

The Board of Regents, State of Iowa, met on Wednesday, May 17, 2000, at the Iowa Braille and Sight Saving School, Vinton, Iowa, and on Thursday, May 18, 2000, at the University of Northern Iowa, Cedar Falls, Iowa. The following were in attendance:

	<u>May 17</u>	<u>May 18</u>
<u>Members of Board of Regents, State of Iowa</u>		
Mr. Newlin, President	All sessions	All sessions
Ms. Ahrens	All sessions	All sessions
Mr. Fisher	All sessions	All sessions
Dr. Kelly	All sessions	All sessions
Mrs. Kennedy	Arrived at 1:30 p.m.	All sessions
Mr. Lande	Arrived at 1:10 p.m.	All sessions
Mr. Neil	All sessions	All sessions
Mrs. Smith	Excused	All sessions
Dr. Turner	Excused	All sessions
<u>Office of the Board of Regents, State of Iowa</u>		
Executive Director Stork	All sessions	All sessions
Deputy Executive Director Barak	Excused	All sessions
Director Elliott	All sessions	All sessions
Director Wright	All sessions	All sessions
Associate Director Hendrickson	All sessions	All sessions
Associate Director Kniker	All sessions	All sessions
Associate Director Racki	All sessions	All sessions
Assistant Director Anania	All sessions	All sessions
Assistant Director Gonzalez	All sessions	All sessions
Minutes Secretary Briggle	All sessions	All sessions
<u>State University of Iowa</u>		
President Coleman	All sessions	All sessions
Provost Whitmore	All sessions	All sessions
Vice President True	All sessions	All sessions
Associate Vice President Foldesi	All sessions	Excused
Associate Director Braun	Excused	All sessions
Dean Kelch	Excused	Arrived at 10:30 a.m.
Director Howell	Excused	Arrived at 10:45 a.m.
<u>Iowa State University</u>		
President Jischke	All sessions	Excused at 1:55 p.m.
Provost Richmond	All sessions	Excused at 1:55 p.m.
Vice President Hill	All sessions	Excused
Vice President Madden	All sessions	Excused at 1:55 p.m.
Executive Assistant to President Dobbs	All sessions	Excused
Assistant to the President Mukerjea	All sessions	Excused at 1:55 p.m.
Director McCarroll	All sessions	Excused at 1:55 p.m.
Director Steinke	All sessions	Excused at 1:55 p.m.
<u>University of Northern Iowa</u>		
President Koob	All sessions	All sessions
Provost Podolefsky	All sessions	All sessions
Vice President Conner	All sessions	All sessions
Vice President Romano	Excused	All sessions
Executive Asst. to President Gadelmann	Excused	All sessions
Assistant Director Saunders	All sessions	All sessions
<u>Iowa School for the Deaf</u>		
Superintendent Johnson	All sessions	Excused at 12:00 p.m.
Director Heuer	All sessions	Excused at 12:00 p.m.
Interpreter Reese	All sessions	Excused at 12:00 p.m.
Interpreter Young	All sessions	Excused at 12:00 p.m.
<u>Iowa Braille and Sight Saving School</u>		
Superintendent Thurman	All sessions	Excused at 12:00 p.m.
Director Woodward	All sessions	Excused at 12:00 p.m.
Director Utsinger	All sessions	Excused at 12:00 p.m.
Principal Hooley	All sessions	Excused at 12:00 p.m.

GENERAL

The following business pertaining to general or miscellaneous business was transacted on Wednesday and Thursday, May 17 and 18, 2000.

President Newlin stated that the Regents were pleased to be meeting at the Iowa Braille and Sight Saving School on May 17, 2000.

APPROVAL OF MINUTES OF BOARD MEETINGS OF APRIL 20 AND APRIL 27, 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 Fisher moved to approve the minutes of the April 20 and 27, 2000, meetings, as written. Regent Ahrens seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

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

Ratify personnel transactions at the Regent institutions and Board Office;

Approve the Board meetings schedule;

Approve the proposed 2000-2001 school year calendar for the Iowa Braille and Sight Saving School;

Approve academic year and summer session calendars for 2000-2001 through 2004-2005 for the University of Iowa; and

Approve proposed holidays for calendar year 2002 and revised academic calendars for 2001 and 2002 summer session for the University of Northern Iowa.

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

INTERINSTITUTIONAL COMMITTEE ON EDUCATIONAL COORDINATION.

(a) Post-Audit Report for the Undergraduate Major in Women's Studies, Iowa State University. The Board Office recommended the Board receive the post-audit report for the undergraduate major (B.A. and B.S. degrees) in Women's Studies at Iowa State University and approve continuation of the program.

Regent policy (*Procedural Guide* § 6.07) requires that a post-audit report be prepared for each new program five years after initial approval by the Board to (1) assess its progress during the five-year time period and (2) ensure that the program is meeting original expectations. The Board approved Iowa State University's undergraduate major in Women's Studies in 1995. The description of the program indicates to what extent it has met its originally stated purpose, the accuracy of enrollment projections, employment patterns, and accuracy of expenditure projections for faculty, staff, and equipment.

The post-audit report for the undergraduate major (B.A. and B.S. degrees) in Women's Studies was reviewed by the Board Office and the Interinstitutional Committee on Educational Coordination (ICEC) and was recommended for approval.

