctor. The doctors are then tied back to the regional center by computer; the practice becomes part of a large network.

Regent Neil referred to the collaborative care by multiple disciplines, and asked if such an effort was being done at all seven training locations. Director Tracy responded affirmatively. All sites include Pharm. D. students and faculty and physician assistant students. Dental students are also located at two sites.

Regent Neil asked if the majority of doctors who locate in the rural areas are native Iowans. Director Tracy stated that 40 medical schools are represented in the Family Practice Training Program. There is a 40 percent chance that an out-of-state medical school doctor will locate in rural Iowa and an 80 percent chance if the doctor is a graduate of the University of Iowa medical school. He stressed the importance of attracting medical graduates from outside of the state.

Regent Turner noted that 46 percent of the trainees are female and asked about other kinds of diversity in the program. Director Tracy said the state of Iowa has a 3 percent

level of minorities in its census. The University of Iowa medical school has an affirmative action program to attract students into the state. Students who are brought into the medical school from states outside Iowa's borders are not as likely to remain for residency training. There are 1-2 percent minority participants in the residency program.

President Newlin congratulated Director Tracy on the program's successes of the past several years.

ACTION: President Newlin stated the Board received the report on the Statewide Family Practice Training Program, by general consent.

REPORT ON MEETING OF THE IOWA COORDINATING COUNCIL FOR POST-HIGH SCHOOL EDUCATION. The Board Office recommended the Board receive the report.

The Iowa Coordinating Council for Post-High School Education (ICCPHSE) met at Hamilton College in Urbandale, Iowa, on February 24, 2000, for its regular meeting.

The Council approved new programs at the following institutions:

1. Graceland College
Master of Education Degree in Collaborative Learning and Teaching for K-12 Educators (on- and off-campus).
2. Iowa Lakes Community College
Surgical Technology (on-campus)
3. Iowa State University
B.A Program in Communication Studies (on-campus).
Master of Accounting Program (on-campus).
4. Southwestern Community College
Ag Chemical Application (on-campus).

5. University of Iowa
Baccalaureate Degree in Radiation Sciences (on-campus).
6. University of Northern Iowa
Master of Accounting (MAcc) (on-campus).
7. William Penn College
Associate of Arts in Leadership Studies (on- and off-campus).

The Council heard an update from the Advisory Committee on Distance Learning, a Committee established by the ICCPHSE to follow-up on the recommendations of the Governor's ACCESS Commission on Distance Education. John Lewis, Chair of the Committee, reported that the Committee, with the assistance of staff from Iowa Public Television (IPTV), had developed a distance education Website. The Website is intended to be a listing of all distance education courses offered by Iowa colleges and universities. The project has progressed to the point where staffing and support decisions need to be developed. The Council asked Mr. Lewis to come back with some recommendations at the Council's next meeting in May.

The Council viewed a video on degree mills and had a brief discussion of the efforts underway to strengthen Iowa's Postsecondary Registration law.

Regent Neil noted that at the meeting there was lengthy discussion regarding the William Penn College proposal.

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

DES MOINES HIGHER EDUCATION CENTER. The Board Office recommended the Board approve the participation of the Regent universities in the Des Moines Higher Education Center.

The planning for a Des Moines Higher Education Center has been underway for several years. The Regent universities have been joined by Drake University and Simpson College in this initiative. Discussions are also in progress with Des Moines Area Community College for its participation.

The protocol for this center addresses the elements required by the Regent Procedural Guide for the approval of a center.

The initial commitment of each participating higher education institution is for three years. Thus, an initial review should occur after this period. After the initial commitment, an institution may withdraw by giving notice to that effect at least three months prior to the subsequent fiscal year.

President Jischke stated that he has had the pleasure of serving as the first chair of the management board. Two more institutions have joined the center for total of seven institutions: University of Iowa, Iowa State University, University of Northern Iowa, Drake University, Simpson College, Grandview College, and Des Moines Area Community College (DMACC). He said it is a remarkable coalition. The spirit with which the seven institutions have come to this task is very positive. Each of the seven institutions has committed to at least 3 years of participation. A committee is in the midst of a search for a director for the center. Applications have been received from 60 individuals; those will be whittled down to five to be interviewed. Options for space are being explored. There is genuine excitement in the Des Moines community. The center will enhance the quality of the workforce. It is an absolutely wonderful example of cooperation across the sectors of higher education to meet the needs in a cost-effective, imaginative manner.

Regent Neil asked how the programming of the center will be handled and what the three Regent universities plan to offer. President Jischke said that, in general, the individual institutions make decisions on what to offer. The institutions will try to find ways to collaborate in the delivery of offerings. DMACC officials would like to offer specially-articulated programs where students begin at the community college and articulate to a four-year institution. Iowa State University will offer the MBA, MPA and an MEL for aspiring elementary and secondary school administrators. He said the latter would be offered in collaboration with Drake University and the University of Iowa. Iowa State University will offer a non-degree program for not-for-profit leadership and a certificate program for management information systems. Iowa State University's offerings will be almost exclusively in the graduate and upper-division level.

Regent Neil asked if the member institutions will have a spirit of collaboration and not competition. President Jischke responded that right now there is a real interest in finding areas of overlap. DMACC President Borgen is interested in targeting inner-city residents. The spirit is very good.

President Coleman noted that the University of Iowa entered into the Des Moines Higher Education Center before the legislative budget proposals were known. She was troubled by what university officials will have to deal with on the budget requirements. She thinks that Des Moines, as the capital city, needs this kind of a center. The University of Iowa may collaborate with its sister institutions in offering programs for

principals and administrative officers, and non-profit leadership, a program about which former University of Iowa President Boyd was very enthusiastic. The University of Iowa may also offer the BSN completion, social work and MBA programs.

President Koob stated that in addition to the collaborative programs already mentioned, the University of Northern Iowa may offer a 2+2 program in technology management with DMACC. The university's biggest program offering would be for teachers to maintain and upgrade certification.

MOTION: Regent Kennedy moved to approve the participation of the Regent universities in the Des Moines Higher Education Center. Regent Neil seconded the motion. MOTION CARRIED UNANIMOUSLY.

President Newlin expressed appreciation, on behalf of the Board, to the three university presidents for their efforts with regard to the Des Moines Higher Education Center.

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

(1) Adopt the following:

Adopt A Resolution authorizing the Executive Director to fix the date or dates for the sale of up to \$16,000,000 Dormitory Revenue Bonds, Series S.U.I. 2000.

(2) Approve the report of the Banking Committee.

Regent Fisher stated that at its meeting on March 15, the Banking Committee members approved the Preliminary Resolution for the Sale of up to \$16,000,000 Dormitory Revenue Bonds, Series S.U.I. 2000; approved modifications of institutional banking relationships; and received investment and cash management reports for the quarter ending December 31, 1999. He said the Banking Committee members engaged in an interesting and long discussion with the Board's fund managers. The Committee received external revenue bond fund audit reports and internal audit reports from the University of Northern Iowa.

MOTION: Regent Fisher moved to adopt A Resolution authorizing the Executive Director to fix the date or dates for the sale of up to \$16,000,000 Dormitory Revenue Bonds, Series S.U.I. 2000. Regent Lande seconded the motion, and upon the roll being called, the following voted:

AYE: Ahrens, Fisher, Kelly, Kennedy, Lande, Neil,
Newlin, Smith, Turner.
NAY: None.
ABSENT: None.

MOTION CARRIED.

MOTION: Regent Neil moved to accept the report of the
Banking Committee, as presented. Regent
Ahrens seconded the motion. MOTION CARRIED
UNANIMOUSLY.

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

MOTION: Regent Fisher moved to enter into closed session.
Regent Lande seconded the motion, and upon the
roll being called, the following voted:
AYE: Ahrens, Fisher, Kelly, Kennedy, Lande, Neil,
Newlin, Smith, Turner.
NAY: None.
ABSENT: None.

MOTION CARRIED.

The Board having voted at least two-thirds majority resolved to meet in closed session
beginning at 11:41 a.m. on March 16, 2000, and adjourned therefrom at 11:56 a.m. on
that same date.

PRESENTATION ON EARLY CHILDHOOD EDUCATION.

President Newlin recognized Dr. Rheta DeVries, Director of the Regent Center for Early
Childhood Education, University of Northern Iowa.

Dr. DeVries reviewed the format for the presentation and identified the other
presenters: Dr. Susan Hegland, Associate Professor of Human Development and
Family Studies, Iowa State University, Dr. Carla Peterson, Associate Professor of
Human Development and Family Studies, Iowa State University, and Dr. Linda
Fitzgerald, Assistant Professor of Curriculum and Instruction, University of Northern
Iowa.

Dr. Hegland described developmentally appropriate and inappropriate educational practices. She noted that high-quality early childhood education programs are accredited.

Dr. DeVries presented a video that was developed by the Regents Center for Early Childhood Education. She stated that constructivist education engages children's interest, involves experimentation, and involves cooperation between teacher and children, and among children. Constructivist education involves interest, experimentation and cooperation.

Dr. Peterson discussed working with parents and families in early childhood education competency areas, and family and community collaboration. She stated that Iowa ranks ninth in the country for the number of children living in poverty. The number of Iowa families where both parents work outside the home is more than 70 percent.

Dr. Fitzgerald discussed licensure programs. She said there are seven standards, shared through a number of national organizations, of what early childhood educators need to know. She noted that their University of Iowa colleagues, who were unable to be in attendance, had included written information on standards. She said the Regent universities are working very hard to change the way students are taught at the university level.

Regent Kelly stated that a number of people think the national approach to early childhood education is wrong. He questioned why local direction was not far superior to long distance direction and management. With regard to constructivist education, he said the idea was that educators were instilling interest in children but the interest is natural, experimentation is natural. He said he did not hear in the presentation anything about reading and writing or education before the age of four or five. What is wrong with home schooling? He said many teachers were being taught that it is more important for children to get along than to receive an education.

Dr. DeVries responded that the national standards are supposed to be a consensus of people all over the U.S. Iowa's Regent universities participated in developing those standards. How much room there is for autonomy within the national standards may not be clear. The ways in which the standards are carried out leave much room for local control. Early childhood educators select activities that will be most educational for children. She said early education, for a while, was susceptible to the push-down approach. She agreed that interest and experimentation is natural to children. She said early childhood education does address education before the age of four-five--early education means birth to grade three.

Dr. Hegland addressed the issue of local control and the diversity of families in Iowa. She said many early childhood educators are heavily involved with empowerment zones in Iowa, which are strong examples of local control. Head Start programs heavily involve families in oversight and implementation of its programs.

Regent Kennedy expressed appreciation for the responses to Regent Kelly's concerns. She stated that more and more children are going into organized care. When a child is in a small group or at home, it is natural to be creative and experiment on his/her own. She appreciated what educators were trying to do in creating that type of environment in larger group settings. From watching the video, it appeared that what was being done with those children was not all that different from her one-on-one experience with her own young children. Early childhood education seemed to be going back to those basics.

Dr. DeVries stated that families where both parents work often do not have time to provide those types of experiences for children.

Regent Smith recognized the role of the Regent institutions regarding training based on expertise and research. She said there has to be some standard and the Regents have to recognize the universities' role. She expressed appreciation for the efforts of the Regents early childhood educators. She then referred to the Freeburg Early Childhood Education Center being developed at the University of Northern Iowa and said it was one of the most exciting opportunities with which she has been a part. The program is a partnership with the Waterloo Community Schools, Allen College and Allen Health Systems. She said it seemed that the early childhood programs are the leaders in developing those types of partnerships.

Dr. DeVries said she hoped the Regents would come visit the Freeburg Early Childhood Education Center in the summer or fall of 2001.

President Newlin thanked all of the presenters for the presentation which he said was done at the Regents' request.

REPORT ON LEGISLATIVE SESSION. The Board Office recommended the Board receive the report on the 2000 legislative session and the recommendations for Board positions on proposed legislation.

During the legislative session, two "funnel" dates are set. February 25 was the final date for House bills to be reported out of House committees and Senate bills to be reported out of Senate committees. March 17 is the final date for Senate bills to be reported out of House committees and House bills to be reported out of Senate committees. Bills referred to the Appropriations and the Ways and Means Committees

are exempt. A number of bills of concern to the Regents were eliminated as a result of the February 25 date. However, some of these bills have been re-introduced as new bills.

Regent institutions made presentations to the Education Appropriations Subcommittee on the following dates: the University of Iowa on February 15 and the special school superintendents on February 16. Also on February 16, the university presidents presented capital requests for FY 2001 to the Transportation, Infrastructure, and Capitals Subcommittee.

The Republican leaders released their budget targets on March 1. These targets differ from the Governor's recommendations in various areas. Budget subcommittees will prepare specific funding amounts within these targets.

Joint Republican Budget Targets for FY 2001

	<u>FY 2000</u>	<u>FY 2001</u>	Tobacco <u>Funds</u>	Increase <u>(Decrease)</u>
Administration & Regulation	\$ 90,685,367	\$ 87,685,367		(\$3,000,000)
Agriculture & DNR	\$ 44,079,251	\$ 42,079,251		(\$2,000,000)
Economic Development	\$ 42,958,988	\$ 36,758,988		(\$6,200,000)
Education	\$ 948,778,694	\$ 965,778,694		\$16,800,000
Health & Human Rights	\$ 95,082,788	\$ 87,582,788	\$20,345,394	\$12,845,394
Human Services	\$ 791,914,776	\$ 799,914,776	\$24,900,000	\$32,900,000
Justice System	\$ 357,488,813	\$ 357,908,813	\$ 610,000	\$1,030,000
Judicial Branch	\$ 112,437,900	\$ 113,717,900		\$1,280,000
Transportation	\$ 3,924,672	\$ 3,137,000		(\$787,672)
Oversight	\$ 23,577,458	\$ 21,577,458		(\$2,000,000)
Standings	\$2,258,926,311	\$2,322,926,311		
Salary Bill	<u>\$ 0</u>	<u>\$ 41,758,830</u>		
Total	<u>\$4,769,855,018</u>	<u>\$4,880,126,176</u>	<u>\$45,855,394</u>	<u>\$156,126,552</u>

Governor's General Fund Budget

Total	\$4,777,605,433	\$4,893,630,530	\$116,025,097
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Executive Director Stork stated that the materials for this agenda item track a number of bills that are being followed that affect the Regents. He then addressed operating budget appropriations. The meeting materials identified some joint Republican budget targets. The proposals decrease the economic development spending by \$6.2 million and increase the education spending by \$16.8 million. He stated that early that morning, the Board Office received more specific information on those targets. He described that information and how it affects the Regent institutions.

In terms of Regent appropriations for economic development, Executive Director Stork said the current legislative proposal was an approximate 4 percent across-the-board reduction, which would include items such as the Institute for Decision Making at the University of Northern Iowa, Institute for Physical Research and Technology at Iowa State University, and the research parks at all the universities. It appears to be a joint FY 2001 budget target - between the Senate and the House - to reduce existing (FY 2000) appropriations by 4 percent.

Executive Director Stork next described the House education appropriations subcommittee proposal for FY 2001 operating budget appropriations for the Regent institutions. He noted that the operating appropriations did not include funding for salary increases or for capitals. He identified the original FY 2000 appropriations and the subsequent FY 2000 base budget cuts. The House education appropriations subcommittee proposed to carry FY 2000 cuts forward into FY 2001. There is a \$3.4 million reduction for FY 2000 that both the Legislature and the Governor agreed to this year. The Governor proposed restoring the \$3.4 million for FY 2001 for the Regent institutions. The House education appropriations subcommittee proposal would make \$1.6 million of the cut permanent, to be carried forward into FY 2001.

Executive Director Stork said the proposed net reduction for the Regent institutions for FY 2001 would be over \$10 million from the existing FY 2000 appropriations base.

Executive Director Stork stated there was roughly a \$15.5 million difference from the Governor's recommendation and the House education appropriations subcommittee proposal for Regent operating appropriations. He stressed that the amount did not include the salary appropriation and was a disappointing prospect. Salary funding, as recommended by the Governor, was roughly \$8.5 million less than the projected need for full funding, but does not include the expected insurance cost increase adjustment. There was no indication, at this time, that the legislature is willing to pick up any portion of the salary under-funding.

Regent Kennedy asked for the amount of the salary shortfall. Executive Director Stork said there was an \$8.5 million under-funding from the projected salary need which did not include any adjustment for insurance cost increases -- estimated to be close to \$4 million, based on a 10 percent increase in health insurance premiums.

Regent Fisher said the \$8.5 million plus the \$10 million totaled an \$18.5 million shortfall.

Regent Newlin said the health insurance premium increase may be \$4 million, so the shortfall would be \$8.5 million plus \$4 million, which is \$12.5 million, plus the \$10 million.

Regent Fisher said the total shortfall, then, would be \$22.5 million.

Executive Director Stork said the shortfall could be \$22.5 million. The health insurance figure was probably the most uncertain number.

Regent Neil noted that he had not heard of any health insurance premium increases this year that were as low as 10 percent.

Regent Fisher said his company's health insurance premium increase was 26 percent.

Executive Director Stork noted that the Governor's recommendation for salaries included a 2 percent across-the-board increase for funding insurance cost increases, which clearly was not enough.

Regent Neil said it appeared that there was a reduction in the salary bill of \$8 million from the request, and a \$10 million reduction in the base budget, or \$15 million from the Governor's recommendation for a total of \$23 million. Executive Director Stork said that was correct.

Executive Director Stork said the proposal reflects a reduction of \$10 million in existing resources. It is a forced reallocation because it appeared the legislature was providing the funding for the Regents' three top priorities but it suggested the Regents have to spend the money for those priorities even though \$10 million was cut from existing resources.

President Newlin commented on the \$15.4 million reduction below the Governor's recommendation for Regent operating appropriations. He said the reduction would have damaging and serious effects on academic programs. The reductions would not advance the strategic plans and key funding priorities of the Regent universities and, quite likely, would cause significant erosion in the quality and access of the universities' educational, extension, and research programs. He said the reduction involves a substantial decrease in existing state resources.