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

Regent Fisher noted that enrollment was 60 percent of the projected enrollment. In five years, the program has had only nine graduates. He questioned the importance of the program in light of the limited enrollment and graduations.

Provost Richmond responded that there are 1,400 non-majors enrolled in women's studies programs. He said the program was important to students and to society, in general. He argued strongly for the maintenance of this program.

Regent Fisher asked if a total program was needed. Provost Richmond responded that it was to the university's advantage to provide an opportunity for students to major in this program. The staffing required was not very large. Most courses are offered in departments that cooperate with women's studies.

President Newlin asked if university officials anticipate any major changes in the way the program is currently established. Provost Richmond responded that no major changes were anticipated.

MOTION: Regent Ahrens moved to receive the post-audit report for the undergraduate major (B.A. and B.S. degrees) in Women's Studies at Iowa State University and approve continuation of the program. Regent Fisher seconded the motion. MOTION CARRIED UNANIMOUSLY.

ACCREDITATION REPORT -- BACHELOR AND MASTER DEGREES IN BUSINESS, UNIVERSITY OF NORTHERN IOWA. The Board Office recommended the Board (1) receive the report on accreditation for the baccalaureate and master's degree programs in business at the University of Northern Iowa and (2) inform the Board of subsequent reports and responses from the accrediting organization.

On March 3, 2000, the International Association for Management Education of the American Association of Collegiate Schools of Business (AACSB) reaccredited the baccalaureate and master's degree programs in business offered by the University of Northern Iowa. The programs passed all standards. The reaccreditation is for a period of 10 years, or into 2010.

A purpose of the peer view of this organization is to encourage continuous improvement of quality business programs. Consequently, although the visiting team report noted many areas of strength, it also found opportunities for improvement. Prior to the next review for reaccreditation, University of Northern Iowa officials requested to provide AACSB with two reports addressing recommendations. The first update report is due July 1, 2001. The second interim report is due January 15, 2005.

Provost Podolefsky reviewed the accreditation report with the Regents. He noted that the business degree programs include a nationally-recognized accounting program. The accounting program was ranked first in the nation in 1997 and was ranked fourth in the nation this year.

Regent Fisher asked what is being done to address student outcomes assessment. Dean Greer responded that for several years the program has been relying on student exit surveys. The accrediting team suggested the development of a careful definition of learning outcomes assessment and a method of measuring the degree of obtainment of those objectives. College officials will define a set of three to five learning outcomes assessments for each of the courses. A sampling of those questions would be included in the final exams for each of the courses in order to measure what students have learned.

Regent Fisher questioned whether it might be more informative to assess outcomes once students have been in the business world two to three years. Dean Greer said that was a good suggestion. He stated that students are surveyed at one, five and ten years after graduation.

President Newlin congratulated university officials on the accreditation. He then asked if any changes had been made as a result of the self-study and the visiting team's observations.

Dean Greer stated that 10 years ago the program went through a philosophical change about what the program was all about. The visiting team pointed out a need to make further progress. He said there is the "old guard/new guard" problem in the department of accounting. Some of the faculty are very good teachers but have not been trained in research methodology. Many of those faculty are approaching retirement age. The younger faculty in the department will then dominate the department. He expects the cross section of faculty to change.

Regent Lande referred to the future "changing of the guard" and asked if there was any danger that the quality of research will go up and the quality of teaching will go down. Dean Greer said he certainly hoped not. Quality of teaching is high at the University of Northern Iowa. A uniformly good job of teaching is done throughout the college.

President Newlin asked if there had been any results from changes made relative to minority student recruitment. Dean Greer responded affirmatively, noting that the effort had not yet paid off in large numbers. It is a long-term effort.

President Newlin asked if there had been any changes in the business curricula as a result of the self study or visiting team report. Dean Greer said there had not yet been any changes in curriculum but it was in the assessment process.

MOTION:

Regent Kelly moved to (1) receive the report on accreditation for the baccalaureate and master's degree programs in business at the University of Northern Iowa and (2) request that the Board be informed of subsequent reports and responses from the accrediting organization. Regent Ahrens seconded the motion. MOTION CARRIED UNANIMOUSLY.

REPORT ON INSTITUTIONAL COLLABORATION/COOPERATION. The Board Office recommended the Board receive the report on Regent university collaboration/cooperation.

Section 6.28 of the Regent *Procedural Guide* requires that the three Regent universities periodically report on interinstitutional cooperation or collaboration. Fifty-six (56) projects were listed which involve two or more of the Regent universities. The projects range from sharing lectures to some very complex joint ventures. The majority of the collaborative efforts relate to teaching (27), with the remaining efforts relating to research (14), service (12) and administration (7). The University of Iowa participates in 44 of these collaborative efforts, Iowa State University in 52, and the University of Northern Iowa in 50.

The chart below lists the projects and the participating institutions.