President Newlin stated that the Board of Regents is a citizen board; its members are appointed by the Governor and confirmed by the Senate. Its members represent the citizens of Iowa relative to public higher education. He said the people of Iowa need to know the negative impacts of this cut.

President Coleman stated that this winter she met with the Joint Education Appropriations Committee. She said there was no mention during that meeting that this level of cuts was being contemplated. In fact, there was substantial support expressed for what University officials are attempting to accomplish at the University of Iowa.

At Board of Regents meetings, President Coleman said she hears how the universities are rising to Regents' expectations in using resources. University officials have engaged in responsible strategic planning. Progress is being made.

The University of Iowa houses some of the most distinguished education programs in the nation. It is number one in the nation in the Writer's Workshop, in print making, and in audiology. It has some of the most distinguished medical education sub-specialties in the nation, and its hospital is ranked among the best of the best. Its undergraduate programs are solid. President Coleman stated that she and her predecessors have worked very hard to use the resources given by the people of Iowa to provide Iowans with the best education. She said it was difficult to express adequately how distressed and how disappointed she is in the numbers that she was hearing. The numbers relayed by Executive Director Stork at this meeting are coupled with a 30 percent under-funding of the salary increase. She said this was devastating for the University of Iowa.

President Coleman provided her interpretation of the proposed appropriations. She said no other sector in higher education is receiving this level of under-funding and cuts. The University of Iowa is absorbing over 50 percent of the total cut being recommended or \$4.6 million. The \$4.6 million is added to the \$4 million in under-funding of salary increases, which is on top of a \$1.5 million deappropriation for the current fiscal year and the \$1 million, minimum, under-funding of health insurance. Therefore, the University of Iowa would experience almost \$12 million in cuts or under-funding. She questioned how the University would make up those funds. There is no money proposed for the opening of new buildings. The University of Iowa has two new buildings coming on line---biology and engineering--at a cost of \$700,000. There is no money proposed for library acquisitions. The University of Iowa has the best research library in the state and one of the best in the country. President Coleman stated that the University of Iowa libraries cannot stay abreast without money. When no money was received for library acquisitions last year, University officials reallocated. The cost this year is at least \$600,000.

President Coleman said there is no support recommended for undergraduate enrollment increases and, yet, the students keep coming. There is no support for new undergraduate or faculty initiatives like diversity, child care, biosciences, arts and humanities, the new Technology in Teaching and Learning program, etc. The House appropriations subcommittee proposed to eliminate the support of the National Advanced Driving Simulator, almost \$300,000 a year, just as this most advanced facility in the world is on the brink of opening. The simulator desperately needs the operating support while it gets up and running with contracts. It is a \$50 million federal project. It offers a fantastic opportunity to the state for economic development.

President Coleman said the House appropriations subcommittee proposal makes permanent a reduction of \$136,000 in the indigent patient care program at a time when Iowa is struggling to meet health care needs for those who can least afford it. It forces the University to take \$850,000 from other programs to fund the public health initiative. She questioned from where the University of Iowa is going to get the \$850,000. From its undergraduates? From one of the high-quality programs that is already underway?

President Coleman addressed the consequences of all of this. She said it will lead her to request dramatic increases in tuition; however, that is not going to help next year. The University of Iowa will have a \$12 million problem on July 1 with no easy way to make it up. It is going to lead her to think about increasing the admission requirements for students coming to the University. If student numbers can be reduced, it will reduce costs. There is no other way to keep quality high. She said it was difficult for her to say that she could lead a University on the downward spiral. She did not think that was what the people of Iowa want.

President Coleman stated that the ultimate message to her was that you do a good job of planning and the state takes away the resources. She said the University of Iowa currently has difficulty retaining faculty. This will make it even more difficult in the future. University officials can delay urgent renovation needs, delay ordering equipment purchases, impede the ability to continue technology innovations in the classroom. University officials can admit fewer students to the academic programs. Those are about all of the options.

President Coleman stated that the whole picture was devastating to the University of Iowa. She urged the Board of Regents members to speak up for the young people and families of Iowa. This is about the future of Iowa and the people of Iowa.

President Jischke stated that this was without question the most discouraging budget proposal he has seen in his time at Iowa State University. The implications of the proposed budget were very troubling. The proposal comes at a time when the University is making remarkable progress. Enrollment is growing. The quality of the programs is being enhanced. Research programs are growing. Retention rates are increasing. Graduation rates are increasing. He said the foundation of this success, the University's support from the state of Iowa, was in jeopardy. If the budget proposal were adopted, it would mean the University would have fewer resources, fewer employees to carry out its work, and the strategic plan would suffer a terrible set-back. At a time when enrollment is increasing, the University would have fewer faculty to teach the students. At a time when university-based research is increasing economic opportunities in Iowa, the University's research capacity would be diminished. At a time of inordinate stress in the agricultural community, the University's capacity for outreach and extension would be reduced. At a time when record numbers of alumni and friends

are joining in partnership with the taxpayers of Iowa to make the University better, the leaders of Iowa are apparently saying they are going to abandon Iowa's historic priority to higher education and the Regent universities, in particular. At a time when access to higher education is increasingly essential to a successful life, this budget proposal would set Iowa on a course of reducing its investment in public higher education. He said this was in the face of all the states around Iowa taking the other, wiser course.

President Jischke stated that the proposed cuts and under-funding for Iowa State University amount to roughly \$11 million. He said that means that next July 1 University officials will have to have reallocated \$11 million which is more than the budget of four of the University's colleges. Such a reallocation would mean that Iowa State University would have to renege on the commitment made to students when the Board of Regents adopted the proposal to increase tuition next fall by 4 percent. Iowa State University officials committed to use half of those funds to improve the quality of the University including addressing some of the over-enrolled classes, enhancing the library, and expanding the use of technology. He stated that if University officials used every nickel that would come from the tuition increase, it would barely cover one-third of the shortfall. Future tuition increases would have to be dramatically higher in order to preserve the quality of the University. He said the budget proposal was an enormous step backwards for Iowa State University.

At a time when Iowans want to see the state population grow, its citizen's incomes increase, and more of its talented young people stay in the state, Iowa State University seems to be dealing with proposals that will move the state in exactly the opposite direction. Enrollments will diminish, fewer high-paying jobs will be created, and Iowa's young people will go elsewhere. President Jischke said the House appropriations subcommittee proposal was a very foolish and shortsighted proposal. The state of Iowa has had a well-deserved reputation for its commitment to high-quality public education and higher education, in particular. He said budgets of this sort will clearly jeopardize that reputation and will diminish the quality of Iowa State University.

President Koob stated that he was struck by the contrast between that morning's meeting and that afternoon's meeting. That morning the Regents and institutional officials were celebrating accreditations and the growth in enrollments. They were celebrating departmental reviews that showed every one of the institutions doing a better job of tracking student outcomes to changes in curriculum. Over the last five years that he has been in Iowa, the Regents have been on a path to continuous improvement in the quality of these institutions. Every year there has been full funding of salaries from the general education fund which has amounted to an approximate four percent increase in each of those five years. The institutions have received a one-half to one percent operational budget increase each year. The universities have been enrolling more and more students each year.

While the investment that the people of Iowa have made is relatively generous in terms of a per Iowan basis, in terms of the numbers of dollars given to the Regent institutions to operate, it falls almost in the middle of the nation. There has been modest investment in higher education in the state of Iowa. There have been modest increases in tuition--3.5 to 4.5 percent over that period of time, also putting Iowa slightly below average in terms of the national outlook. Iowa has received top-notch universities in every sector for that investment. The Board of Regents wisely preserved the niche of each of the three universities. The Board made each one of the universities aspire to be the best within its niche and the universities are doing so because there has been a stable base with which to work. President Koob said that a stable base is as important as the absolute value of dollars. The institutions could count on next year's support which allowed them to plan and reallocate, to make a small investment of tuition in quality improvements. Thus, Iowa has gotten top-notch universities for a modest increase in tuition. He said that effort is destroyed with this budget proposal.

President Koob stated that if the institutions have to live with the budget that has been proposed, not only would there not be full funding of salaries, but University officials would have to cut into the base operations. The cut would not just be the amount of inflation, but there would be a reduction of services and a reduction of instruction because there is no one action that can be done to make up for the reduction. The consequences of this are two-fold--short-term and long-term. The short-term consequence is that the lack of funding will eat into the quality this year. He said the University of Northern Iowa has undergone a fairly large number of retirements in the last two years. The participation in the classroom of senior professors has become unacceptably low, as a result. The University would not be able to replace those faculty this year if University officials have to live with this budget.

President Koob stated that it takes a long time to build quality, but quality can be destroyed in a year or two. He said the Regents have to prevent the diminution of quality that they and institutional officials have worked so hard and so long to put into place. If the quality is going to be preserved, either access will have to be reduced or costs will have to be increased. Both of those have a direct impact on the families of Iowa. He said the burden is being shifted from the taxpayer at large to the individual student, parent and family. That shift of burden is a selfishness to which President Koob has grown unaccustomed in Iowa. Iowans have shouldered the burden broadly in order to provide success for every one of its students. He said this is a significant policy shift and it could not come at a worse time.

President Koob referred to the presentation on early childhood education which took place earlier in the meeting. He stated that in the industrial economy of the first half of this century, students were not prepared for success in school. They were prepared to

work on a production line. Today, a person cannot work on a production line without having succeeded in school. Such a difference has occurred over a period of time. We have to educate each and every one of our children from early childhood through higher education in order for the economy to succeed. It has been proven, in the last 25 years, that if a person did not have a college education, his/her disposable income has shrunk every year. Only those with a four-year degree and beyond have been able to keep up with the changes in our economy and have increased their prosperity. He said it is for that reason that so much effort is directed toward early childhood education and education reform. That is also why so much effort is put on high quality in four-year higher education. If Iowa takes a step like the proposed budget, it is not just harming its universities; it is harming its entire future.

Superintendent Johnson stated that Iowa School for the Deaf has already experienced an appropriation reduction this year. He said 85 percent of the budget is dedicated to salaries. He hoped the proposal was not final.

Superintendent Thurman reminded the Regents that two months ago they received a report from the universities about how they were going to cooperate to create a program to train teachers of the visually impaired and the hearing impaired. He said that training is absolutely vital. The Regent institutions have been working together for years. The budget proposal may impact the Regents' decision regarding the cooperative teacher training program. He said he was sad because he believes the impact will reach those children who they are trying to serve.

Regent Neil stated that he wants the elected officials to understand the effects of the proposed shortfall in funding of higher education in the state. He felt that the positions of all five institutional heads were put forth very well. They cannot "rob Peter to pay Paul".

Regent Kennedy asked if there was an indication that the salary shortfall would be covered by the tuition increase. Executive Director Stork said the tuition increase was not intended to cover salary increases. It was his understanding that the presidents had indicated that the salary shortfall would be impacted by those dollars. The tuition increase would not be enough money to cover the proposed salary shortfall.

Regent Kennedy stated that the people of Iowa need to understand that when the Regents approved the tuition increase, there were basic and fundamental assumptions made. Promises were made that those dollars would be used for initiatives such as libraries and undergraduate education. She said that what was proposed by the legislature was a fundamental change. The Regents cannot make sound decisions without fundamental support. She said Regent Neil's suggestion to deliver the institutional heads' messages to the chambers was a good one; however, it is time for

the Regents to start speaking out. The House appropriations subcommittee proposal fundamentally changes all of the work that has been done on the institutional and Board of Regents strategic plans. She said the state of Iowa has always fundamentally supported access and affordable higher education.

Regent Kennedy said there are some good initiatives that the state of Iowa would like to support; however, those initiatives cannot be supported to the detriment of other important initiatives that Iowans have always supported. She said the Regent institutions have not received basic inflation funding. Even if everything remained the same, there would have to be some increase in budgets in order to maintain the same services. She said the proposal was an insult to the work of the Regents and the institutions, and to the people of Iowa who have fundamentally supported higher education.

Regent Fisher said it was disturbing that the budget proposal was taking place at a time when the economy in Iowa has never been better and tax receipts to state government have never been higher. The state may not meet the revenue projections but there is still expected to be a three to four percent state revenue increase. If the state is having a problem today with appropriating adequate funds, with economic activity at an all-time high in this state, he cannot think what the problems will be when the state experiences the opposite. He said it has just been within the last year or two that he felt that the effect of the financial problems experienced by this state in the mid-1980s had been resolved. The state has only recently been able to provide the necessary support for the faculty, the students and the institutions to compensate for the lack of revenues in the last decade.

Funding for the Regent institutions is like a three-legged stool. One source of revenues is tuition, which was increased four to five percent plus substantial fees. Regent Fisher said the Regents made the conscious decision to increase tuition and fees because they thought it was practical, prudent and good for the students. A second source of revenues is private funding, through the foundations of the three universities, which is at an all-time high. He said it was magnificent the way the alumni and friends of the universities have stepped up to provide the support from the private sector. Now the institutions need the elected officials to provide that third "leg" of the "stool", to give the state appropriations necessary to keep Iowa's quality of education the best in the country. People look at this state not only for its higher education but for all education. He said that if the legislators are going to change their high priority for higher education, it will cause serious problems. He believes the people of the state of Iowa will not be appreciative of these actions.

Regent Lande addressed the short-term and long-term implications. He said that if this budget proposal comes to pass, the largest impact would be on the students in high

school and elementary school in Iowa today. The budget proposal would portend a change in the quality and nature of higher education that Iowans have come to expect in our three state universities. This kind of a move is an announcement that the institutions will have to change that quality. The Regents need to help the people of Iowa understand what is happening.

Regent Ahrens said she believes that private funding is at an all-time high because of the quality of education the institutions are providing. The private funding cannot be expected to make up for shortfalls in operating appropriations. New private funding is providing opportunities to students with the plant sciences institute and with the C-6 virtual reality simulator, which are two examples on Iowa State University's campus. Such quality prepares students to be competitive when entering into the work force. The students need those tools so that when students graduate they can have as good a shot at those jobs as anyone else around the country. She was confident that students have that now. It needs to be continued for the students.

Regent Ahrens stated that students realize they need to pay for their education. Students realize that every year there is going to be a tuition increase to improve the quality of education, to provide smaller class sizes, and to improve the technology to allow students to be competitive in the workforce when they graduate. It is already a financial burden on students to pay tuition. She said students cannot be expected to pay double the amount of tuition increases just to make up for lack of other revenues.

Regent Ahrens said she does not want the quality of her education to decline. She does not want to be less competitive for the top-quality jobs.

Regent Kelly asked that the communication from the Board of Regents to state legislators include the comments of Regent Kennedy and others.

President Newlin agreed that the communication would include the comments of individual Regents.

Regent Smith referred to the first strategic planning session of the Board of Regents. She said the Board members spent hours talking about ways to improve access to the institutions, about quality and what quality costs. There was a session where the language for the goal of quality was word-crafted. The decision was that the Regents wanted the institutions to be the best, recognizing that to be the best costs money. She stated that if the proposed budget becomes a reality, the Board of Regents will need to revisit its strategic plan. There is no way to provide the best with such a lack of support from the state.

Regent Turner referred to earlier comments about receiving enough funding to, at least, stay the same. She said it should be clearly understood that, when it comes to higher education, there is no such thing as staying the same. If the institutions are funded at the same level, they fall behind. If higher education in Iowa decided to stay the same 13 or 30 years ago, she would not be seated as a member of the Board of Regents. In order to progress, resources must be added to the institutions. Staying the same is not an acceptable option.

Regent Neil said the leaders of the state of Iowa must realize that higher education is more than buildings, brick and mortar; it is people and retaining the best and the brightest. To maintain the quality of higher education in this state will take a reasonable, consistent level of funding in order to plan for the future. If state leaders are not willing to make that commitment to higher education in this state, they need to let the Board of Regents members know now so the Regents can make appropriate plans.

Regent Kennedy stated that the Regents, based on what they believe Iowans want, have charged the university presidents to fulfill their vision for higher education in Iowa. University presidents have worked hard to empower their staff and their faculty to do the same. She stressed the importance of the legislature doing its part to ensure that enthusiasm and empowerment can continue. When people are given a vision and a charge, it cannot then be taken away with an expectation that things will stay the same. She expressed appreciation for the efforts of the leadership, faculty and staff of the universities who, she said, are owed fundamental support.

President Newlin said the Board Office would follow through on Regent Neil's suggestion to communicate the remarks that had been made and to make those available to the legislature and to the press.

ACTION: President Newlin stated the Board received the report on the 2000 legislative session and the recommendations of Board positions on proposed legislation, by general consent.

RESIDENCE SYSTEMS – ANNUAL GOVERNANCE REPORTS, TEN-YEAR PLANS, PRELIMINARY FY 2001 BUDGETS, AND PROPOSED 2000-2001 RESIDENCE RATES. The Board Office recommended the Board:

- (1) Receive a summary report on university residence systems.
- (2) Refer to the individual university docket items:

- a) Residence system FY 1999 annual reports;
- b) Ten-year residence system plans for FY 2001-2010;
- c) Proposed residence rate increases for academic year 2000-2001; and
- d) Preliminary residence system budgets for FY 2001.

FY 1999 ANNUAL REPORTS

The university residence systems are in sound financial condition with adequate annual net revenues to maintain current facilities totaling over 6.4 million gross square feet.

During FY 1999, the residence systems housed 19,659 students, which represents 28.8 percent of total Regent student enrollment of 68,189. This compares to 18,940 students in residence systems during FY 1998, which represented 28.1 percent of total Regent student enrollment of 67,418.

Gross revenues for FY 1999 were \$83.9 million and total operating expenditures were \$63.3 million. This compares to gross revenues for FY 1998 of \$80.2 million and total operating expenditures of \$63.4 million. As of June 30, 1999, the outstanding principal of university dormitory bonds was: \$20.7 million for the University of Iowa, \$56.5 million for Iowa State University, and \$19.0 million for the University of Northern Iowa.

TEN-YEAR PLANS FY 2001 - FY 2010

Ten-year enrollment and occupancy projections indicate a steady demand for Regent residence system housing, which forms the basis of residence system financial forecasts.

PROPOSED RATES 2000-2001

Universities officials proposed rate increases for 2000-2001 for a double occupancy room with 20 meals per week of 5.0 percent to \$4,398 for the University of Iowa, 6.3 percent to \$4,432 for Iowa State University, and 6.0 percent to \$4,149 for the University of Northern Iowa.

These increases compare to average increases over the last ten years (ending Fall 1999) of 5.0 percent for the University of Iowa, 4.9 percent for Iowa State University, and 5.8 percent for the University of Northern Iowa.

Current room and board rates compared to peer institutions are the lowest at the University of Iowa and Iowa State University and third lowest at the University of Northern Iowa.

FY 2000 BUDGET AND PRELIMINARY FY 2001 BUDGET

The revised estimates for FY 2000 show gross revenues of \$87.7 million, expenditures of \$65.6 million, and net revenues after debt service and mandatory transfers of \$10.8 million.

Preliminary budgets for FY 2001 show gross revenues of \$93.7 million, expenditures for operations of \$70.9 million, and net revenues after debt service and mandatory transfers of \$8.2 million. Revised FY 2000 budgets show gross revenues of \$87.7 million, expenditures for operations of \$65.6 million, and net revenues after debt service and mandatory transfer of \$10.8 million.

Increases in the cost of operations in the proposed budgets for FY 2001 over the actual FY 1999 expenditures include: University of Iowa at 3.1 percent, Iowa State University at 16.2 percent, and University of Northern Iowa at 15.3 percent. Iowa State University will have an increase in debt service for Hawthorn Court, Phase I and II. The University of Northern Iowa will have increased debt service for facility improvements including the Redeker dining facility renovation.

In FY 2001, voluntary reserves, which can be used for operations and maintenance as well as repairs, renovations, and capital improvements, are estimated to be \$14.4 million at the University of Iowa, \$5.7 million at Iowa State University, and \$3.6 million at the University of Northern Iowa. Since depreciation allowance is not recognized on residence system buildings and equipment, it is important to maintain appropriate voluntary reserve levels to apply toward the costs of renovation and replacement.

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

ACTION: President Newlin stated the Board received a summary report on university residence systems, by general consent.

(a) University of Iowa. The Board Office recommended the Board (1) receive the University of Iowa residence system FY 1999 annual report; (2) approve the University of Iowa residence system ten-year plan for FY 2001 through FY 2010; (3) give preliminary consideration to the academic year 2000-2001 proposed rates including a combined double occupancy residence hall room and 20 meals per week board plan of \$4,398 (a 5.0 percent increase) and apartment rate increases averaging 3.4 percent; and (4) give consideration to the University's FY 2001 preliminary residence system

budget, which is subject to further review and action when the Board approves the final FY 2001 institutional restricted fund budgets in July.

The University of Iowa operates the residence and dining system as part of its educational responsibilities. The residence system is a self-supporting operation, which offers a comprehensive program designed to enhance and complement academic learning as well as meet the on-campus residential needs of students at an affordable cost. The University's residence system does not receive any state-appropriated funds for the operation or capital improvements of the system.

During FY 1999, the University of Iowa residence system housed 6,294 students, which represents 22.4 percent of total university student enrollment of 28,153. Gross residence system revenue for FY 1999 was \$26.9 million and total operating expenditures were \$19.1 million. Major repairs, replacements, and renovations, net of equipment replacement totaled \$6.3 million (\$2.9 million from the improvement reserve fund and \$3.4 million from bond proceeds) representing 1.7 percent of the total building replacement value of \$370.9 million. Voluntary reserves totaled \$13.1 million in FY 1999, representing 48.7 percent of gross revenue. During FY 1999, \$10 million in residence system bonds were issued for fire safety/detection upgrades and the west campus food service consolidation at Hillcrest Residence Hall. As of June 30, 1999, outstanding bond obligations totaled \$20.7 million.

The University of Iowa ten-year plan includes retirement of \$10.7 million of bond obligations and capital projects of \$32.0 million to be financed from new revenue bond financing. Projects include system wide fire safety/detection upgrades, food service remodeling projects in Burge, and Currier and Quad dining space renovations. The ten-year plan includes future rate increases of 3.0 percent for FY 2000, 1.5 percent for FY 2001, and 1 percent for FY 2002 and FY 2003.

The University of Iowa's proposed rate increases for 2000-2001 include 5.8 percent for a double occupancy room and 4.0 percent for a 20-meal board plan, for a combined room and board increase of 5.0 percent. The total dollar increase would be \$210, from the present rate of \$4,188 to the proposed rate of \$4,398. The average apartment proposed rate increase is 3.4 percent. The proposed increases in these rates form the basis for rate increases in other housing and dining contract choices.

The University of Iowa residence system preliminary budget for FY 2001 includes estimated gross revenues of \$28.9 million, expenditures for operations of \$19.7 million, and net revenues after debt service and mandatory transfers of \$4.5 million (15.4 percent of gross revenues).

Vice President Jones noted that a number of residence system master plans had been completed.

Residence System Director Van Oel reviewed the report of the University of Iowa. She stated that the University of Iowa has a policy of no deferred maintenance in its residence system. The University's residence system is the least expensive such system in the Big 10. She said students want and demand a higher quality living environment. University of Iowa residence system officials have conducted an environmental assessment survey of students concerning the residence hall system during the last few months. Students have requested more privacy, air conditioning, carpet, modern bathrooms, etc. She said many of these items are already being addressed by the university.

Director Van Oel stated that two years ago the University began offering non-smoking floors. Next year the residence system buildings will be smoke-free and substance-free even for those of legal drinking age. University officials began renovating the Hillcrest food service to offer students more choices. Burge Hall food service will be renovated in 2004.

Residence system officials wish to provide more spaces where students can interact with one another and also have quiet space. Many students have requested Ethernet services. As a result of this strong desire on the part of students, one building is wired and three more buildings will be wired by fall. By January 2001, the remaining five buildings' wiring will be completed.

The request for more privacy and more rooms with semi-private baths may be answered with implementation of the residence system long-range plan to build a new residence hall with that type of room configuration.

Director Van Oel stated that even though the residence system is in compliance with all fire codes, five years ago residence system officials began the process of planning for fire safety detection upgrades and suppression systems. Last October, installation of those systems began. Residence system officials have been collaborating with academic programs on campus to establish learning communities. There is a plan on the horizon to do a learning community related to health sciences.

Director Van Oel stated that in order for the University of Iowa to attract students and be competitive, a good first impression needs to be made. She feels that the residence hall system is the "front door" to the university. She wants the residence system to make a good first impression as well as be reliable, safe and healthy.

MOTION: Regent Smith moved to (1) receive the University of Iowa residence system FY 1999 annual report; (2) approve the University of Iowa residence system ten-year plan for FY 2001 through FY 2010; (3) give preliminary consideration to the academic year 2000-2001 proposed rates including a combined double occupancy residence hall room and 20 meals per week board plan of \$4,398 (a 5.0 percent increase) and apartment rate increases averaging 3.4 percent; and (4) give consideration to the University's FY 2001 preliminary residence system budget, which is subject to further review and action when the Board approves the final FY 2001 institutional restricted fund budgets in July. Regent Kennedy seconded the motion. MOTION CARRIED UNANIMOUSLY.

(b) Iowa State University. The Board Office recommended the Board (1) receive the Iowa State University residence system FY 1999 annual report; (2) approve the Iowa State University residence system ten-year plan for FY 2001 through FY 2010; (3) give preliminary consideration to the academic year 2000-2001 proposed rates including a combined double occupancy residence hall room and 20 meals per week board plan of \$4,432 (a 6.3 percent increase) and apartment rate increases averaging 5.0 percent; and (4) give consideration to the Iowa State University FY 2001 preliminary residence system budget, which is subject to further review and action when the Board approves the final FY 2001 institutional budgets in July.

Iowa State University operates the residence system and dining services as part of its educational responsibilities. The residence system is a self-supporting operation, which offers living/learning communities that stimulate, enhance, and extend the total learning experience in support of Iowa State University's strategic plan. The Iowa State University residence system does not receive state-appropriated funds for the operation or capital improvements of the system.

During FY 1999, the Iowa State University residence system housed 8,467 students, which represents 33.1 percent of the University's total student enrollment of 25,585. Gross residence system revenue for FY 1999 was \$37.8 million and total operating expenditures were \$28.9 million. Plant improvement, repair, and maintenance expenditures totaled \$13.4 million, representing 32.7 percent of the total building replacement value of \$409.5 million as of June 30, 1999. Voluntary reserves totaled \$10.5 million as of June 30, 1999, representing 27.7 percent of gross revenue. During

FY 1999, \$30.9 million in residence system bonds were issued for Phase I of the Hawthorn Court Development, which is currently under construction. As of June 30, 1999, outstanding bond principal totaled \$56.5 million.

Iowa State University's ten-year plan includes retirement of \$9.8 million of bond principal.

Iowa State University's proposed rate increases for 2000-2001 include 8.2 percent for a double occupancy room and 3.9 percent for a 20-meal board plan, for a combined room and board increase of 6.3 percent. The total dollar increase would be \$261, from the present rate of \$4,171 to the proposed rate of \$4,432. This increase includes a \$207 (5 percent) base increase and a \$54 (1.3 percent) increase for Ethernet connectivity. The average apartment proposed rate increase is 5.0 percent. The proposed increases in these rates form the basis for rate increases in other housing and dining contract choices.

The Iowa State University residence system preliminary budget for FY 2001 estimates gross revenues of \$43.1 million, expenditures for operations of \$33.6 million, and net revenues after debt service and mandatory transfers of \$3.0 million, which represents 6.9 percent of gross revenues.

Vice President Hill reviewed the report on behalf of Iowa State University. He noted that some of the residence communities are targeted to specific needs of students. In the past two years, the Department of Residence has worked to advance two goals: improving facilities and shaping programming to enhance student learning. Amenities appropriate to student needs and expectations help recruit students to Iowa State University. Well-designed residence halls encourage the development of strong, positive communities. Quality facilities also support the department's programmatic goals.

Department of Residence staff actively collaborate with faculty and student services personnel to support academic endeavors through learning teams, supplemental instruction and related initiatives. Vice President Hill stated that residence system officials have dedicated staff to assessment in order to insure that decisions are data driven. The Department of Residence 10-year plan is driven by data supplied by the registrar's office.

Vice President Hill stated that one of the key concepts in the residence system master plan is the development of neighborhoods targeted at the needs of specific student populations. The Union Drive and Richardson Court neighborhoods are designed to support younger, single students while other areas will be developed to support older students and families. The transformation of the neighborhoods will take several years.

The goal for Maple Hall was to redesign the facility to serve the needs of younger, single students. The newly-renovated building opened last fall. Vice President Hill said Maple Hall offers a mix of dormitory and suite-style living options and structured programs. The hall is alcohol free. Maple Hall has proven to be a very popular option. He described the phases for the development of Hawthorn Court and the students to which this housing is targeted.

With regard to the proposed rate increase, Vice President Hill said the base increase is to continue to provide the current services and the additional increase is to provide additional services. Residence system officials intend to continue to take an aggressive approach to life safety improvements in all of the facilities.

MOTION: Regent Smith moved to (1) receive the Iowa State University residence system FY 1999 annual report; (2) approve the Iowa State University residence system ten-year plan for FY 2001 through FY 2010; (3) give preliminary consideration to the academic year 2000-2001 proposed rates including a combined double occupancy residence hall room and 20 meals per week board plan of \$4,432 (a 6.3 percent increase) and apartment rate increases averaging 5.0 percent; and (4) give consideration to the Iowa State University FY 2001 preliminary residence system budget, which is subject to further review and action when the Board approves the final FY 2001 institutional budgets in July. Regent Lande seconded the motion. MOTION CARRIED UNANIMOUSLY.

President Newlin asked if University officials had given any consideration to a debit card system. Vice President Hill responded affirmatively. Residence System Director Alexander said the Iowa State University residence system master plan includes a food service master plan. It was clear from responses of students that students would like to move in the direction of a debit card. Before the residence system can move completely to a debit system, the system must be combined with food services on campus.

Vice President True stated that University of Iowa officials plan to use a debit card generally, not just in the residence system. The University controller is reviewing the matter.

Vice President Jones stated that the University of Iowa residence system staff and the Iowa Memorial Union staff have worked together over the last 1-1/2 years to develop a better system. They are developing ways to blend the system which will produce options for students and make the system more affordable.

Vice President True stated that the University of Iowa student i.d. card will include the debit feature within the next year or so. The Board members will be hearing from University officials fairly soon about the new program.

President Jischke asked Vice President Madden to discuss what is being done beyond the residence halls. Vice President Madden discussed the use of the ISU card. University officials envision a whole host of applications with the card.

(c) University of Northern Iowa. The Board Office recommended the Board (1) receive the University of Northern Iowa residence system FY 1999 annual report; (2) approve the UNI residence system ten-year plan for FY 2001 through FY 2010; (3) give preliminary consideration to the academic year 2000-2001 proposed rates including a combined double occupancy residence hall room and 19 meals per week board plan of \$4,149 (a 6.0 percent increase) and apartment rate increases averaging 5.6 percent; and (4) give consideration to the University of Northern Iowa FY 2001 preliminary residence system budget, which is subject to further review and action when the Board approves the final FY 2001 institutional budgets in July.

The University of Northern Iowa operates the residence system and dining services as part of its educational responsibilities. The residence system is a self-supporting operation and reflects the University's mission of academic and personal development through student employment, student government, and participation in university and residence programs. The University's residence system does not receive state-appropriated funds for the operation or capital improvements of the system.

During FY 1999, the University of Northern Iowa residence system housed 4,457 students, which represents 33.4 percent of the University's total student enrollment of 13,329. Gross residence system revenue for FY 1999 was \$19.2 million and total operating expenditures were \$15.3 million. Plant improvement, repair, and maintenance expenditures totaled \$3.0 million, representing 1.3 percent of the total building replacement value of \$230.9 million. Voluntary reserves totaled \$4.3 million as of June 30, 1999, representing 22.3 percent of gross revenue. During FY 1999, \$7.0 million in residence system bonds were issued for projects to address deferred maintenance and fire safety. As of June 30, 1999, outstanding bond principal totaled \$19.0 million.

The University of Northern Iowa ten-year plan includes retirement of \$3.8 million of bond obligations and capital projects of \$20.8 million to be financed from new revenue bond financing. The University's residence system proposes to address deferred maintenance and fire safety projects and make substantial facility improvements in residential and dining facilities over the next five years.

The University of Northern Iowa's proposed rate increases for 2000-2001 include 5.8 percent for a double occupancy room and 6 percent for a 19-meal board plan, for a combined room and board increase of 6.0 percent. The total dollar increase would be \$235, from the present rate of \$3,914 to the proposed rate of \$4,149. The average apartment proposed rate increase is 5.6 percent. Increases in these rates form the basis for rate increases in other housing and dining contract choices.

The University of Northern Iowa residence system preliminary budget for FY 2001 estimates gross revenues of \$21.7 million, expenditures for operations of \$17.6 million, net revenues after debt service and mandatory transfers of \$0.8 million, which represents 3.7 percent of gross revenues.

Residence System Director Hartman reviewed the report of the University of Northern Iowa. He discussed the interrelatedness of the on-campus dining program with the mission of the university. He referred to earlier discussion about the significant budget impacts on the university of proposals from the legislative appropriation subcommittee. He said it was possible that students living on campus can be effected in some way by budget shortfalls.

The Department of Residence is related to the academic advising program on campus. The department has professional academic advisors. Health services is an important, integral part of what is provided in the residence halls. Maucker Union is interrelated to the residence program. As the food service expands into the Maucker Union, it will provide a seamless food service for the campus. Facilities planning is important as the residence system embarks upon more facilities renovation and improvements. The physical plant relates to preventive maintenance and the overall maintenance of residence facilities. The information technology services department has been an important partner in developing the residential network. Director Hartman stated that support of those departments on campus is important to the success of what the residence system is able to offer to students.

Director Hartman discussed the importance of enrollment as it interrelates with occupancy. The residence system houses 80 percent of first-year students. He described the important of the dining program and the continued strength of the university's catering services.

President Newlin asked if fiber optics were included with the University's new telephone system. Director Hartman responded affirmatively.

MOTION: Regent Smith moved to (1) receive the University of Northern Iowa residence system FY 1999 annual report; (2) approve the UNI residence system ten-year plan for FY 2001 through FY 2010; (3) give preliminary consideration to the academic year 2000-2001 proposed rates including a combined double occupancy residence hall room and 19 meals per week board plan of \$4,149 (a 6.0 percent increase) and apartment rate increases averaging 5.6 percent; and (4) give consideration to the University of Northern Iowa FY 2001 preliminary residence system budget, which is subject to further review and action when the Board approves the final FY 2001 institutional budgets in July. Regent Lande seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

RETENTION/GRADUATION RATE POLICY: DIVERSITY STUDY GROUP

RECOMMENDATIONS. The Board Office recommended the Board approve the statement on diversity and the policy on retention including the targets for 2-year retention rates and 6-year graduation rates of minority students at Regent universities.

During the 1998-99 academic year, the Board of Regents Diversity Priority Study Group conducted an extensive review of enrollment, retention, and graduation rates at Regent universities. The data from prior governance reports were examined by race/ethnicity for each of the universities from 1986 to the present.

After reviewing the data at several meetings, the Diversity Priority Study Group concluded that (1) the enrollment of minority students at the Regent universities is not yet at the level that signifies a diverse student population, and (2) there is a substantial difference between the retention and graduation rates of minority students and the retention and graduation rates of majority students.