	SUI	ISU	UNI
1. Ag-Based Industrial Lubricants (A.B.I.L.)		X	X**
2. Annual Iowa Distinguished Faculty in Engineering Joint Lecture between campuses	X	X	
3. BS Applied Physics/Engineering Dual-Degree Program	X**	X	X
4. Bachelor of Liberal Studies Degree	X	X	X
5. Biotechnology Byproducts Consortium	X**	X	
6. Camp Adventure Youth Services	X	X	X**
7. Chinese Waste Exchange		X	X**
8. Collaborative efforts among the three Graduate Deans to enhance minority recruitment	X	X	X
9. College of Public Health joint MPH programs	X**	X	X
10. Community College Day	X	X	X**
11. Des Moines Higher Education Center	X	X	X
12. Farm *A* System		X**	X
13. Geographical Alliance of Iowa	X		X**
14. Graduate Center in Council Bluffs, Quad Cities and Sioux City	X	X	X
15. Heartland Technology (CIRAS at ISU; SMS at UNI)		X	X
16. Integrated Roadside Vegetation Management (DOT & DNR)		X	X**
17. Interinstitutional sharing of library resources	X	X	X
18. Inter-Iowa Genetics Research Symposium	X	X	
19. Iowa Center for Agricultural Safety and Health	X**	X	
20. Iowa Consortium for Substance Abuse Research and Evaluation	X**		X
21. Iowa Energy Center (Joint Business Site Visits)		X**	X
22. Iowa Lakeside Laboratory	X	X	X
23. Iowa Mathematics Consortium	X		X**
24. Iowa Practice Research Collaborative	X**	X	X
25. Iowa Regents Fellowship Program	X	X	X
26. Iowa Rural Development Council	X	X	X

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	SUI	ISU	UNI
27. Study Abroad Programs:			
Iowa Hispanic Institute	X		X
Iowa Regents Semester in Australia	X	X	X
Iowa Regents Semester in Wales	X	X	X
Iowa Regents Summer Program in Austria	X	X	
Iowa Regents Summer Program in France	X	X	X
28. Iowa Space Grant Consortium	X	X**	X
29. Iowa State Water Resources Research Institute	X	X**	
30. Iowa Transportation Research Collaboration	X	X	X
31. Iowa Waste Reduction Center		X	X**
32. John Pappajohn Entrepreneurial Center	X	X	X
33. Joint Iowa Department of Economic Development ICN panel discussion on employee recruiting and retention	X	X	X
34. Joint National Engineers Week seminar for professional engineers	X	X	
35. Krause Challenge	X	X	X
36. Leopold Center for Sustainable Agriculture		X	X
37. Literacy League (begin Fall, 2000)	X	X	X
38. MS in Systems Engineering/MBA	X	X	
39. Master's Degree in Transition: Educators of Students with Severe Disabilities	X		X
40. Midwest transportation Consortium (new name- IA Trans. Res. Collaboration)		X	X
41. Reading Recovery Center of Iowa	X	X	X
42. Recycling / Reuse Technology Transfer Center	X	X	X**
43. Regents Center for Early Childhood Education (added to SUI list)	X	X	X**
44. Regents Exchange-Student Teaching	X	X	X**
45. Romanian Public Health Study	X**		X
46. Small Business Compliance Alliance		X**	X
47. Small Business Development Center	X	X	X
48. Southwest Iowa Regents Resource Center – Council Bluffs	X	X	X
49. Star Schools Program		X	X
50. UI College of Medicine/ISU Veterinary Medicine Collaborative Grants	X	X	
51. UI Medical Imaging Group/ISU Center for Nondestructive Evaluation	X	X	
52. UI National Advanced Driving Simulator/ISU Virtual Reality Applications Center	X	X	
53. UI/ISU Interdisciplinary Pilot Research in health-related areas	X	X	
54. Distance Education Offerings:			
• Bachelor of Liberal Studies external degree program	X	X	X
• BA Business shared courses: Insurance & Real Estate		X	X
• Regents Graduate Inclusion Program in special education	X	X	X**
• MA in School Library Media Studies	X		X
• MA in Higher Education	X	X	
55. Regents Universities Libraries Cooperative Activities	X	X	X
56. Summer Honoraria for Faculty Graduate Study	X	X	X
** = lead institution			

Associate Director Kniker presented the Regents with an overview of the information that was provided in the meeting materials.

Provost Richmond stated that there is great emphasis on collaboration within the Regent institutions. His colleagues and he had an opportunity to spend a day together on the University of Iowa campus talking about opportunities for collaboration. The Interinstitutional Committee on Education Coordination will be discussing collaboration in distance learning.

Regent Fisher stated that he had received a mailing on a collaboration between the University of Iowa and Iowa State University Colleges of Engineering and the University of Iowa business school. He said the collaboration made a lot of sense.

Regent Neil asked for examples of collaboration that show particular promise in terms of combining faculty strengths or other institutional resources. President Newlin asked Provost Richmond for a report next month on the collaborations that show the most promise. He noted that some of the collaborations were stimulated by questions of the legislature and were also part of the recommendations of KPMG.

ACTION: President Newlin stated the Board received the report on Regent university collaboration/cooperation, by general consent.

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

(1) Adopt the following resolutions, subject to the receipt of acceptable bids:

A Resolution providing for the sale and award of \$14,040,000 Dormitory Revenue Bonds, Series U.N.I. 2000, and approving and authorizing the agreement of such sale and award.