The Diversity Priority Study Group has been reviewing a modification to the Regent policy on diversity intended to improve the two-year retention and six-year graduation rates of undergraduate minority students at the Regent universities. The Diversity

Priority Study Group made a specific recommendation to the Board at this meeting, as follows.

DIVERSITY GOALS AT REGENT UNIVERSITIES

The goal of the Board of Regents is to provide educational opportunities to all citizens of the state and to provide educational experiences which prepare graduates for full participation in today's social and economic environment. Therefore, the Board has adopted the following diversity goals:

ENROLLMENT

The target for the enrollment of minority students at each of the Regent universities will continue to be at least 8½% of the total student population. The universities shall include strategies in their respective strategic plans to reach or exceed this target.

RETENTION

For purposes of this Diversity Statement, "retention" shall be defined as (a) the number of returning minority students who complete the second year of study at a Regent university, and (b) the number of minority students who graduate within six years of admission.

The target for the two-year retention rate for minority students at each of the Regent universities shall be (1) the same as the two-year retention rate of majority students, or (2) an increase of 10 percentage points from a 3-year average at each university as of the last annual measurement of the two-year retention rate and the two prior years, whichever is less.

The target for the six-year graduation rate of minority students at each of the Regent universities shall be (1) the same as the six-year graduation rate of majority students, or (2) an increase of 10 percentage points from a 3-year average at each university as of the last annual measurement of the six-year graduation rate and the two prior years, whichever is less.

The universities will attempt to reach and maintain these retention targets as soon as possible, with an expectation of substantial progress on attainment of the two-year retention target by 2002 and the six-year graduation target by 2006.

The retention targets will apply to the aggregate of all minority students but the universities are urged to focus their efforts on each minority group.

TABLE 1
TWO-YEAR RETENTION RATES

Uses 1997 as the baseline year and 3-year averages. The numbers identified in bold are the targets unless adding 10 percentage points to the actual minority rates is less.

	SUI	Add 10 PP	ISU	Add 10 PP	UNI	Add 10 PP
All students	72.9%		74.3%		73.9%	
White	73.8%		74.9%		74.6%	
African-American	69.5%	79.5%	58.6%	68.6%	51.2%	61.2%
Asian-American	71.3%	81.3%	76.7%	86.7%	69.1%	79.1%
Native American	83.3%	93.3%	62.9%	72.9%	36.7%	46.7%
Hispanic-American	68.6%	78.6%	63.9%	73.9%	59.2%	69.2%

TABLE 2
SIX-YEAR GRADUATION RATES

Uses 1993 as the baseline year and 3-year averages. The numbers identified in bold would be the targets unless adding 10 percentage points to the actual minority rates is less.

	SUI	Add 10 PP	ISU	Add 10 PP	UNI	Add 10 PP
All students	62.9%		60.5%		61.8%	
White	64.3%		62.4%		62.9%	
African-American	41.3%	51.3%	32.3%	42.3%	38.1%	48.1%
Asian-American	61.6%	71.6%	53.3%	63.3%	60.1%	70.1%
Native American	75.6%	85.6%	27.6%	37.6%	38.3%	48.3%
Hispanic-American	50.5%	60.5%	44.1%	54.1%	36.3%	46.3%

Regent Turner stated that diversity is at the forefront of many discussions across our country today. Issues surrounding diversity relate to learning to embrace diversity and capitalize on the benefits that diversity brings to our institutions and to our world. She said the Regent institutions have been very forward thinking in terms of diversity and many years ago determined that the only way to provide quality education in the state of Iowa is to acknowledge that diversity is a critical issue. She reviewed the history of the development of minority enrollment, retention and graduation goals.

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

Regent Smith stated that the Diversity Priority Study Group members have worked hard to support institutional heads' efforts to increase diversity. She presented the proposed policy (as outlined above) for Board consideration.

President Jischke expressed his support for the proposed policy and said he believed it contained the correct goal for Iowa State University.

President Coleman expressed her support for the goal of increasing the number of minority students and their academic success.

President Koob said the proposed goal supported the University of Northern Iowa strategic plan.

President Newlin stated that the policy proposal was a culmination of many years of work.

Regent Smith noted that the study group members have often discussed the inclusion of students with disabilities. A revision to the policy to include students with disabilities may be considered.

President Newlin asked that the study group return with a revised policy, as appropriate, next month.

Regent Lande asked that the Regents be informed of what the institutions need to do to achieve the goals. Regent Smith responded that the institutions would be asked to bring progress reports to the Board occasionally.

Regent Turner noted that in addition to retaining and graduating students there needs to be an understanding of why the institutions are losing these students.

Regent Lande said that was exactly the type of information he was interested in receiving.

MOTION: Regent Smith moved to approve the statement on diversity and the policy on retention including the targets for 2-year retention rates and 6-year graduation rates of minority students at Regent universities. Regent Ahrens seconded the motion.
MOTION CARRIED UNANIMOUSLY.

President Newlin recognized President Coleman for an introduction.

President Coleman introduced the new student government president Mr. Andrew Stoll. Mr. Stoll is from Omaha.

AFFILIATED ORGANIZATION REPORT ON UNIVERSITY OF IOWA MEASUREMENT RESEARCH FOUNDATION. The Board Office recommended the Board receive the Iowa Measurement Research Foundation (SUI) affiliated organization report.

The Iowa Measurement Research Foundation, affiliated with the University of Iowa, was organized to advance knowledge in educational testing, enrich the training of research workers in this field, and support the development of measuring instruments of potential value to school personnel. It is the only identified affiliated organization with a fiscal year ending September 30. The audit for the Iowa Measurement Research Foundation reported the financial statements for the fiscal year ended September 30, 1998, and the fiscal year ended September 30, 1999, were fairly presented in all material respects.

The annual report, financial data, and audit for the Iowa Measurement Research Foundation were summarized in this report. Copies of the detailed information are retained at the Board Office.

ACTION: The report was received on the consent docket.

BOARD OFFICE PERSONNEL TRANSACTIONS. The Board Office reported there were no transactions on its personnel register this month.

REGENT MERIT SYSTEM CLASSIFICATION REVISIONS. The Board Office recommended the Board approve the following revision to the Regent Merit System Classification Plan:

Revised Classification	From Pay Grade	To Pay Grade
Medical Assistant	404 \$8.25 to \$11.33	406 \$9.36 to \$13.04

The Board was asked to approve the above-noted revision to the Regent Merit System Classification Plan. This revision is in response to changing needs at the University of Iowa Hospitals and Clinics as well as expanded duties and responsibilities of incumbents in the classification. Since the classifications are in the AFSCME technical bargaining unit, union concurrence was sought for this change.

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

MOTION: Regent Lande moved to approve the revision to the Regent Merit System Classification Plan. Regent Ahrens seconded the motion. MOTION CARRIED UNANIMOUSLY.

BOARD STRATEGIC PLAN REVISION – VALUES STATEMENT. The Board Office recommended the Board approve the proposed revision to the values statement in the Board of Regents strategic plan.

Last December, during the discussion of the Board of Regents' and institutional strategic plans, the Board discussed the importance of linkages between the Board and the Regent institutions as well as between and among the Regent institutions. Efforts have been underway to address this interest of the Board and to seek ways of strengthening the linkages. While these efforts are continuing, a work group proposed a change in the Board's "values statement" to address the Board's interest in linkages. The change noted below adds a new sentence to the "values statement" and modifies the last sentence. The new elements are underscored and the deleted items are lined out.

VALUES STATEMENT

The values nurtured by the Board of Regents flow from the trust bestowed by the people of Iowa and the Board's educational mission. The Board values learning, knowledge, access, and public service. The Board values academic freedom, and in every endeavor upholds the value of uncompromised integrity, conforming to the highest standards of ethics, honesty, trust, fairness, civility, and compassion.

The Board values its linkages with the Regent institutions and the synergies gained from communication links among the institutions themselves.

The Board values quality and pursuit of excellence in a diverse educational community. The Board embraces the value of dedication to educational and public service of the highest standard. The Board values stewardship, accountability, and strategic planning in all activities of the Board and the Regent institutions.

President Newlin stated that last December the Board expressed an interest in improving linkages with institutional strategic plans. He presented the values statement, as revised, for Board consideration.

Regent Smith asked if the revised values statement could be brought back to the Board next month in order to allow additional time for review.

Regent Neil said it is difficult to perform strategic planning when the Regents are not assured a stream of income. He suggested that consideration of the revised values statement be delayed until the Board receives its appropriations message from the legislature.

President Newlin asked that Regent Smith provide any input she might have regarding the values statement prior to final Board consideration of the statement.

ACTION: President Newlin stated the Board delayed consideration of this item, by general consent.

APPROVAL OF VENDORS WITH A POTENTIAL CONFLICT OF INTEREST. The Board Office recommended the Board approve the request from Iowa State University to add Kars & More, Explore, Inc., and The Hope Clinic to the University's list of approved vendors with a potential conflict of interest.

Kars and More, located in Nevada, Iowa, sells name brand outdoor power equipment and utility vehicles. Iowa State University officials wish to purchase from Kars and More.

Richard L. Kinyon owns Kars and More. His wife is employed by Iowa State University as an Adjunct Assistant Professor in the Veterinary Diagnostic/Production Animal Medicine Department. She will not participate in any evaluation or award decisions relative to Kars & More.

Explore, Inc., located in Ames, Iowa, is a retail store that sells travel and education materials such as maps, field guides, microscopes, and telescopes. Iowa State University officials wish to conduct business with Explore, Inc., a certified Targeted Small Business.

Carolyn Cornette is the president, treasurer, and sole stockholder of Explore, Inc. Her husband, Dr. James Cornette, is employed by Iowa State University as a Professor in the Mathematics Department. He is also the Director of the Laurence H. Baker Center for Bioinformatics. Professor Cornett will not participate in any evaluation or award decisions relative to Explore, Inc.

Iowa State University, particularly the athletic department, wishes to conduct business with The Hope Clinic for comprehensive psychological and learning disability assessments. The Hope Clinic is the private practice of Dr. Warren H. Phillips, a licensed psychologist. Dr. Phillips provides psychotherapeutic, psychological, and learning disability assessment services to children, adolescents, families, and adults in the clinical practice located in Ames, Iowa.

Dr. Phillips also works part-time for Iowa State University as a Temporary Assistant Professor in the Psychology Department, teaching an undergraduate class in developmental psychology. Kelli Schilder is a graduate student in the Psychology Department and is currently doing a practicum at The Hope Clinic under the supervision of Dr. Phillips. She will also perform some of the assessments for the athletic department. Dr. Phillips receives no compensation for his supervision of Kelli Schilder. Neither Dr. Phillips, nor Kelli Schilder will participate in any evaluation or award decisions relative to The Hope Clinic.

ACTION: This matter was approved on the consent docket.

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

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

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

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

STATE UNIVERSITY OF IOWA

The following business pertaining to the University of Iowa was transacted on Thursday, March 16, 2000.

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

Registers of Personnel Changes for December 1999 and January 2000.

Approve the following revisions to the Professional and Scientific Classification Plan:

Director of University Internal Audit from pay grade 13 (\$44,905 - \$84,110) to pay grade 15 (\$52,570 - \$98,460).

University Risk Manager from pay grade 12 (\$41,520 - \$77,740) to pay grade 13 (\$44,905 - \$84,110) and change the title to Director, Office of Risk Management.

ACTION: The personnel transactions were approved on the consent docket.

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

College of Public Health

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed		March 2000	Requested
Program Statement—Phase 1		March 2000	Requested
Project Description and Total Budget— Phase 1	\$ 2,598,000	March 2000	Requested
Architectural Agreement (Baldwin White Architects)	327,500	March 2000	Requested

Approximately 32,000 square feet of space in the General Hospital will be remodeled to house portions of the College of Public Health. The three-phase project, at a total estimated cost of approximately \$4.4 million, will remodel space on the first and second floors of the General Hospital. The project, which is one component of the Health Sciences Campus Plan, will relocate occupants from the remaining portion of the Steindler Building, which will be demolished.

The Phase 1 project will remodel approximately 16,500 square feet of space on the second floor at a cost of approximately \$2.6 million. The space will be renovated to house the Preventative Intervention Center, Lipid Research Clinic, Epidemiology and Biostatistics. The renovation work will develop primarily laboratory space, with some associated office areas, for use by these units. The area was previously occupied by the Department of Otolaryngology prior to its relocation to the Pomerantz Pavilion.

The Phase 1 project will include selective wall demolition and new construction, upgrades to the electrical and heating, ventilating and air conditioning systems, corridor improvements to provide proper fire separation, and the installation of new flooring, ceilings and windows. Included in the Phase 1 project are improvements to approximately 1,430 square feet of UIHC corridor space. Work in this area will include the upgrade of corridor finishes and window replacements. Funding for this component of the project will be provided by University Hospitals in the amount of \$200,700.

The Phase 2 project, at an estimated cost of \$83,000, will renovate approximately 1,350 square feet of space on the second floor of the General Hospital to house administrative offices of the College. The Phase 3 project, at an estimated cost of \$1.7 million, will renovate the final 14,000 square feet of space on the first and second floors. These areas will be developed to house the departments of Health Management and Policy, and Community Behavioral Health, and to provide additional administrative offices for the College. The majority of the space to be renovated is currently occupied by the Hospital Dentistry Institute; a smaller portion is occupied by the UIHC Blood Center. These areas will not be available for renovation until the units relocate from the General Hospital.

Funding for the \$4.4 million project will be provided from a combination of College of Medicine gifts and earnings, Income from Treasurer's Temporary Investments, and University Hospitals Building Usage Funds.

University officials requested approval to enter into an agreement with Baldwin White Architects to provide full design services from design development through construction for the three phases of the project. The agreement provides for a fee of \$327,500, including reimbursables.

The following is the initial budget for the Phase 1 project.

Project Budget

Construction	\$ 1,956,800
Design, Inspection and Administration	
Consultants	405,500
Design and Construction Services	39,500
Contingency	<u>196,200</u>
 TOTAL	 <u>\$ 2,598,000</u>
 Source of Funds:	
College of Medicine Gifts and Earnings and/or Income from Treasurer's Temporary Investments	\$ 2,397,300
University Hospitals Building Usage Funds	<u>200,700</u>
	 <u>\$ 2,598,000</u>

Associate Dean of Medicine Domsic reviewed with the Regents the university's request.

Regent Turner asked if this activity will complete the relocation of occupants from the Steindler Building. Associate Dean Domsic responded affirmatively, noting that the remainder of the Steindler Building will then be ready for demolition.

Bowen Science Building—Remodeling for Physiology and Pharmacology—Additional Renovations

Source of Funds: College of Medicine Gifts and Earnings

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
<u>Bowen Science Building—Remodeling for Physiology and Pharmacology</u>			
Permission to Proceed		May 1996	Approved
Project Descriptions & Total Budgets (7)	\$ 5,800,000	1997-1999	Approved
Architectural Agreements			
Physiology	248,200	April 1997	Approved
Pharmacology	290,100	April 1997	Approved
(Rohrbach Carlson)			
Construction Contracts	2,079,932	1997-1999	Ratified
 <u>Bowen Science Building—Remodeling for Physiology and Pharmacology—Additional Renovations</u>			
Permission to Proceed		March 2000	Requested
Architectural Selection			
(Rohrbach Carlson)		March 2000	Requested

This project will remodel a total of approximately 19,000 net square feet of research laboratory and office space in the Bowen Science Building for use by the Departments of Physiology and Pharmacology of the College of Medicine. The project will be a continuation of the renovation work undertaken by the University since 1997 which has remodeled approximately 69,000 net square feet of space in the Bowen Science Building for use by the two departments. (Renovation of space in Bowen Science Building is a component of the Health Sciences Campus Plan.)

The proposed project will remodel an additional 10,400 net square feet for the Department of Physiology at an estimated cost of \$1.5 million, and an additional 8,600 net square feet of space for the Department of Pharmacology at an estimated cost of \$1.2 million. University officials had anticipated this work for the two departments but it was not included in the scope of work for the previous projects. This project will address additional space needs of the departments.

University officials requested approval of the selection of Rohrbach Carlson to provide design services for the additional renovation work. Regent Procedural Guide §9.05 A.2.a. provides as follows: “Architectural selection for projects expected to cost more than \$1 million and that constitute major additions, substantial remodeling, or a new

building must be selected by the institution's Architectural Selection Committee." In 1997 the University Architectural Selection Committee recommended the selection of Rohrbach Carlson to provide design services for the other Physiology and Pharmacology projects. The firm was chosen based on its related experience with health service and research facilities as well as its successful record on University projects.

The University's current recommendation to enter into subsequent agreements with Rohrbach Carlson was based upon the firm's successful performance in the design and implementation of the previous Bowen Science Building remodeling projects, the firm's familiarity with the building and its mechanical systems, and its established working relationships with the departments. Accordingly, University officials requested approval to waive the requirements of Procedural Guide §9.05 A.2.a. which would require the University to convene the University Architectural Selection Committee for the new Physiology and Pharmacology projects. University officials will return to the Board for approval of the negotiated agreements.

Careers Center (Cleary Walkway/Market Street Development)

Source of Funds: Private Gifts, and Other Sources to be Determined (if Needed)

Project Summary

<u>Project Summary</u>	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
<u>Cleary Walkway/Market Street Development</u> Permission to Proceed		Oct. 1999	Approved
<u>Honors Center</u> Architectural Selection (Herbert Lewis Kruse Blunck)		Feb. 2000	Approved
<u>Careers Center</u> Permission to Proceed		March 2000	Requested
Architectural Selection (Savage-Ver Ploeg & Associates)		March 2000	Requested

The Cleary Walkway/Market Street Development project will construct the Honors Center and Careers Center on the east side of the T. Anne Cleary Walkway between Market and Bloomington Streets (across from the Chemistry Building).

The Honors Center, which will house the University's honors program and the Connie Belin and Jacqueline N. Blank International Center for Gifted Education and Talent Development, will be constructed on the north half of the site. The Careers Center, as described by the University in October 1999, would be developed on the south half of

the site and would provide enhanced career planning and job placement opportunities for students, and possible replacement facilities for new student counseling, orientation and admissions programs.

The University's current proposal for the Careers Center includes development of a facility to house expanded career counseling and placement services for students. The facility would provide space to consolidate these programs which are currently housed in inadequate and scattered locations throughout campus. University officials will also identify other compatible academic/student services needs to be housed in the building to make the most effective use of this prime central campus location. One possibility is an Admissions Visitors Center which would educate new students and their families about the University.

The Careers Center project, as currently envisioned, would construct a 60,000 gross square foot building consisting of three or four stories. The University reports that it will be receiving a significant gift to fund construction of the Careers Center; as a result, the University wishes to proceed with planning for the project at this time.

In February 2000, the Board approved the University's recommendation to select the firm of Herbert Lewis Kruse Blunck to provide design services for development of the overall project site and the Honors Center. The University's recommendation was based upon interviews conducted with five architectural firms by the University's Architectural Selection Committee.

The Board also authorized the University to waive the Regent Procedural Guide requirements relative to convening the University Architectural Selection Committee for the selection of an architectural firm for the Careers Center. The University was authorized to recommend the selection of one of the four other architectural firms interviewed for the Honors Center project to provide design services for the Careers Center project; the University recommends the selection of Savage-Ver Ploeg and Associates.

University officials believe the two projects, as proposed, will be architecturally compatible and will provide effective and efficient use of the site. Therefore, the design agreement with Savage-Ver Ploeg will provide for the firm's involvement, under the direction of Herbert Lewis Kruse Blunck, in the development of the master plan for the site and architectural guidelines for both projects. Savage-Ver Ploeg will have responsibility for the programming support and design of the Careers Center project within the overall architectural and site guidelines to be developed. University officials will return to the Board for approval of the negotiated agreement.

University of Iowa Research Park at Oakdale—Multi-Tenant Facility—Building Addition
 Source of Funds: University of Iowa Facilities Corporation (Bank Loan or Revenue Bonds)

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed		Feb. 1999	Approved
Architectural Selection (Herbert Lewis Kruse Blunck)		Feb. 1999	Approved
Architectural Agreement (Herbert Lewis Kruse Blunck)	\$ 158,320	July 1999	Approved
Program Statement		March 2000	Requested
Project Description and Total Budget	5,500,000	March 2000	Requested
Architectural Amendment #1	245,578	March 2000	Requested

This project will construct an addition of approximately 39,000 gross square feet on the north side of the Multi-Tenant Facility at the Oakdale Research Park. The existing 48,600 gross square foot facility houses various research activities of the Departments of Dermatology, Ophthalmology, Internal Medicine and Pediatrics of the College of Medicine. The proposed addition will accommodate the College's need for additional research space and will house research programs in Human Molecular Genetics and the Macular Degeneration Center.

The Multi-Tenant Facility was originally conceived and sited as a symmetric structure of five similar building segments. The initial construction, completed in 1990, included three building segments (Pods A, B and C). University officials proposed to construct the final two segments (Pods D and E) which would complete the original plan for the structure. In addition, the project would include construction of an enclosed corridor connecting Pods B and D, connecting links between Pods C and D and Pods D and E, a mezzanine area to house mechanical equipment, expansion of the building parking lot, and site development. Pod D and the connecting corridor would consist of approximately 24,870 gross square feet of space. Pod E, which would be constructed initially as shell space only, would consist of approximately 14,590 gross square feet of space. The two pods will provide additional research laboratories and conference, workshop and seminar space for use by Human Molecular Genetics and the Macular Degeneration Center.

University officials indicated that completion of Pod E would be packaged as an alternate to the construction contract. This will allow the University to evaluate the

feasibility of proceeding with the shell-in of this component as part of the current project relative to the availability of funds.

The addition will be constructed with concrete spread footings, steel columns and beams, and a roof system comprised of steel bar joists with metal deck and an EPDM roof membrane. The exterior walls will match the existing building walls and consist of metal siding installed above precast concrete panels. The project will include the installation of flexible laboratory casework and fume hoods. Interior work will include the installation of painted drywall partitions, vinyl composition floor tile, and acoustical lay-in ceilings.

The addition will be served by a rooftop mounted air handling unit. The system will provide for 100 percent outside and exhaust air. A separate utility project to provide steam service from the Oakdale steam generating plant to the Multi-Tenant Facility was approved by the Board at the January 2000 meeting. The steam will serve the building's temperature control systems, humidification, and process loads. Cooling will be provided by chilled water provided via an exterior air-cooled chiller located on the east side of the building. A new domestic water service line will be installed. Since the current building laboratory water system has reached its maximum capacity, a new laboratory water purification system will also be provided. A new transformer to serve the new pods will provide normal power, lighting, fire alarm, and voice/data systems.

The Multi-Tenant Facility was originally owned by private developers and was acquired by the University of Iowa Facilities Corporation in November 1995 and is leased to the University for the research activities. The purchase price of \$5 million was funded under a conventional bank loan from Firststar Bank. The term of the loan is for 15 years with approximately 11 years remaining.

The interest rate on the bank loan for the current facility is subject to adjustment on November 1, 2000. The University, with assistance from Springsted, Inc., and the Ahlers law firm, is examining the possibility of combining the financing of the new construction with a refinancing of the outstanding loan (approximately \$4.2 million) into one debt issue. The University is considering the extension of the current, conventional bank loan or the use of taxable bonds to be issued by the University of Iowa Facilities Corporation.

The existing lease with the Facilities Corporation will be modified to include the additional research space and will be presented for Board approval.

University officials requested approval of Amendment #1 in the amount of \$245,578 to the architectural agreement with Herbert Lewis Kruse Blunck. The amendment will provide compensation for additional design services for development of the interior

space for Pod D and the connecting link to Pod E. The initial agreement provided design services for the building shells only for Pods D and E.

Project Budget

Construction	\$ 4,429,000
Design, Inspection and Administration	
Consultants	432,000
Design and Construction Services	210,000
Contingency	<u>429,000</u>
TOTAL	<u>\$ 5,500,000</u>

University Hospitals and Clinics—Telecommunications Switchroom Renovation
Source of Funds: Telecommunications Facilities Revenue Bonds

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 523,000	March 2000	Requested

This project will renovate the existing UIHC telecommunications switchroom located in 1,900 square feet of space in the lower level of the Colloton Pavilion. The renovation is necessary to accommodate the installation of new telecommunications equipment needed to expand the existing system to serve additional areas being developed within UIHC shell space and to improve the productivity of the existing telecommunications system. The existing telecommunications equipment will be temporarily relocated to accommodate the construction project and new equipment installation. Permission to proceed with the project was not required since the project budget does not exceed \$1,000,000.

The project will include the demolition of partitions, doors, windows and casework; installation of new partitions, room finishes, computer access flooring and ramp door; and modifications to mechanical, electrical, and fire suppression systems. The project will provide a redundant heating, ventilating and air conditioning system and a new fire suppression system, both of which are required to support the new telecommunications equipment.

Project Budget

Construction	\$ 338,400
Architectural/Engineering Support	33,850
Planning and Supervision	16,900
Temporary Equipment Relocation	100,000
Contingency	<u>33,850</u>
 TOTAL	 <u>\$ 523,000</u>

University Hospitals and Clinics—Endoscopic Retrograde Cholangiopancreatograph (ERCP)
Source of Funds: University Hospitals Building Usage Funds

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 290,000	March 2000	Requested

This project will renovate an existing endoscopic procedure room located in the James A. Clifton Center for Digestive Diseases on the fourth floor of the Colloton Pavilion. The renovation work is necessary to accommodate the installation of fluoroscopic equipment for use in endoscopic retrograde cholangiopancreatograph (ERCP) procedures. These procedures are currently performed in a Diagnostic Radiology fluoroscopic procedure room located on the third floor of the Colloton Pavilion. Development of the ERCP procedure room within the Center for Digestive Diseases will eliminate the need to transport patients to the Diagnostic Radiology area, thereby eliminating the risks associated with patient transport and providing more efficient use of physician and staff time. The project will also convert an existing equipment and supply storage room into a treatment room.

Permission to proceed with the project was not required since the project budget does not exceed \$1,000,000.

The project will include the removal and replacement of partitions, doorframes and doors, and room finishes; and modifications to the existing heating, ventilating and air conditioning, fire/smoke detection, and mechanical/electrical systems.

Project Budget

Construction	\$ 232,000
Architectural/Engineering Support	23,200
Planning and Supervision	11,600
Contingency	<u>23,200</u>
 TOTAL	 <u>\$ 290,000</u>

Institutional Roads—Highway 6 Pedestrian Overpass—Westlawn to International Center

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 1,343,000	June 1999	Approved
Engineering Agreement (Shive-Hattery)	182,990	Sept. 1998	Approved
Amendment #1	30,016	July 1999	Approved
 Revised Project Budget	 1,746,000	 March 2000	 Requested

This project will provide a safe, accessible link between the Iowa Center for the Arts Campus and Health Sciences Campus. The project is funded by the Iowa Department of Transportation, the City of Iowa City, and Income from Treasurer's Temporary Investments. University officials requested approval of a revised project budget to allow award of the construction contract.

Five bids were received for the project on February 11, 2000. The low bid in the amount of \$1,242,356.90, as submitted by Iowa Bridge and Culvert of Washington, Iowa, was approximately 41.6 percent above the engineering estimate. The two low bids had a range of approximately 2.4 percent. The project engineer, Shive-Hattery, indicated that the high bids were primarily due to the degree of difficulty and costs associated with the particular site. These elements include the structural concrete work, concrete deck overlay, site access, utility ductbank and steel handrails. As a result, the low bid was considered to be a reasonable representation of the construction cost for the project, and University officials requested approval of the revised project budget in the amount of \$1,746,000, an increase of \$403,000, to allow award of the construction contract to Iowa Bridge and Culvert. The additional funds will be provided by Institutional Roads funds through the Iowa Department of Transportation.

The City of Iowa City is serving as the contracting party for the project; the construction contract will be awarded by the City following Board approval of the revised budget.

Project Budget

	<u>Initial Budget June 1999</u>	<u>Revised Budget March 2000</u>
Construction	\$ 1,013,490	\$ 1,445,857
Design, Inspection, Administration		
Consultants	212,990	212,990
Design and Construction Services	15,000	15,000
Contingency	<u>101,520</u>	<u>72,153</u>
TOTAL	<u>\$ 1,343,000</u>	<u>\$ 1,746,000</u>
Source of Funds:		
Institutional Roads Funds		
(Iowa Department of Transportation)	\$ 757,705	\$ 1,160,705
Federal Department of Transportation Funds		
(from City of Iowa City)	527,000	527,000
Income from Treasurer's Temporary		
Investments	<u>58,295</u>	<u>58,295</u>
TOTAL	<u>\$ 1,343,000</u>	<u>\$ 1,746,000</u>

University Hospitals and Clinics—Adult Cardiac Catheterization Laboratory Replacement

Source of Funds: University Hospitals Building Usage Funds

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 454,370	Nov. 1999	Approved
Architectural Agreement			
(A and J Associates)	39,800	Dec. 1999	Approved
Revised Project Budget	504,705	March 2000	Requested
Construction Contract Award			
(Hillebrand Construction)	386,123	March 2000	Requested

This project will renovate 964 net square feet of space and install a replacement cardiac catheterization system in the Adult Cardiac Catheterization Laboratory located on the fourth floor of the Carver Pavilion. The existing equipment is 12 years old and

is technically and technologically obsolete. University officials requested approval of a revised project budget to allow award of the construction contract.

Three bids were received for the project on February 17, 2000. The low bid in the amount of \$386,839, as submitted by Hillebrand Construction of the Midwest of Davenport, Iowa, was approximately 37.6 percent above the engineering estimate. The two low bids had a range of approximately 0.04 percent. The project engineer indicated that the high bids resulted from a number of factors which were not reflected in the initial project budget. These included additional costs to meet clinical patient care and access requirements, an accelerated construction schedule to accommodate delivery of the catheterization equipment, and the need to replace heating, ventilating and air conditioning controls to accommodate the new equipment. The project engineer does not believe the project can be redesigned to achieve savings without significantly impacting the project requirements. In addition, University officials indicated that it is necessary to keep the project on schedule to meet the delivery date for the new equipment.

University officials requested approval of the revised project budget in the amount of \$504,705, an increase of \$50,335, to allow award of the construction contract. The additional funds will be provided by University Hospitals Building Usage Funds.

University officials requested award of the construction contract to Hillebrand Construction of the Midwest for the Base Bid of \$386,839 and Alternate #1 in the deduct amount of \$716, for a total award of \$386,123. The alternate will provide savings with the use of lesser quality windows in the equipment room doors of the laboratory.

Project Budget

	Initial Budget <u>Nov. 1999</u>	Revised Budget <u>March 2000</u>
Construction	\$ 363,500	\$ 423,645
Architectural/Engineering Support	36,350	36,300
Planning and Supervision	18,170	10,870
Contingency	<u>36,350</u>	<u>33,890</u>
TOTAL	<u>\$ 454,370</u>	<u>\$ 504,705</u>

Hydraulics Laboratory Modernization

Source of Funds: Institute of Hydraulic Research/College of Engineering Research
Funds, Private Gifts, and Other University Sources to be Determined

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed		Oct. 1999	Approved
Architectural Selection (OPN Architects)		March 2000	Requested

This project will renovate the Hydraulics Laboratory to provide a modern educational and research facility for the Iowa Institute of Hydraulic Research. The condition of the facility, which was constructed between 1919 and 1931, is not adequate for contemporary research and teaching, and makes recruitment of faculty, staff and students difficult. The estimated cost of the renovation project is \$3 million.

University officials requested approval to enter into an agreement with OPN Architects to provide design services for the project. The University received expressions of interest from ten firms to provide design services for the project. University officials convened the Architectural Selection Committee, as required by Board procedures for projects over \$1 million, and selected two firms for interviews and further evaluation. The Committee recommended the selection of OPN Architects to provide design services for the project.

University officials will return to the Board for approval of the negotiated agreement.

Medical Laboratories—Renovate Air Conditioning

Source of Funds: Building Renewal Funds

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 592,000	Feb. 2000	Approved
Architectural Agreement (Design Engineers)	65,300	March 2000	Requested

This project, which will address a 4,600 square feet area on the fourth floor of the Medical Laboratories, is necessary to maintain accreditation from the American Association for Accreditation of Laboratory Animal Care.

University officials requested approval to enter into an agreement with Design Engineers to provide structural, mechanical, and electrical engineering services for the project. The agreement provides for a fee of \$65,300, including reimbursables.

Main Campus—Steam Vault Repairs

Source of Funds: Utilities Enterprise Improvement and Replacement Funds

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 996,000	Sept. 1999	Approved
Engineering Agreement (Stanley Consultants)	87,500	Sept. 1999	Approved
Construction Contract (Iowa Bridge and Culvert)	794,035	March 2000	Ratification
Engineering Amendment #1	47,500	March 2000	Requested

This project will complete necessary steam tunnel and piping repairs at various locations of the main campus steam distribution system. These repairs are required to maintain an acceptable level of reliability and employee safety in the campus steam distribution infrastructure.

University officials requested approval of Amendment #1 to the engineering agreement with Stanley Consultants. The amendment will provide compensation for the preparation of plans and specifications for the restoration of the Power Plant North Utility Vault; this component of the project was not reflected in the engineering agreement.

University Hospitals and Clinics—Diagnostic Radiology Support—Emergency Trauma Center

Source of Funds: University Hospitals Building Usage Funds

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 754,000	April 1998	Approved
Architectural Agreement (Design Professionals)	89,550	June 1998	Approved
Previous Amendments (2)	17,450		Approved
Construction Contract (McComas-Lacina Construction)	135,248	Nov. 1998	Ratified
Architectural Amendment #3	16,885	March 2000	Requested

This project will remodel space for the Diagnostic Radiology Support Emergency Trauma Center located on the first floor of the Carver Pavilion. The project will provide the necessary improvements in support of the Center's designation as a Level I Trauma Center.

University officials requested approval of Amendment #3 to the agreement with Design Professionals. The amendment will provide compensation for additional design services to revise the project specifications to reflect changes in the phasing of the bid packages.

University Hospitals and Clinics—Conversion of Rooftop Helipad to Heliport

Source of Funds: University Hospitals Building Usage Funds

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 542,000	June 1997	Approved
Architectural Agreement (Shive-Hattery)	44,808	Sept. 1997	Approved
Construction Contract (McComas-Lacina Construction)	373,150	Dec. 1998	Ratified
Architectural Amendment #1	16,876	March 2000	Requested

This project will convert the existing University Hospitals rooftop helipad to a heliport at the Carver Pavilion. The project will allow roof-top refueling and will streamline helicopter functions and reduce operating expenses.

University officials requested approval of Amendment #1 to the engineering agreement with Shive-Hattery. The amendment will provide compensation for additional design services for the relocation of the jet fuel supply line and the fuel water separator tank at the Carver Pavilion site.

Upgrade Underground Petroleum Storage Tanks

Source of Funds: UIHC Building Usage Funds, Building Renewal Funds, Iowa Memorial Union Improvement Funds, Parking System Improvement Funds, and Athletic Department Improvement Funds

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 616,000	May 1998	Approved
Engineering Agreement (Shive-Hattery)	89,305	May 1998	Approved
Previous Amendments (3)	32,992		Approved
Revised Project Budget	977,000	Sept. 1998	Approved
Construction Contracts			
(McComas-Lacina Construction)	685,696	Sept. 1998	Approved
(Seneca Corporation)	45,635	Sept. 1998	Approved
Architectural Amendment #4	5,300	March 2000	Requested

The University has undertaken this project to upgrade its underground petroleum storage tanks in accordance with Federal and State regulations. The project has included the replacement of existing underground tanks and installation of monitoring equipment.