A Resolution authorizing and providing for the issuance and securing the payment of \$14,040,000 Dormitory Revenue Bonds, Series U.N.I. 2000, for the purpose of constructing necessary improvements to and equipping existing residence halls and related facilities, all located on the campus of the University of Northern Iowa, including funding the debt service reserve fund and paying costs of issuing the Bonds.

(2) Receive the report of the Banking Committee.

Regent Fisher stated that at its meeting of May 17, the Banking Committee approved Resolutions for the Sale and Award of \$14,040,000 Dormitory Revenue Bonds, Series U.N.I. 2000, received an external audit report on the University of Iowa Hospitals and Clinics financial statements, a state audit report and follow-up of selected departments at Iowa State University, and internal audit reports from Iowa State University. He then asked the Board's financial advisor and bond counsel to report on the bids that had been received.

Barry Fick, Springsted, Inc., stated that two very strong bids were received for the sale of the University of Northern Iowa Dormitory Revenue Bonds. One bid was received from a syndicate led by Dain Rauscher, Inc., for a true interest rate of 5.7299 percent. The other bid was submitted by a syndicate led by U.S. Bancorp Piper Jaffray, Inc., for a true interest rate of 5.5538 percent, which was the winning bid. He said the U.S. Bancorp Piper Jaffray, Inc., bid was approximately 15 basis points below what was projected as a worst case scenario. The bid was also 15 to 20 basis points below what nationally-rated AAA-rated bonds are receiving. He stated that the bid was for a very favorable interest rate in a difficult market.

Mr. Haynie stated that no adjustments to the bond resolutions were necessary.

MOTION: Regent Fisher moved to adopt the following resolution: A Resolution providing for the sale and award of \$14,040,000 Dormitory Revenue Bonds, Series U.N.I. 2000, and approving and authorizing the agreement of such sale and award. Regent Kelly seconded the motion, and upon the roll being called, the following voted:
AYE: Ahrens, Fisher, Kelly, Lande, Neil, Newlin.
NAY: None.
ABSENT: Kennedy, Smith, Turner.

MOTION CARRIED.

MOTION: Regent Fisher moved to adopt the following resolution: A Resolution authorizing and providing for the issuance and securing the payment of \$14,040,000 Dormitory Revenue Bonds, Series U.N.I. 2000, for the purpose of constructing necessary improvements to and equipping existing residence halls and related facilities, all located on the campus of the University of Northern Iowa,

including funding the debt service reserve fund and paying costs of issuing the Bonds. Regent Kelly seconded the motion, and upon the roll being called, the following voted:
 AYE: Ahrens, Fisher, Kelly, Lande, Neil, Newlin.
 NAY: None.
 ABSENT: Kennedy, Smith, Turner.

MOTION CARRIED.

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

REPORT ON LEGISLATIVE SESSION. The Board Office recommended the Board receive the final report on the 2000 legislative session.

The General Assembly completed its 2000 session on April 26, 2000. The deadline for the Governor to sign the bills passed by the General Assembly is May 26, 2000.

State general fund FY 2001 direct appropriations to the Regents for operations, tuition replacement, and salary increases total at least \$721.0 million as follows: education appropriations of \$695.4 million, economic development appropriations of \$7.5 million, and salary appropriations ranging from \$18.2 million to \$19.7 million. These appropriations represent a 2.2 percent increase from the original FY 2000 base appropriations. State salary policy requires approximately a 4 percent average increase.

Capital appropriations for the Regent institutions are contained in the infrastructure bill (SF 2453), which includes \$16.2 million in FY 2001, \$15.6 million in FY 2002, and \$11.4 million in FY 2003, for capital projects as detailed in the following table:

Item	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>Total</u>
SUI Biology Building	\$4,400,000	\$7,300,000	\$3,000,000	\$14,700,000
ISU Gilman Hall - Chemistry	8,500,000	2,500,000	-	11,000,000
ISU Planning – College of Business	300,000	-	-	300,000
UNI McCollum Science Hall	2,700,000	5,800,000	8,400,000	16,900,000
ISD Replacement of water system	<u>250,000</u>	<u>-</u>	<u>-</u>	<u>250,000</u>
Total	\$16,150,000	\$15,600,000	\$11,400,000	\$43,150,000

The technology appropriations bill (SF 2433) includes a \$1,000,000 allocation to the University of Northern Iowa for developing a 21st century learning initiative, which is identified as the second priority project to be funded from a pooled technology account created in this bill consisting of all FY 2000 reversions from state departments. This initiative was part of the Governor's recommendation for the proposed Information Technology Department. The bill language requires that the University of Northern Iowa consult with the Division of Information Technology Services of the Department of General Services, and the Department of Education in developing this initiative.

Other appropriations bills allocate funds to Regent institutions for FY 2001 to be distributed through various state agencies. The Agriculture Appropriations bill provides \$450,000 for FY 2001 to Iowa State University for training commercial pesticide applicators, support for research of Johnes disease, and support for a rural concern hotline for farm families facing financial crisis. The Department of Public Health appropriations bill provides \$734,026 to the University of Iowa for health-related support, and the Human Services appropriations bill provides \$129,971 to the University of Iowa for Iowa Creative Employment Options.

The salary bill (SF 2450) appropriates \$42.2 million to state agencies with the Regents allocation estimated to be between \$18.2 million and \$19.7 million for funding salary increases. To fully fund the state salary policy increase of 4 percent at the Regent institutions, exclusive of health insurance increases, funding from state appropriations would have to total \$27.4 million.

The Regents legislative liaisons – Gary Steinke, Andrew Baumert, Mark Braun, and Keith Saunders – should be congratulated for their hard work.

Executive Director Stork stated that, at the time of the April Board meeting, the FY 2001 operating appropriations had been approximately \$10 million less than the original base appropriations for FY 2000. The Senate did restore some of that funding. The Governor has signed the education appropriations bill but the amounts are still troublesome (\$2.7 million below the original FY 2000 base). The Regents had experienced a \$3.4 million reduction in FY 2000 base appropriations as recommended by the Governor and passed by the legislature. The Governor's recommendation for FY 2001 appropriations was to restore that base and provide additional appropriations for Regent initiatives. He said it was disappointing how the Regents operating appropriations ended up for the session. In terms of the salary bill, he said the institutions are being underfunded. The Board Office has not received notification of the amount of the salary allocation to Regent institutions. He said there was some good news with regard to the capital appropriations. Funding was approved for the following projects: Biology Building (University of Iowa); Gilman Hall -- Chemistry (Iowa State University); Planning -- College of Business (Iowa State University); McCollum Science

Hall (University of Northern Iowa); and replacement of water system (Iowa School for the Deaf).

Regent Fisher asked if the total education appropriations were \$695.4 million. Executive Director Stork said that was correct.

Regent Fisher asked for the amount of the prior year's appropriations. Executive Director Stork responded that the prior year's appropriations were approximately \$697.9 million.

Regent Lande asked for the amount of money needed to fund the imposed 4 percent salary increase. Executive Director Stork responded that a 4 percent salary increase would require \$27.4 million. If the cost of insurance premium increases were included, figured at a 10 percent increase, the total amount needed would be \$31.5 million.

Regent Lande stated that an additional \$31.5 million in costs has been imposed on the Regents and appropriations are \$2 million less than FY 2000. Executive Director Stork noted that the new salary appropriation dollars would be approximately \$18 million to \$19 million.

Regent Lande asked how the salary appropriation compared to last year. Executive Director Stork responded that the Regents received essentially full funding for salaries last year.

Regent Lande stated that he would like see a broad picture that demonstrates the total amount of dollars including salary appropriations that the Regents received a year ago compared to appropriations this year including salary funds.

Executive Director Stork said the Board Office could certainly provide such information. He stated that the state salary policy is 4 percent, which the Regents have no choice but to fund. On the operating side, it is a little different issue. The Regents are being given \$2-3 million less than the original base appropriations last year, which did not address any of the Regent FY 2001 requests.

Regent Lande stated that when salary increase costs are imposed on the Regents and less than the additional funds needed to support salaries are provided, it is the nature of the institutions that the operating budgets will have to support salary costs. Executive Director Stork said that was correct.

Executive Director Stork stated that, by next month's meeting, the Regents will have been provided with the approved salary allocations and preliminary FY 2001 budgets and, therefore, would see more clearly the shortfalls with respect to budget discussions.

Regent Fisher referred to Regent Lande's suggestion for comparative information and asked that the Regents be provided with a one-page summary of bottom line figures that compare "apples to apples" last year to this year.

ACTION: President Newlin stated the Board received the final report on the 2000 legislative session, by general consent.

ANNUAL REPORT ON REGIONAL STUDY CENTERS. The Board Office recommended the Board receive the report.

The Regent universities participate in independent graduate study centers located in the Quad Cities and in Sioux City. The universities also cooperate to provide a resource center in Council Bluffs for citizens in the southwest portion of the state. These efforts are part of the institutional efforts to help the Board of Regents achieve its objective to improve access to the Regent institutions as stated in its strategic plan.

The Quad Cities Graduate Study Center, in Rock Island, Illinois, is a 30-year old consortium of 12 educational institutions in Iowa and Illinois which cooperate with business and industry leaders from Scott County in Iowa (Davenport and Bettendorf) and Rock Island and Henry Counties in Illinois (Rock Island and Moline). Unduplicated headcount enrollment increased by 1,909 from 3,535 to 5,444 (+54.0 percent) during the 1999-2000 academic year; total registrations increased by 1,967 students to 9,176 (+27.3 percent) during the 1999 - 2000 academic year. The proportion of Iowa residents enrolled in the Grad Center grew from 35.7 percent (1,228) in FY 1995 to 46.5 percent (2,529) in FY 2000. The Quad Cities Graduate Study Center added 11 programs to its offerings during 1999-2000 of which five were from Iowa Regent universities. The total enrollment at Regent universities was 1,084 students.

The Tri-State Graduate Center in Sioux City brings together business and community leaders and the leadership of 17 educational institutions and agencies in three states to provide graduate educational experiences to northwestern Iowa, northeastern Nebraska, and southeastern South Dakota. Total student headcount enrollment for FY 2000 was 2,110 which was a decrease of 10.4 percent over FY 1999 enrollments. The decrease resulted primarily from fewer education offerings by Wayne State College. Iowans accounted for 68.8 percent of the enrollments. The total enrollment, which includes professional development courses offered by AEA 4 and AEA 12, was 4,729 during 1999-2000; this represented an increase of 0.2 percent from the prior year. Regent universities offered 15 of the 37 graduate and certificate programs of study

available through the Tri-State Graduate Center in 1999-2000¹; there was an enrollment of 431 students.