University officials requested approval of Amendment #4 to the engineering agreement with Shive-Hattery. The amendment will provide compensation for additional services which included the preparation of requests to the Iowa Department of Natural Resources, local and State Fire Marshal's Offices, and the UIHC insurance carrier, for approval of the proposed venting for the underground tanks.

The amendment will also provide compensation for additional design analysis and preparation of a topographic survey to evaluate the installation of a front entrance to the existing accessible parking stalls at Carver Pavilion, and design services for four new

parking stalls. University officials indicated that while the tank replacements were completed by the December 1998 deadline, site restoration and other associated work at these locations has continued.

Medical Education and Biomedical Research Facility

Source of Funds: State Appropriations, Revenue Bonds, and College of Medicine Gifts and Earnings

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed		May 1996	Approved
Program Statement		June 1997	Approved
Schematic Design		June 1997	Approved
Project Description and Total Budget	\$ 47,135,000	June 1997	Approved
Architectural Agreement			
(Payette Associates)	3,750,700	Nov. 1996	Approved
Architectural Amendments (3)	1,161,200		Approved
Construction Contract	40,430,000	Dec. 1998	Approved
(Knutson Construction Services)			
Previous Change Orders (19)	481,058		Approved*
Change Order #20	298,052	March 2000	Requested

* Approved by University in accordance with Board procedures

The Medical Education and Biomedical Research Facility is the centerpiece of the Health Sciences Campus Master Plan and will be the flagship building for the College of Medicine. The primary components of the building include instructional facilities for students in the medical and related clinical program, and research laboratories and support facilities for the research programs of the College.

University officials requested approval of Change Order #20 in the amount of \$298,052 to the construction contract with Knutson Construction Services Midwest (formerly Knutson Mid-America Construction Services). The change order represents cost increases for the building hardware and security system.

* * * *

Included in the University's capital register were project budgets under \$250,000, amendments which were approved by the University (in accordance with Board procedures), construction contracts awarded by the Executive Director, the acceptance of completed construction contracts, and final reports. These items were listed in the register prepared by the University.

MOTION:

Regent Kennedy moved to approve the Register of Capital Improvement Business Transactions for the University of Iowa including waiver of the requirements of Procedural Guide §9.05 A.2.a. which would require the University to convene the University Architectural Selection Committee for the new Physiology and Pharmacology projects of the Bowen Science Building project. Regent Smith seconded the motion. MOTION CARRIED UNANIMOUSLY.

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

University officials requested approval to renew its lease agreement as lessee with Phyllis E. Swails for the University's use of 22,759 square feet of warehouse and office space located in Iowa City, Iowa. The space will be leased at the rate of \$7,234.25 per month (\$3.81 per square foot, \$86,811 per year) for a two-year period commencing July 1, 2000 through June 30, 2002. The new rate is an increase of 4.1 percent over the current lease rate. The lease provides warehouse storage space for the UIHC Material Services Department.

University officials requested approval to renew the lease agreement with Response Television Corporation for its use of 202 square feet of business incubator space in the Technology Innovation Center at the Oakdale Campus at the rate of \$394.57 per month (\$23.44 per square foot, \$4,734.88 per year) for a one-year period commencing April 1, 2000, through March 31, 2001.

University officials requested approval to enter into a new lease agreement with Syndeo Systems for its use of 550 square feet of business incubator space in the Technology Innovation Center at the Oakdale Campus at the rate of \$275 per month (\$6 per square foot, \$3,300 per year) for a one-year period commencing April 1, 2000 through March 31, 2001.

University officials requested approval to enter into a new lease agreement with Digital Artefacts for its use of 264 square feet of business incubator space in the Technology Innovation Center at the Oakdale Campus at the rate of \$132 per month (\$6 per square foot, \$1,584 per year) for a one-year period commencing April 1, 2000 through March 31, 2001.

University officials requested approval to enter into a new lease agreement with Entrepreneurial Learning Systems for its use of 264 square feet of business incubator space in the Technology Innovation Center at the Oakdale Campus at the rate of \$132 per month (\$6 per square foot, \$1,584 per year) for a one-year period commencing April 1, 2000 through March 31, 2001.

University officials requested approval to enter into a lease agreement as lessor with Cost, Planning and Management International (CPMI) for its use of 830 square feet of office space in the Multi-Tenant Facility at the Oakdale Campus. The space will be leased at the rate of \$1,245 per month (\$18 per square foot, \$14,940 per year) for a one-year period commencing April 1, 2000 through March 31, 2001.

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

MOTION CARRIED.

CAMPUS VIDEO SYSTEM SERVICE – FEE PROPOSALS. The Board Office recommended the Board give preliminary consideration to proposed FY 2001 Campus Video Service fee increases at the University of Iowa, as set forth below.

University of Iowa officials requested to increase its Campus Video System Service fees over the next three years as follows:

	<u>Existing</u> <u>FY2000</u>	<u>Proposed</u>		
		<u>FY2001</u>	<u>FY2002</u>	<u>FY2003</u>
Basic Service	\$16.00	\$18.00	\$20.00	\$22.00

Fees for optional services were proposed to remain at the existing rates of \$9.95 each for Cinemax and HBO, \$1.50 for remote control and \$10 for a one-time subscription-processing fee.

Campus Video System is a component of the University Broadcasting Services. It provides optional entertainment television (cable) services to residence halls and family housing.

The current rate for these services of \$16 has been in place with no increase since July 1994. The proposed increases were intended to cover higher costs and necessary enhancements.

In accordance with Iowa Code §262.9.18, the Board of Regents is to take action no sooner than 30 days after notification of the proposed increase to presiding officers of each student government organization at each affected institution. The Board was requested to give preliminary consideration to the rate increases in March with final approval in April.

Vice President True presented the proposal on behalf of the University of Iowa.

ACTION: President Newlin stated the Board gave preliminary consideration to proposed FY 2001 Campus Video Service fee increases at the University of Iowa, as presented.

RESIDENCE SYSTEM FUND TRANSFER. The Board Office recommended the Board approve the transfer of \$2,832,368 from the Residence System (Dormitory) Surplus Fund to the Residence System Improvement Fund.

The covenants of the University of Iowa Residence System (Dormitory) Revenue Bonds allow for the transfer of net revenues of the residence system from the Surplus Fund to the Improvement Fund upon approval of the Board of Regents. Monies must first be transferred to the Improvement Fund before they can be expended for improvements to residential and dining facilities.

University of Iowa officials requested the transfer of \$2,832,368 from the Residence System (Dormitory) Surplus Fund to the Improvement Fund. The funds will be utilized for improvements to residential and dining facilities.

Vice President True presented the proposal on behalf of the University of Iowa.

MOTION: Regent Turner moved to approve the transfer of \$2,832,368 from the Residence System (Dormitory) Surplus Fund to the Residence System Improvement Fund. Regent Ahrens seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

STATE UNIVERSITY OF IOWA
March 16, 2000

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 Thursday, March 16, 2000.

RATIFICATION OF PERSONNEL TRANSACTIONS. The Board Office recommended the Board approve the personnel transactions at Iowa State University, as presented.

Register of Personnel Changes for February 2000

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

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

Hilton Coliseum Improvements—1999

Project Summary

	Amount	Date	Board Action
Permission to Proceed		July 1999	Approved
Architectural Agreement (Herbert Lewis Kruse Blunck)	\$ 78,200	Nov. 1999	Approved
Program Statement		March 2000	Requested
Schematic Design		March 2000	Requested
Project Description and Total Budget	3,500,000	March 2000	Requested

The improvements to Hilton Coliseum will be undertaken in response to changing demographics and life safety codes, and the increasing demand for guest amenities. In particular, the project will provide additional women's restrooms to accommodate the higher ratio of females to males currently attending events at Hilton Coliseum than attended events when the facility opened in 1971.

Existing Restroom Facilities

The existing restroom facilities do not meet current code requirements for the number of female toilet fixtures. The existing female restroom areas include a total of 40 toilet fixtures which is well below the required number of 68 fixtures based upon the maximum occupancy of Hilton Coliseum (15,000). This disparity results in long waiting times during peak usage. The number of sinks in the female restrooms and all of the male restroom fixtures are in compliance with Code requirements.

Currently, all restroom configurations are not the same. The two restroom areas located in the southwest and southeast corners each provide separate facilities for men and women. The northwest corner restroom currently only serves men, and the northeast corner restroom currently only serves women.

Proposed Restroom Facilities

The project will increase the total number of women's toilet fixtures from 40 to 104 (an increase of 160 percent). The total number of fixtures will exceed code requirements by 36. The project will also increase the number of lavatories in the female restrooms and all fixtures in the male restrooms, even though these components currently meet or exceed building code requirements.

In addition to 104 women's toilet facilities, the proposed modifications will result in a total of 51 female lavatories (an increase of 32), 17 male toilet fixtures (an increase of 2), 64 urinals (an increase of 34), and 35 male lavatories (an increase of 16), located in four restroom areas. Of the total toilet fixtures, 16 in the female restrooms and 8 in the male restrooms will be fully accessible.

Project Design

The goal of the project design was to have a minimal impact on the architecture of the building. An additional objective of the project included developing the restroom areas into an easily understandable system, since the configuration and location of the existing restroom areas are confusing for users. Other goals included limiting construction interruptions for facility events, and consolidating plumbing locations. In addition, the project was designed to maintain the existing glass concourse area to preserve the views of the Iowa State Center and allow continued use of the area for tradeshow booths and vending kiosks.

The proposed project will meet these objectives with the construction of additions to each of the four existing restroom areas which are located in the four corners of the

facility. Male and female restroom facilities, with identical configurations, will be provided at each of the four locations.

The four building additions totaling 10,040 square feet, which will be constructed along the outside perimeter walls of the existing restroom areas, will be developed into the female restroom facilities. All of the existing female restroom facilities will be converted to male restroom facilities. This will require the complete conversion of the female restroom located in the northeast corner, and partial conversion of the south male/female restroom areas. (The existing male restroom in the northwest corner will not be renovated.) The renovation work will include replacement of the majority of the existing toilet fixtures with urinals, and removal of the existing masonry walls separating the male and female areas of the south restrooms to allow expansion of the male restrooms.

With completion of the project, the four restroom areas in Hilton Coliseum will provide a total of 15,440 square feet of space (3,860 square feet each); this represents an increase of close to three times the amount of existing restroom space. The female restroom areas will total 10,040 square feet; the male restroom areas will total 5,400 square feet.

University officials indicated that construction of the restroom additions will be completed prior to undertaking the renovation of the existing restroom facilities. This will allow the new female restroom areas to be available for use prior to commencement of the renovation work.

Life Safety Improvements

The proposed life safety improvements will include the installation of additional doors and widening of the exterior stairs at the north entrance, and the replacement of doors at the west entrance. In addition, the project will install a sprinkler system for the glass enclosure of the west stairway to comply with fire codes. This will also allow use of the stairway enclosure as an Area of Refuge, which is a code-required waiting area for use by persons with physical disabilities in an emergency. The project will also construct two exit corridors with the two south restroom additions to improve exiting from the mezzanine level of the facility.

The proposed project schedule includes completing the design phase by August, 2000, awarding the construction contract in October, 2000, and commencing construction in November of 2000. The anticipated construction time for the project is 12 to 16 months; however, this schedule may need to be extended as the project will require coordination with the various scheduled events at Hilton Coliseum.

The project budget includes funding from the Federal Emergency Management Agency (FEMA) in the amount of \$500,000. The University has indicated that the FEMA funds represent reimbursement of Hilton Coliseum bond surplus funds which were used for clean-up of the facility during the flood of 1993.

Project Budget

Construction Costs	\$ 2,835,000
Professional Fees	531,500
Project Contingency	<u>133,500</u>
TOTAL	<u>\$ 3,500,000</u>
Source of Funds:	
Hilton Coliseum Bond Surplus Funds	\$ 3,000,000
Federal Emergency Management Agency (FEMA)	<u>500,000</u>
TOTAL	<u>\$ 3,500,000</u>

Vice President Madden introduced Cal Lewis of Herbert Lewis Kruse Blunck Architecture.

Mr. Lewis reviewed the schematic design for this project. He said the project will increase the number of women's fixtures and sinks by 160 percent and increase the number of men's fixtures and sinks by 80 percent.

Regent Turner asked what other improvements were being planned for this project. Mr. Lewis responded that the other improvements addressed life safety issues.

Regent Kennedy told about her attendance at a performance at Hilton Coliseum when she experienced the inadequate number of women's rest room facilities. She thanked those who had worked on addressing the issue.

Regent Turner asked if the construction would cause problems for the events scheduled for Hilton Coliseum. Mr. Lewis responded that the restrooms being added to the facility would be installed in the corners of the building. Once those restrooms are complete, the original restrooms will be renovated. The sequencing of the construction is well planned.

Hawthorn Court Development

Project Summary

	Amount	Date	Board Action
Phases 1 and 2			
Permission to Proceed (Phase 1)		June 1998	Approved
Architectural/Engineering Agreement—			
Schematic Design (Rietz Consultants)	\$ 580,040	Sept. 1998	Approved
Permission to Proceed (Phase 2)		Oct. 1998	Approved
Program Statement		Oct. 1998	Approved
Schematic Design		Dec. 1998	Approved
Phase 1			
Project Description and Total Budget	25,913,000	Sept. 1998	Approved
Revised Total Project Budget	26,733,700	Dec. 1998	Approved
Revised Total Project Budget	30,123,000	Feb. 1999	Approved
Architectural/Engineering Agreement—			
Design Development (Rietz Consultants)	1,454,689	Dec. 1998	Approved
Phase 2			
Project Description and Total Budget	25,430,500	Dec. 1998	Approved
Revised Total Project Budget	24,730,500	Feb. 1999	Approved
Architectural/Engineering Agreement—			
Design Development (Rietz Consultants)	1,027,433	Oct. 1999	Approved
Revised Project Budget (Phases 1 and 2 Combined)	54,834,029	March 2000	Requested

The Hawthorn Court Development project will construct 23 apartment units with up to 2,000 beds and a multi-purpose community center on the north side of campus. The project was broken into two phases: The Phase 1 project (\$30,123,000) was approved to fund construction of the first series of approximately 1,000 beds and the community center. The Phase 2 project (\$24,730,500) was approved to fund construction of the remaining apartment units.

The Phase 1 project, which includes construction of the first 1,008 beds, is scheduled to be completed by December 2000. University officials anticipate completion of the first 720 beds in July 2000 for occupancy in the fall 2000 semester, and completion of the remaining 288 beds in December 2000 for occupancy in the spring 2001 semester. The Phase 2 project, which will construct 984 beds, is scheduled to be bid in March 2000. The University anticipates completion of 600 beds by July 2001 for occupancy in the fall 2001 semester, and completion of the final 384 beds in December 2001 for occupancy

in the spring of 2002. University officials indicated that the completion of any of the series of beds may occur ahead of schedule due to favorable weather conditions.

University officials requested approval of a revised project budget totaling \$54,834,029. This represents the combined budgets for Phases 1 and 2 as approved by the Board in February 1999, less \$19,471 to reflect the actual bond proceeds for the project. (The final bond sale for the project occurred at the January 2000 Board meeting.)

University officials indicated that one consolidated budget will better accommodate the overall construction project. The project budgets for the two phases had originally reflected specific work plans, construction costs and financing for each phase. However, a number of changes occurred to the original sequence of the work as the project progressed. Therefore, University officials believe it is now more appropriate to administer the construction project with one consolidated budget.

	<u>Project Budget</u>			
	Revised Phase 1 Project Budget (Approved 2/99)	Revised Phase 2 Project Budget (Approved 2/99)	Revised Budget (Phases 1 & 2) March 2000	
Construction	\$ 24,592,101	\$ 23,605,069	\$ 48,177,699	*
Professional Fees	2,301,179	1,125,431	3,426,610	
Movable Equipment	1,300,000	0	1,300,000	
Contingency	<u>1,929,720</u>	<u>0</u>	<u>1,929,720</u>	
TOTAL	<u>\$ 30,123,000</u>	<u>\$ 24,730,500</u>	<u>\$ 54,834,029</u>	*
Source of Funds:				
Dormitory Revenue Bonds	\$ 28,483,000	\$ 24,730,500	\$ 53,194,029	*
Income from Utility Enterprise	1,400,000	0	1,400,000	
Dormitory Surplus Funds	<u>240,000</u>	<u>0</u>	<u>240,000</u>	
TOTAL	<u>\$ 30,123,000</u>	<u>\$ 24,730,500</u>	<u>\$ 54,834,029</u>	*

* Reduced by \$19,471 to reflect actual proceeds from bond sales.

Engineering Teaching and Research Complex—Virtual Reality Environment

Project Summary

	Amount	Date	Board Action
Engineering Teaching and Research Complex Permission to Proceed		May 1993	Approved
Planning Funds	\$ 2,190,700	July 1996	Approved
Phase 1 Revised Project Budget	33,763,869	July 1996	Approved
Phase 2 Revised Project Budget	25,066,393	July 1996	Approved
Total Revised Project Budget	61,020,962	Sept. 1997	Approved
Virtual Reality Environment (C6 Facility) Architectural Agreement (Brooks Borg and Skiles)	289,000	Sept. 1999	Approved
Project Description and Total Budget	5,200,000	March 2000	Requested

This project will develop the C6 virtual reality environment to be located in the southwest portion of the atrium of Howe Hall of the Engineering Teaching and Research Complex. This environment, which will serve as the major experimental facility for the Virtual Reality Application Center, will allow researchers to interact with three-dimensional simulations of machines, devices, or geometries. Use of the Center will reduce or eliminate expensive and time-consuming physical prototyping.