Located on the Iowa School for the Deaf campus in Council Bluffs, the Southwest Iowa Regents Resource Center provides citizens in southwest Iowa an opportunity to receive access to services provided by the universities. Enrollments for FY 2000 totaled 528, which was a decrease of 10.7 percent over levels reported in FY 1999. The decrease resulted primarily from fewer education offerings by the University of Northern Iowa, especially in elementary reading and language arts. The Southwest Iowa Regents Resource Center offers a variety of programming. Among events co-sponsored by the Center was a performance of the University of Iowa's *Dancers in Company* with the Council Bluffs Community Schools.

Assistant Director Gonzalez reviewed the annual report of the Tri-State Graduate Study Center on behalf of its Assistant Director, Joan Kammerer.

Marti Clyde, Assistant Director of the Quad Cities Graduate Study Center, reviewed with the Regents the center's annual report.

Regent Ahrens asked what has been the biggest challenge regarding the offerings provided by the center. Assistant Director Clyde said it is always difficult getting the word out to students on what is available.

Jeanne Trachta, Director of the Southwest Iowa Regents Resource Center, reviewed with the Regents the center's annual report.

Regent Neil asked if area employers had been surveyed for the purpose of needs assessment. Director Trachta responded that employers desire more programs in business technology.

Regent Lande noted that two University of Nebraska at Omaha programs are offered through the Tri-State Graduate Study Center in Sioux City. He asked if any exploration had been done to offering those programs at the Southwest Iowa Regent Resource Center in Council Bluffs. Assistant Director Gonzalez responded that the mission of the resource center is a consortium only for Regent institutions. Others that want to participate from outside of the state would do so through one of the graduate study centers.

¹ Three additional programs available through the Center did not materialize during 1999-2000.

Regent Ahrens asked what has been the biggest challenge for the Regent Resource Center. Director Trachta said there is a great challenge in coordinating the offering of a particular program with the students' needs.

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

ALLOCATION OF UNIVERSITY OF IOWA MANDATORY STUDENT FEES AND ALLOCATION OF DESIGNATED TUITION FOR THE 2000-01 ACADEMIC YEAR.

The Board Office recommended the Board (1) approve the allocation of the University of Iowa mandatory student activity fee and the student services fee for the 2000-2001 academic year, including the summer 2000 session, as set forth; (2) approve the allocation of tuition at the University of Iowa designated for student health service and building fees for the 2000-2001 academic year, including the summer 2000 session, as set forth; and (3) approve the allocation of tuition at Iowa State University and the University of Northern Iowa designated for student activities, student services, and building fees for the 2000-2001 academic year, including the summer 2000 session, as set forth.

Iowa Code §262.34B establishes a procedure for proposing student activity fee changes. A student fee committee at each university, composed of five students and five university employees, makes recommendations to the university president by April 15 for the subsequent academic year's fees. The university president, in turn, makes a recommendation to the Board. The final decision on student activity fee changes rests with the Board. The student fee committees at each university have met and made recommendations in support of the student activity allocations.

In October of each year, the Board of Regents establishes base tuition and mandatory fees for the following academic year. At the subsequent May Board meeting, the institutions request the Board to allocate student activity fees.

In October 1999, the Board approved a 4.3 percent base tuition increase and a change to the Board's tuition policy for the University of Iowa that created separate mandatory fees for student activity and student services. This redirection from tuition to mandatory fees means that students will pay fees rather than tuition to support specific programs that promote student activities and student services. The Board had approved a slight increase to these mandatory fees in October (student activity fee from \$34.67 to \$35.00 and student services fee from \$40.84 to \$41.00). University of Iowa officials requested the Board allocate these mandatory student activity and student services fees at the University of Iowa as detailed.

University of Iowa officials proposed that the corresponding summer mandatory fee amounts, as indicated, be approved. The Board directed, in October, that these fees for summer students be charged in a manner similar to other mandatory fees of the University. The proposed summer fees show increases of 224.1 percent for student activity and 142.3 percent for student services.

The University's estimates for the revenue associated with these fees do not seem to reflect the increased fees. University officials had not fully explained the reason for the decrease in estimated revenues from the student services mandatory fees.

The Board was also requested to allocate the remaining portion of tuition at the University of Iowa designated for student health services and building fees as well as the allocation of tuition designated for student activities, student services, and building fees at Iowa State University and the University of Northern Iowa.

University of Iowa officials proposed to increase the remaining amount of tuition designated for building and health fees by 4.5 percent. This increase results primarily from the continued increase in the fee for the recreation project. In February 2000, the Board approved the phase I schematic design and project description and budget (\$8.1 million) for the Hawkeye Athletic/Recreation Facilities Complex.

Both Iowa State University and University of Northern Iowa officials proposed to increase the amount of designated tuition by 4.3 percent, which is equivalent to the increase in the tuition rate approved by the Board in October 1999 for the 2000-2001 academic year.