University officials indicated that the state-of-the-art technology of the virtual reality environment made it impossible to predict the specific form of the environment, as well as the associated costs and project schedule, prior to preparation of the project design. These elements were finalized during the design phase and the C6 environment is currently under construction. The schedule was developed to allow the environment to be featured by the College of Engineering in the upcoming Immersive Projection Technology Conference to be held at the University in June 2000.

Now that the various elements and associated costs of the virtual reality environment have been defined, University officials wish to separate these costs from the overall budget for the Engineering Teaching and Research Complex. According to the University, having a single specific project budget for the virtual reality environment will facilitate the tracking of the various fund sources for the project.

Project Budget

Construction Costs	\$ 2,184,300
Professional Fees	1,223,000
Movable Equipment	1,500,000
Project Contingency	<u>292,700</u>

TOTAL \$ 5,200,000

Source of Funds:

ISU Foundation	\$ 3,835,074
General University Funds	740,000
National Science Foundation	530,419
Virtual Reality Applications Center	<u>94,507</u>

TOTAL \$ 5,200,000

Fire Safety Improvements—FY 2000

Source of Funds: Building Repair Funds

Project Summary

	Amount	Date	Board Action
Project Description and Total Budget	\$ 500,000	March 2000	Requested

This project will include the installation of smoke detection, fire alarm, and sprinkler systems, fire doors and door hardware, and fire-rated materials in various campus buildings. The project will also address egress issues. The overall project will consist of many individual components, each with a budget of less than \$250,000.

Project Budget

Construction Costs	\$ 379,800
Professional Fees	74,000
Project Contingency	<u>46,200</u>

TOTAL \$ 500,000

Carver Co-Laboratory

Source of Funds: ISU Foundation, General University Funds, Restricted Funds, and
 Agriculture Experiment Station

Project Summary

	Amount	Date	Board Action
Permission to Proceed		Dec. 1999	Approved
Project Description and Total Budget	\$ 7,000,000	Dec. 1999	Approved
Architectural/Engineering Agreement— Schematic Design & Site Planning (Brooks Borg and Skiles)	150,000	March 2000	Requested

This project will construct a facility of approximately 29,000 gross square feet to function as the center of research activities for the Plant Sciences Institute. The specific siting of the facility will be determined during project planning.

The University received expressions of interest from six firms to provide design services for the project. University officials convened its Architectural Selection Committee, as required by Board procedures for projects over \$1 million, and selected three firms for interviews and further evaluation. The Committee recommended the selection of Brooks Borg and Skiles to provide design services for the project. University officials requested approval to enter into an agreement with Brooks Borg and Skiles to provide all standard architectural and engineering services from pre-design through the schematic design phase, and limited site planning services. The agreement provides for a fee of \$150,000, including reimbursables.

Bessey Hall—Fourth Floor Remodeling

Source of Funds: General University Funds

Project Summary

	Amount	Date	Board Action
Project Description and Total Budget	\$ 950,000	Dec. 1999	Approved
Architectural Agreement (Brooks Borg and Skiles)	100,000	March 2000	Requested

This project will remodel approximately 5,000 net square feet of space in Bessey Hall to accommodate four faculty members for the Center for Plant Responses to Environmental Stresses, which is one of six centers of the Plant Sciences Institute.

University officials requested approval to enter into an agreement with Brooks Borg and Skiles to provide all standard architectural and engineering services from pre-design through the construction phase. The agreement provides for a fee of \$100,000, including reimbursables.

Bessey Hall—Growth Chambers
 Source of Funds: General University Funds

Project Summary			
	Amount	Date	Board Action
Project Description and Total Budget	\$ 300,000	Dec. 1999	Approved
Architectural Agreement (Brooks Borg and Skiles)	16,000	March 2000	Requested

This project will remodel approximately 1,200 square feet of space in the basement of Bessey Hall to develop reach-in and walk-in growth chambers.

University officials requested approval to enter into an agreement with Brooks Borg and Skiles to provide all standard architectural and engineering services from pre-design through the construction phase. The agreement provides for a fee of \$16,000, including reimbursables.

* * * * *

Included in the University’s capital register were four project budgets under \$250,000, amendments to architect/engineer agreements which were approved by the University (in accordance with Board procedures), construction contracts awarded by the Executive Director, the acceptance of completed construction contracts, and two final reports. These items were listed in the register prepared by the University.

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

PROPOSED PARKING RATES FOR FY 2001. The Board Office recommended the Board give preliminary consideration to proposed FY 2001 parking rate increases at Iowa State University, as set forth below.

The Iowa State University parking system is a self-supporting operation, including maintenance and capital improvements of facilities. The system does not receive any state appropriations. University officials proposed increases in parking rates for FY 2001 ranging from \$1 to \$20 and a decrease of \$163 in the departmental rate.

To manage parking of University vehicles more effectively, a change in the fee for the departmental parking permit was proposed. The departmental permit is designed for use by University departments for faculty, staff, and service vehicle movement. Each department receives one free permit. Second permits have been sold at the established rate of \$220 for the year, but departments were allowed to petition for exception from the fee. With the inconsistencies caused by this practice, managing these fees has become difficult. University officials requested that departments be allowed to pay for the second department permit at the same rate as the general staff permit rate. The proposed fee for the second permit is \$57 with the accompanying recommendation that all departments seeking a second permit be required to pay the \$57 without exception. This proposal is expected to be revenue neutral.

Proposed rate increases for charges and fees require statutory notice to students and a waiting period of 30 days before final approval.

ISU PROPOSED PARKING RATES
 Based on Annual Rates

	Current FY 2000	Proposed FY 2001	Dollar Increase	Percent Increase
24-hour Reserved	\$550	\$570	\$20	3.6%
Reserved	275	285	10	3.6%
Departmental	220	57	(163)	(74.1)%
Vendor	83	86	3	3.6%
General Staff	55	57	2	3.6%
University Student Apartment Community -- 2nd Car	45	47	2	4.4%
Commuter Student	38	40	2	5.3%
Student Medical Accessible	38	40	2	5.3%
Stadium	38	40	2	5.3%
Residence Halls	38	40	2	5.3%
Student Government	38	40	2	5.3%
Motorcycle (staff and student)	18	19	1	5.6%

ACTION: President Newlin stated the Board gave preliminary consideration to proposed FY 2001

parking rate increases at Iowa State University, as presented, by general consent.

LAND SALE -- MORTENSON ROAD WEST OF STATE STREET. The Board Office recommended the Board authorize Iowa State University, in cooperation with the ISU Foundation, to begin the process for selling approximately 115 acres of land located north of Mortenson Road and west of State Street in Ames, Iowa.

In March 1997 University officials presented to the Board a land management plan for the main campus and the Ames area agricultural properties. The plan outlined the framework for both the acquisition and the disposal of agricultural land over the next 25 to 30 years. The Board received the plan with the understanding that individual land transactions would be brought to the Board for specific approval.

One of the areas in the land management plan identified for future sale was a 115 acre tract of land located north of Mortenson Road and west of State Street. The land is currently used for crop production and dairy operations. The dairy functions will eventually be relocated to a consolidated animal science cluster south of Highway 30, consistent with the University's agricultural land use plan. The tract of land proposed to be sold includes approximately 76 acres owned by the University and 39 acres which are owned by the ISU Foundation for use by the College of Agriculture.

The current City of Ames land use plan gives priority to growth to the southwest of the city. Residential development in the Ames area has continued to occur to the north and west of the site proposed for sale. A new Highway 30 interchange is planned to the west. Based upon conversations with city officials, appraisers, and developers, University officials believe this tract of land would be highly marketable at the present time. The Foundation has indicated its willingness to participate in the sale of the land as a single tract to maximize the overall return.

The proposed public auction process would include sale of the land for cash, payable at the time of closing, at a price equal to or greater than the appraised value. University officials believe a public auction would provide the best method to give all interested parties an opportunity to purchase the land. In addition, University officials believe this process would be the fairest and most cost-effective method to maximize its return on the sale. University officials would seek a qualified and experienced auctioneer to conduct the sale. The University's proposed process was reviewed by the Attorney General's office and found to be acceptable.

The University is currently researching the source of funds used to purchase its share of the property which was acquired in 1923. If any state appropriations were used for the purchase, the proceeds from the sale must be used in accordance with Iowa Code

§262.9[7]. This chapter requires that such proceeds be deposited with the state treasurer and credited to the general fund of the state. This chapter also allows a sum equal to the deposited proceeds to be used, with prior approval of the Executive Council, to purchase other real estate and buildings, and for the construction and alteration of buildings and other capital improvements.

If state appropriations were used for the original purchase, the University will plan to use its share of the proceeds in conformance with Iowa Code, including the continued implementation of the agricultural land use plan.

The Foundation's share of the proceeds would be placed in its endowment. Based upon historical and projected rates of return, this approach will provide higher rates of return and significantly greater benefit to University programs.

The property sale and its specific terms would be subject to approval by the Board and the Executive Council of Iowa. University officials will work closely with the Board Office and the Attorney General's staff to ensure compliance with appropriate Code provisions and all legal requirements for a public land sale. University officials hope to complete the transaction prior to the end of this fiscal year.

Vice President Madden stated that university officials were approached several months ago by the Ames Community School District about possibly acquiring the property for school expansion. University officials indicated at that time a willingness to talk further with school officials. The school district eventually made a proposal for the acquisition of the land which was consistent with appraisals that were done in late-December or early-January.

Vice President Madden stated that this area of Ames is experiencing a major change in its use and development which is part of the reason that University officials felt it was an appropriate time for the sale. He said University officials were concerned about whether the appraisals that were done in late-December or early-January and the proposal from the school accurately reflected market conditions. Based upon some real estate transactions that had just occurred at substantially higher values, he requested the appraisers to review the work they had done. The appraisers revised their appraisals upward by 35 to 40 percent. University officials believe it is their fiduciary responsibility to attempt to obtain the market value of the land.

Regent Lande asked if the sale is going to contain any minimum bid restrictions. Vice President Madden responded affirmatively. He said University officials did not anticipate selling this property below the appraised value. The property may be sold in several different sized pieces due to the nature of the topography. In consultation with

an experienced and qualified appraiser, the Board Office and the Attorney General's office University officials would develop the exact auction process.

Regent Smith stated, when looking at opportunities to cooperate and collaborate with other public institutions, that it seems the highest price is not always the best deal. She asked that University officials do what they can to support K-12 by keeping an open mind as they talk about these issues with them.

Vice President Madden stated that Iowa State University has and will continue to work with the Ames public schools. The property is an asset of the State of Iowa. The law requires University officials to seek the value of the property. His recommendations were to manage the University's assets wisely.

MOTION:

Regent Lande moved to authorize Iowa State University, in cooperation with the ISU Foundation, to begin the process for selling approximately 115 acres of land located north of Mortenson Road and west of State Street in Ames, Iowa. Regent Turner seconded the motion.
MOTION CARRIED UNANIMOUSLY.

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

UNIVERSITY OF NORTHERN IOWA

The following business pertaining to the University of Northern Iowa was transacted on Thursday, March 16, 2000.

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

Register of Personnel Changes for January and February 2000

ACTION: The personnel changes were ratified on the consent docket.

PROPOSED CURRICULAR CHANGES. The Board Office recommended the Board refer the proposed curricular changes from the University of Northern Iowa to the Board Office and the Interinstitutional Committee on Educational Coordination for review and recommendation.

This report transmitted to the Board of Regents proposals for curriculum changes at the University of Northern Iowa. Curriculum items at the University of Northern Iowa are considered on a two-year cycle, consistent with the publication of the University of Northern Iowa catalog.

The report combined course changes and new program requests. The report included four new academic majors and six new minors. It also included 114 proposed new courses and 89 current courses that were proposed to be dropped.

ACTION: This matter was referred on the consent docket.

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

West Gym Renovation—Phase 2
Source of Funds: Building Repair Funds

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 645,000	March 2000	Requested

This project is the second phase of a multi-phased plan to renovate the West Gym. The Phase 1 project renovated approximately 15,000 gross square feet of space to accommodate the Military Science Department, which relocated from Lang Hall, and other West Gym occupants, which were moved within the facility. This phase also upgraded a portion of the building's locker room areas.

The Phase 2 project will increase the number of toilet fixtures and the building's electrical capacity. These building components have received only minor upgrades since construction of the West Gym in 1925. The proposed Phase 2 work is consistent with the master plan recently completed for the facility, which will guide the University's plans for continued use of the West Gym.

The West Gym pool was decommissioned with construction of the Wellness/Recreation Center. The Phase 2 project will transform the former pool area into two levels of usable floor space by constructing a second floor structure in the open space above the pool. Each floor will total approximately 3,000 gross square feet. New restroom facilities totaling approximately 1,500 square feet will be constructed on the first floor. The basement area below this level will be expanded and an electrical room will be constructed. Development of the remainder of the first level space and all of the second level space will be undertaken in future phases of the project.

The existing restroom areas, which provide four fixtures for women in 150 square feet of space and four fixtures for men in 227 square feet of space, do not meet current requirements. The new restroom facilities will provide a total of 15 fixtures for women in 980 square feet of space, and nine fixtures for men in 517 square feet of space. University officials indicated that this number of fixtures will meet the minimum requirements for the type and size of the facility. Construction of the new electrical room will include installation of a new transformer, main switchgear and motor control center. Permission to proceed with the Phase 2 project was not required since the project budget does not exceed \$1,000,000.

Work proposed for future phases of the West Gym renovation includes development of academic and office areas, construction of new locker room space, and improvements to the fire safety and the heating, ventilating and air conditioning systems.

Project Budget

Contracts/Purchase Orders	\$ 540,000
Consultant/Design Services	65,000
Contingencies	<u>40,000</u>
 TOTAL	 <u>\$ 645,000</u>

Redeker Center Transitional Services

Source of Funds: Residence System Improvement Funds

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 400,000	March 2000	Requested
Architectural/Engineering Agreement (InVision Architecture)	47,500	March 2000	Requested

The project will finish shell space in the lower levels of Shull Hall (4,800 square feet) and Hagemann Hall (3,000 square feet) to support temporary dining services while the Redeker Dining Center is undergoing renovation. Work in these areas will include the installation of a portion of the food service equipment from the Redeker Dining Center, the installation of air conditioning and ventilating systems, and development of additional exits to meet life safety requirements. (Both residence halls are located adjacent to the Redeker Center.)

In addition, work in Hagemann Hall will include the upgrade of electrical service and data wiring to support the temporary relocation of the Redeker Center computer lab during the renovation project. Upon completion of the Redeker Center project, the renovated areas in Shull and Hagemann Halls will be available for other Department of Residence uses, which have yet to be determined.

The project will also relocate bakery equipment from the Redeker Center to the Campbell Hall dining center to provide temporary bakery operations. University officials indicated in the residence system annual report that the Campbell Hall dining operation will be closed at the end of the current academic year. The space will be reconfigured to accommodate the installation of the bakery equipment after the spring 2000 semester.

Residence hall dining services are currently provided in the Redeker, Commons, Towers and Campbell dining centers. The Redeker Center is located in the southern area of

campus adjacent to Shull, Hagemann, Noehren and Rider residence halls. The remaining dining centers are located in the northern area of campus. The Commons is located adjacent to Lawther and Bartlett residence halls, and the Towers dining center is located adjacent to Bender and Dancer residence halls. The Campbell dining center, which is the smallest of the four dining areas, is located in the Campbell residence hall which is located in close proximity to both the Commons and Towers dining centers.

The four centers serve a total of 6,650 meals per week (Monday through Friday). The Redeker Dining Center, the largest of the four, currently serves up to 2,700 meals per day (Monday through Friday), and approximately 2,180 meals on the weekends (1,030 on Saturdays and 1,150 on Sundays). University officials plan to develop the dining areas in Shull and Hagemann Halls to serve a combined total of approximately 3,300 meals per day (Monday through Friday), which is approximately 600 more per day than the amount currently served by the adjacent Redeker Center. The Hagemann Hall dining area will be closed on the weekends; the Shull Hall dining area is expected to serve approximately 1,600 meals per day on Saturdays and Sundays, an increase of approximately 450 to 570 meals per day over the amount currently served in Redeker on the weekends.

University officials anticipate that many of the residents who currently use the Redeker Dining Center will seek other alternatives to the use of the dining areas in Shull and Hagemann Halls, including the use of other campus dining centers and the Maucker Union. University officials also anticipate that many residents will elect to carry out meals, which would reduce the need for some seating areas but would not reduce the number of meals served.

The following table compares the current number of meals served in the existing dining centers with the proposed number of meals to be served with the loss of the Redeker and Campbell dining centers and the use of dining areas in Shull and Hagemann residence halls.

Meals Served Per Day (Monday – Friday)		
<u>Dining Center</u>	<u>Current</u>	<u>Proposed</u>
Redeker	2,700	0
Commons	1,350	1,650
Towers	1,750	2,300
Campbell	850	0
Shull/Hagemann	<u>0</u>	<u>3,300</u>
TOTAL	6,650	7,250

University officials planned for approximately 600 more meals to be served per day during the 2000-2001 academic year than in the current academic year. The larger number was used to ensure that sufficient space will be provided in the dining areas to accommodate anticipated student use.

Permission to proceed with the project was not required since the project budget does not exceed \$1,000,000.

The remaining function to be relocated from the Redeker Center is the Department of Residence administrative offices. According to the University, these office areas will be temporarily relocated to space in the Towers dining facility. University officials indicated that minimal work will be required to accommodate the offices, and this work will be undertaken by the University as a separate project.

Project Budget

Contracts/Purchase Orders	\$ 330,000
Consultant/Design Services	50,000
Contingencies	<u>20,000</u>
TOTAL	<u>\$ 400,000</u>

Schindler Education Center—Telecommunication Infrastructure—Phase 1

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 360,000	March 2000	Requested
Architectural/Engineering Agreement (RSM McGladrey)	37,305	March 2000	Requested

The project will replace the existing telecommunications infrastructure which is original to the building's 1973 construction and is not sufficient to meet current data transmission standards. The project will install new telephone, data and voice cabling, and voice and data outlets. The project will require the relocation of the main fiber optic service and distribution systems and the replacement of ceilings. The Phase 1 project includes the basement, level one, and the lecture rooms on level two. The Phase 2 project will include the remainder of level two and levels three through six.