Director Elliott provided a slide presentation which illustrated the recommendation in the form of graphics. President Newlin thanked Director Elliott for the graphics and asked that next year the graphics be included in the docket books.

Regent Fisher noted that the summer rate for the student services fee at the University of Iowa went up while the total amount of revenue generated went down. He asked for clarification. Director Elliott responded that Board Office staff is working with University of Iowa officials to clarify the reasons.

Vice President True stated that the base is changing; the system is changing entirely. The objective is to generate the same dollar level to provide the support that has historically been provided.

MOTION:

Regent Fisher moved to (1) approve the allocation of the University of Iowa mandatory student activity fee and the student services fee for the 2000-2001 academic year, including the summer 2000 session, as set forth; (2) approve the allocation of tuition at the University of Iowa designated for student health service and building fees for the 2000-2001 academic year, including the summer 2000 session, as set forth; and

(3) approve the allocation of tuition at Iowa State University and the University of Northern Iowa designated for student activities, student services, and building fees for the 2000-2001 academic year, including the summer 2000 session, as set forth. Regent Kennedy seconded the motion.

Regent Fisher referred to the new fee for the Iowa State University Memorial Union reserve, and asked about the plans for the Union and the use of the fee. President Jischke responded that Iowa State University officials are in the midst of discussions with students and the Board of Directors of the Memorial Union. There is some consensus on the need for renovation and remodeling. Other work to be done includes modernization, and life safety and fire code issues. Students have set aside some money for those purposes.

VOTE ON THE MOTION: Motion carried.

ANNUAL REPORT ON CHILDCARE. The Board Office recommended the Board receive the annual reports on childcare programs at the University of Iowa, Iowa State University and the University of Northern Iowa.

Each university has successful family-oriented programs that include participation in community referral services and on-campus care. Availability of childcare is important in the recruitment and retention of students as well as for faculty and staff.

University of Northern Iowa officials proposed a 3 percent increase in its childcare budget. University of Iowa officials proposed an increase of 3 percent. Development of the childcare budget at Iowa State University is pending development of university and Board budget policy and determination of the level of state appropriations. The childcare budgets will be a part of the presentation on preliminary budgets in June.

The contributions by the universities to the on-campus centers allow for lower fees to be charged student parents. The centers could not continue to operate if they cared only for children of students within the current rate structures. The universities do not subsidize the fees paid by nonstudent parents at the campus centers except for basic infrastructure.

Director Wright reviewed with the Regents the annual report on childcare.

Regent Fisher asked for the amount of subsidy for childcare by each university. Associate Vice President Foldesi responded that the University of Iowa subsidizes childcare in a variety of ways including subsidies to keep rates lower for student access.

The university also provides a resource and referral service with no fee. Over 100 graduate students receive stipends from the childcare committee to pay for child care. The university also trains infant care providers and provides a toy lending library.

Regent Fisher asked for the dollar amount of the university subsidization. Associate Vice President Foldesi responded that financial support and in-kind contributions from the University of Iowa total approximately \$450,000.

President Newlin asked about the amount of backlog of students who cannot be served by university childcare. Associate Vice President Foldesi responded that the number of students on the waiting list for childcare at the University of Iowa totaled 260 at the three university childcare centers plus 184 at the hospital childcare center.

Regent Neil asked if there are any liability issues with the provision of child care services. Associate Vice President Foldesi responded that there were liability issues. Last year the university began requiring each of the centers to carry liability insurance coverage but there have not been any claims.

President Newlin asked about the university's philosophy in trying to serve more of the students desiring childcare. Associate Vice President Foldesi responded that University of Iowa officials have done a major assessment, which they were in the process of reviewing, of how to provide childcare services in the future to address the unmet need. University officials are evaluating how to use the limited resources in the best way. Over the course of the next year, university officials will look at how services are provided.

Regent Kelly asked about the educational component of the childcare centers. Associate Vice President Foldesi responded that there are over 200 students from a variety of academic areas involved in the childcare centers.

Vice President Madden reviewed the report of Iowa State University. He said the university is currently financing two centers at cost of \$354,000/year. With regard to the question about liability, he said both childcare facilities are operated by separate companies that carry liability insurance. The childcare centers have very close working relationships with the College of Family and Consumer Sciences. The amount of backlog is fairly significant. He noted that the College of Veterinary Medicine's childcare facility is one of the few accredited facilities in Iowa. He said it is a very fine facility.

Director Uhlenberg reviewed the report of the University of Northern Iowa. She noted that the university subsidizes about \$142,000 of the Child Development Center. There are normally 53 to 54 children enrolled in the university's childcare programs. In terms of liability, she said it would fall under the university auspices for liability issues.

Regent Kelly asked that the next time the Board meets in Ames the Regents be provided with a tour of the veterinary medicine's childcare facility. President Jischke responded that university officials would be proud to show the Regents that facility.

ACTION: President Newlin stated the Board received the annual reports on childcare programs at the University of Iowa, Iowa State University and the University of Northern Iowa, by general consent.

APPOINTMENTS TO COMMITTEES AND ORGANIZATIONS. The Board Office recommended the Board ratify the appointments to boards, committees and study groups as set forth.