Permission to proceed with the project was not required since the project budget does not exceed \$1,000,000.

Project Budget

Contracts/Purchase Orders	\$ 300,000
Consultant/Design Services	41,000
Contingencies	<u>19,000</u>

TOTAL \$ 360,000

Source of Funds:

Information Network Services	\$ 182,000
Building Repair Funds	<u>178,000</u>

TOTAL \$ 360,000

Schindler Education Center—Replace Roofs 1-8

Source of Funds: Building Repair Funds

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 315,000	March 2000	Requested
Architectural/Engineering Agreement (Alan Stevens Associates)	24,000	March 2000	Requested

This project will replace the roofing material on eight of the 15 roof levels of the Schindler Education Center. The eight areas total approximately 34,200 square feet, which represents the majority of the original (1973) roofing areas. According to University officials, a total of approximately 8,300 square feet of the original roof was replaced within the last five to ten years, and the remaining 2,400 square feet are still in a maintainable condition and do not yet require replacement.

The project will include the removal of deteriorated roofing materials and wet insulation and the installation of new tapered insulation and roofing materials. University officials indicated that the deteriorated areas of the roof have resulted in minor water damage to some ceiling tiles, and replacement of the roof areas is needed to avoid additional interior damage.

Permission to proceed with the project was not required since the project budget does not exceed \$1,000,000.

Project Budget

Contracts/Purchase Orders	\$ 250,000
Consultant/Design Services	35,000
Contingencies	<u>30,000</u>
TOTAL	<u>\$ 315,000</u>

Communication Arts Center—Patio Enclosure

Source of Funds: Private Funds (Friends of KUNI)

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 273,000	March 2000	Requested
Architectural/Engineering Agreement (Howard R. Green Company)	29,700	March 2000	Requested

This project will construct walls and a roof to enclose the 1,620 square foot patio area used by University Broadcasting Services (radio stations KUNI and KHKE), which occupies the third floor of the Communications Arts Center. Enclosing this space will provide additional storage and staff office space for University Broadcasting Services, and will allow for expansion of the record library.

The Communications Arts Center was constructed in 1978. The third floor patio was designed so that it could be enclosed and occupied at a future date.

Permission to proceed with the project was not required since the project budget does not exceed \$1,000,000.

Project Budget

Contracts/Purchase Orders	\$ 218,000
Consultant/Design Services	33,000
Contingencies	<u>22,000</u>
TOTAL	<u>\$ 273,000</u>

Lang Hall Renovation

Source of Funds: State Appropriations, and Building Fund for Student Activities and/or Private Funds

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed		April 1997	Approved
Program Statement		Feb. 1998	Approved
Schematic Design		Feb. 1998	Approved
Revised Program Statement		March 1998	Approved
Revised Schematic Design		April 1998	Approved
Project Description and Total Budget	\$ 12,900,000	July 1997	Approved
Architectural Agreement (InVision Architecture)	810,000	July 1997	Approved
Architectural Amendment #1	29,700	May 1998	Approved
Revised Total Budget	13,500,000	March 1998	Approved
Construction Contracts			
Asbestos Abatement (Advanced Technologies Corp.)	20,565	Feb. 1998	Ratified
General Construction (Larson Construction Company)	10,784,000	Jan. 1999	Approved
Change Orders 1-4	(425,241)	Jan. 1999	Approved
Change Orders (5-19)	(168,201)		Approved*
Change Order #20	174,087	March 2000	Requested

* Approved by University in accordance with Board procedures

The project will update classroom facilities and develop office areas for use by the University's Public Policy Office and Graduate College. In addition, this project includes construction of a 10,500 square foot addition to Lang Hall and improvements to the existing auditorium for use by the Department of Communication Studies. The project is scheduled to be completed in late-November, 2000.

University officials had planned to bid and issue a purchase order for the auditorium seating, the cost of which is included in the project budget of \$13,500,000. However, due to current staff workload, University officials believe this work can now be coordinated more efficiently by the contractor. University officials indicated that the amount of the change order is consistent with the University's cost estimate for purchase of the seating. University officials believe the change order process will

provide the most economical, timely, and efficient method for installation of the seating to ensure completion of the project on schedule.

* * * * *

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

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

RESIDENCE SYSTEM FUND TRANSFER. The Board Office recommended the Board approve the transfer of \$1.9 million from the Residence System Surplus Fund to the Residence System Improvement Fund.

The covenants of the University of Northern Iowa Residence System (Dormitory) Revenue Bonds allow for the transfer of net revenues of the residence system from the surplus fund to the improvement fund upon approval of the Board of Regents. Monies must first be transferred to the improvement fund before they can be expended for improvement to residential and dining facilities.

University of Northern Iowa officials requested the transfer of \$1.9 million from the Residence System Surplus Fund to the Improvement Fund. The funds will be utilized for improvements to the dormitory facilities.

MOTION: Regent Smith moved to approve the transfer of \$1.9 million from the Residence System Surplus Fund to the Residence System Improvement Fund. Regent Lande seconded the motion. MOTION CARRIED UNANIMOUSLY.

UNI-DOME LITIGATION AWARD. The Board Office recommended the Board receive the oral report from University of Northern Iowa officials on the proposed use(s) of funds from the recent jury award against Commerce and Industry Insurance.

On Monday, February 21, 2000, a Black Hawk County jury awarded the University of Northern Iowa \$4 million from Commerce and Industry Insurance, which insured the UNI-Dome roof at the time of its 1994 collapse.

Vice President Conner stated that the University of Northern Iowa received \$4.5 million through a judgment of the court regarding the insurance claim on damage to the UNI-Dome during a snowstorm in 1994. Commerce and Industry Insurance Company chose not to appeal the case. The funds were placed in a special UNI-Dome (Fieldhouse) surplus fund as permitted by the bond indenture and would be used initially for litigation expenses and the cost of filing the claim. He said the funds could also be used for any costs that are the responsibility of the University for the new roof. University officials would return to the Board for approval of any expenditures.

President Newlin said it was his understanding that there was another use for the funds which Vice President Conner had not discussed. Vice President Conner said President Newlin was likely referring to reduction of debt service which was one of the expenditure recommendations which might be brought back to the Board. The first call date on the present bonds is in 2006. The University controller has entered into discussions with the Board's bond counsel to determine if there are other possible alternatives that might be of economic advantage to the University.

MOTION: Regent Smith moved to receive the report from University of Northern Iowa officials on the proposed use(s) of funds from the recent jury award against Commerce and Industry Insurance and approve the use(s) of the proceeds as explained by Vice President Conner. Regent Kennedy 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.

President Newlin thanked President Koob and his staff for their hospitality.

IOWA SCHOOL FOR THE DEAF

The following business pertaining to the Iowa School for the Deaf was transacted on Thursday, March 16, 2000.

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

Register of Personnel Changes for February 2000.

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

COOPERATIVE ATHLETIC AGREEMENT WITH LEWIS CENTRAL. The Board Office recommended the Board approve the agreement with Lewis Central Community School District.

The Iowa High School Athletic Association requires schools that participate in cooperative agreements to renew these agreements annually.

Lewis Central and Iowa School for the Deaf have cooperated for several years to offer Iowa School for the Deaf students the opportunities to participate in cross country, golf, tennis, wrestling, soccer, swimming, and junior high football at Lewis Central.

Iowa School for the Deaf has few expenses associated with the agreement. Interpreters are generally provided to enable students to understand what the coaches are saying.

Although few students have taken advantage of these opportunities, School officials believe that the opportunity should be presented to students in order to develop skills in these sports.

ACTION: This matter was approved on the consent docket.

2000-01 SCHOOL CALENDAR AND HOLIDAY SCHEDULE. The Board Office recommended the Board (1) approve the calendar for the 2000-2001 school year and (2) approve proposed holidays for fiscal year 2001 as follows:

July 4	Independence Day
September 4	Labor Day
November 23	Thanksgiving
November 24	Day after Thanksgiving
December 25	Christmas
December 26	Winter Holiday**
January 1	New Year's Day
January 2	Winter Holiday**
May 28	Memorial Day

**Designated by the Superintendent

Iowa School for the Deaf officials proposed to begin its instructional year on August 21, 2000, and conclude its school year on May 25, 2001. Total instructional days for students equal the state mandated 180 days. Faculty are engaged for an additional nine days distributed at various points throughout the year.

Board policy provides for seven specified holidays annually, two additional holidays that are designated by the heads of the institutions, and two more days to be accrued as vacation. The proposed fiscal year 2001 holiday calendar for the Iowa School for the Deaf is consistent with Board policy and applicable collective bargaining agreements.

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 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 Thursday, March 16, 2000.

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

Register of Personnel Changes for the period December 26, 1999, through February 19, 2000

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

REORGANIZATION OF THE STRUCTURE OF THE IOWA BRAILLE AND SIGHT SAVING SCHOOL. The Board Office recommended the Board approve the reorganization of the Iowa Braille and Sight Saving School and the following positions:

State consultant for visual impairments
Education program coordinator
Vision consultant - multiple disabilities
Vision consultant - daily living skills

The reorganization of the Iowa Braille and Sight Saving School was presented to the Board on February 16, 2000. At that time, the Board deferred action on the proposal. Since then, School officials have held staff meetings to explain the plan further and to listen and respond to staff concerns. On March 6, 2000, School officials held a statewide meeting on the ICN to provide an opportunity for parents of students, teachers of the visually impaired, AEA special education directors and supervisors of vision programs, the advisory committee, the Board Office staff, and Regents to listen to the reorganization plan and to have an open discussion about all possible concerns. Furthermore, School officials clarified that one position which had been listed under outreach services (itinerant teacher of the visually impaired) was, in fact, going to be assigned to center-based services (teacher of the visually impaired/multiple disabilities).

School officials intend for the school to continue to serve students needing comprehensive services on campus. A strong center-based educational program will

be available for any student whose IEP team has determined that placement on-campus offers the student the best opportunity to learn and grow. School officials also recognize that the majority of students who are visually impaired attend their local public schools. These students require many services that the outreach staff can provide in local school settings. A strong outreach services program will be available for any student whose IEP team has determined that placement in the local school offers the student the best opportunity to learn and grow.

The intent of the organizational structure being presented is to enable the School to continue to serve more students with a much broader array of program offerings including the following:

- Programs offered on-campus in Vinton through the center-based services, including school year programs and short-term placement programs;
- Programs, such as orientation and mobility, vision itinerant services, low vision clinics, and consultation, offered in local communities during the school year;
- Program, such as summer school, extended school year services, OWOW (Orientation to the World of Work) and similar programs, and parent and professional training opportunities, offered during the summer months in Vinton and throughout the state.

This organizational structure recognizes that services are provided on a 24-hour a day basis in center-based programs and that there is a tremendous need for program development and coordination throughout the state. School officials will continue to examine the needs of students with visual impairments and will always strive to focus the structure in the best way possible to serve those needs.

School officials appreciate the concerns of those who are interested in its future. Iowa Braille and Sight Saving School officials understand that there is a continuing need to develop ways to inform those who need services about the availability of the services and will continue to work cooperatively with the AEAs, the local school districts, the parents, and the Iowa Department of Education to ensure that the citizens of Iowa are aware of the opportunities available for students who are blind or visually impaired. School officials will continue to focus resources which will best meet the needs of all of Iowa's children who are blind or visually impaired, including those with multiple disabilities.

For a number of years, Iowa Braille and Sight Saving School officials have been analyzing the appropriate mix of residential and outreach services that need to be provided in order to serve the greatest number of visually impaired children in the state

with its existing resources. School officials provided information to the Board regarding these analyses on a continuing basis through its reports on strategic planning and through its budgeting process.

In May 1998, the Board approved the 1998-2002 strategic plan of the Iowa Braille and Sight Saving School. An important feature of the plan was that School officials wanted to design a more focused residential program. Iowa Braille and Sight Saving School officials expected to accomplish this by (1) reviewing and revising the admissions guidelines and (2) reallocating resources to serve a greater number of students throughout the twelve-month period.

In Spring 1999, the Board approved the School's revised admission guidelines which became operational in Fall 1999. Also, in Spring 1999, School officials took steps to develop new staff assignments which would ensure that faculty would be available at the Vinton campus throughout the year. In Fall 1999, School officials updated the strategic plan by adding strategy 1.1.4 - continue to develop comprehensive services to students throughout Iowa. This addition was based on continuing requests from the area education agencies (AEAs) that the School needed to provide additional community-based services for the unserved population of visually impaired children throughout the state.

Also during this timeframe, the School's administration studied the needs of the children in Iowa who are blind and visually impaired; studied the trends in education and special education; and reviewed the financial aspects of serving children who are blind and visually impaired.

On the basis of its data gathering and the personnel changes which have occurred in the past two years, School officials concluded there is a need to develop an organizational structure which will best serve the children of Iowa with the School's current resources. In particular, the structure needs to support the Board-approved changes which the School has already begun through its strategic planning process -- year-round services at Vinton and more extensive outreach services throughout the state.

School officials proposed a new department of education which will consolidate a number of areas that currently report to the Superintendent. The new department will oversee School-based educational and residential services as well as outreach services. This approach is intended to provide a continuum of services to the children of Iowa who are blind or visually impaired in an efficient and effective manner.

In order to accomplish this objective, School officials intend to create the following new positions: State Consultant for Visual Impairment, Program Coordinator, Vision

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Consultant - Multiple Disabilities, and Vision Consultant - Daily Living Skills. School officials expect to fund the new positions through a reallocation of existing funds.

Superintendent Thurman presented the Iowa Braille and Sight Saving School's request for reorganization. He stated that since the last Board of Regents meeting, a number of meetings have been held on the campus. If the Board approves the reorganization plan, schools officials will immediately post the positions.

President Newlin recognized Ms. Julie Detmer.

Ms. Detmer stated that she has a 12-year-old son at Iowa Braille and Sight Saving School. She expressed her opposition to the proposed reorganization of the school and gave reasons why she believed the Board should not approve the proposal. She asked that the Board of Regents stay the reorganization for one year and allow school officials, parents and area education agencies to work together with other parents of visually impaired and blind children on issues regarding their educational options.

Superintendent Thurman stated that he agreed with many of Ms. Detmer's comments; however, he differed with her on how to address the needs of children in the state and the national agenda. He noted that the national agenda is four-five years old. Iowa Braille and Sight Saving School has to offer both residential and outreach services. He said the decision was a difficult one; to some it is a way of saying good bye to what the school was in the past. His goal is to combine both the past and future. He asked the Board for its approval of the reorganization.

MOTION: Regent Smith moved to approve the reorganization of the Iowa Braille and Sight Saving School and the following positions: State consultant for visual impairments, Education program coordinator, Vision consultant - multiple disabilities, and Vision consultant - daily living skills. Regent Kelly seconded the motion.

Regent Smith stated that in 1996 Iowa Braille and Sight Saving School had 53 students on campus and it currently has 38 students on campus. She asked if school officials have reduced dramatically the number of staff as a result.

Superintendent Thurman responded that school officials had not reduced dramatically the number of staff as a result of the reduction in the number of students on campus.

Regent Smith asked if the school currently has the same number of staff for 38 students as it had for 53 students. Superintendent Thurman responded that school officials have taken no action to reduce the number of staff.

Regent Smith asked if the school has had more opportunities to do outreach as the on-campus enrollments have declined. Superintendent Thurman said that was not necessarily so. Most of the on-campus numbers are where they were 2 years ago. The increase in outreach is partially due to hiring to fill various positions. He noted that the orientation and mobility instructors live in the communities where they work.

Regent Smith asked if the responsibilities of the on-campus staff have changed other than having fewer students with which to work. Superintendent Thurman responded that staff have tried to individualize activities for students that may have been more difficult to do with larger numbers of students. He said the staff is extremely productive.

Regent Kennedy asked whether the center-based services would be provided with the proper ratios. Superintendent Thurman responded that the faculty/staff-student ratios would be provided in accordance with state law.

Regent Lande addressed Ms. Detmer. He expressed appreciation for her efforts in putting forth her views. He stated that he is a very strong supporter of the school. During the last several years the Regents and school officials have discussed what should be done with strategic planning for the future of the school. He said he attended the March 6, 2000, statewide meeting on the ICN regarding the reorganization plan. It was his view that the very best experience a visually-impaired student can have is to live at home and be a full-time student at Iowa Braille and Sight Saving School. The next best option is for a student to be a full-time resident at the school. A third choice is to live at home and receive outreach services. He believes that a high percentage of today's parents will elect the third choice. One gentleman who spoke at the Iowa Communications Network meeting spoke in favor of maintaining the school the way it is, noting that the only difficulty was the money. Regent Lande said he would reluctantly support the reorganization.

Ms. Detmer stated that the school did not have the same number of teaching staff. Three teachers were let go in the 1993-94 school year as was the school psychologist. Last year 2 teachers left on their own accord and one retired.

Regent Neil said he also attended the Iowa Communications Network public meeting and found it to be very educational. One fellow who spoke had no problem with the teacher ratio and he is a teacher. Regent Neil believes the bridge was crossed when the Americans with Disabilities Act was passed. Many parents have opted to keep their children at home for education in conjunction with the local school district. He thanked

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the parents for coming to the meetings. He said the Board of Regents members must put their faith in the people they hire to run the institutions. Those institutional heads are dealing with the hands they are dealt.

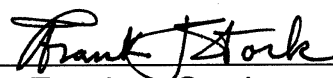
Regent Kelly stated that he is a physician who has treated many deaf and hearing impaired patients in the last 50 years. Although he was extremely sympathetic with their viewpoint, he said the school has to move forward in both directions.

VOTE ON 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 4:10 p.m. on Thursday, March 16, 2000.



Frank J. Stork
Executive Director