The Board of Regents is responsible for making several appointments to state boards and commissions. The bylaws of institutional foundations and other non-profit agencies call for the appointment by the Board of Regents to those governing entities.

The Board has created the Banking Committee as its only standing committee. Ad hoc study groups have been established for specific tasks.

<u>Banking Committee</u>	<u>Term Expires</u>
David J. Fisher, Chair	April 30, 2001
Ellengray G. Kennedy	April 30, 2001
Roger L. Lande	April 30, 2001
David G. Neil	April 30, 2001
Owen J. Newlin	April 30, 2001

Iowa Coordinating Council for Post-High School Education

Ellengray G. Kennedy	July 31, 2001
David G. Neil	July 31, 2001
Beverly A. Smith	July 31, 2001
Lisa E. Ahrens (Alternate to Beverly A. Smith)	July 31, 2001
Clarkson L. Kelly (Alternate to David G. Neil)	July 31, 2001
Roger L. Lande (Alternate to Ellengray G. Kennedy)	July 31, 2001
<u>Iowa Centennial Memorial Foundation</u>	

Owen J. Newlin	Statutory
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Iowa State University Research Foundation Board of Directors

Clarkson L. Kelly April 30, 2003

Iowa State University Foundation Board of Directors

Owen J. Newlin (by virtue of Articles of Incorporation)

Iowa State University Memorial Union Board of Directors

Deborah A. Turner June 30, 2001

University of Iowa Research Foundation

Roger L. Lande Sept. 30, 2001

University of Northern Iowa Foundation Board of Trustees

Beverly A. Smith April 30, 2001

Iowa Public Broadcasting Board – Three Year Terms

Betty Jean Furgerson June 30, 2003

Student Loan Liquidity Corporation - Three Year Terms

Robert Sackett (Board of Regent Designee) June 30, 2002

Iowa College Student Aid Commission (ICSAC) – Four Year Terms

Frank J. Stork June 30, 2003

Educational Telecommunications Council

Robert J. Barak, Member June 30, 2001

Emmett J. Vaughn, Member June 30, 2002

Lois A. Hunt, Alternate June 30, 2001

Joan E. Ketels, Alternate June 30, 2002

Workforce Development Board (Statutory) – Two Year Terms

Jane Schildroth

June 30, 2002

UI Healthcare Study Group

Newlin (Lead) (by virtue of office)

Stork (by virtue of office)

Kennedy

Lande

Turner

Equal Opportunity/Diversity

Study Group

Smith (Lead)

Ahrens

Kelly

Turner

Distance Education Study Group

Kennedy (Lead)

Fisher

Neil

MOTION:

Regent Fisher moved to ratify the appointments to boards, committees and study groups as set forth. Regent Neil seconded the motion. MOTION CARRIED UNANIMOUSLY.

ANNUAL REPORT ON FACULTY ACTIVITY. The Board Office recommended the Board (1) receive the report and (2) encourage the universities to continue their efforts to refine, where necessary, data collection in the categories of tenured and tenure track (probationary or tenure-eligible) faculty, as it relates to the reporting of faculty portfolio data.

Faculty Effort and Activities

In the area of faculty effort and activities, the data for 1999-2000 show average faculty workweeks of 59.6 hours at the University of Iowa, 57.0 hours at Iowa State University, and 54.7 hours at the University of Northern Iowa. The University of Iowa figure represents an increase of slightly more than one hour per week above the previous reporting year. The Iowa State University and University of Northern Iowa figures decreased slightly from the previous year. The averages are consistent with hourly averages reported for the past decade. At the University of Northern Iowa, the weighted averages used for historical comparisons are slightly different from the average of all faculty today. Using the weighted average, the amount of time worked increased last year.

Regent university faculty exceed the number of hours per week worked by faculty as reported in a national survey. The University of Iowa's data indicate that tenured and

tenure track faculty also average almost the same number of hours per week for teaching and other duties. Faculty at the University of Northern Iowa continue to report the highest allocation of their effort to teaching activities (the University average teaching load is 12.8 credit hours), with faculty at the University of Iowa and Iowa State University devoting relatively more effort toward sponsored and non-sponsored research endeavors. Current measures of faculty effort, including estimated time spent on teaching, research, and service activities, are self-reported through federally required forms and statistically representative campus surveys.

Faculty Instructional Workload

A primary measure of faculty instructional workload is student credit hours (SCH) generated. Students at the three Regent universities together earned 806,500 credit hours (Fall 1999), an increase from 800,009 credit hours in Fall 1998, an increase of slightly less than one percent. The University of Iowa's total SCH increased by 3,557 hours, reflecting a growth in student enrollments. Iowa State University experienced a slight increase (+494) in SCH, from 308,230 in Fall 98 to 308,724 in Fall 99, reflective also of an enrollment increase. The University of Northern Iowa's SCH hours increased by 2,460, from 168,564 in Fall 98 to 171,024 in Fall 99. In actuality, the proportion of total student credit hours generated by tenured and tenure track faculty increased slightly at the University of Iowa (from 62 percent to 63 percent), but decreased at both Iowa State University and the University of Northern Iowa. At Iowa State University, the decline from 67 percent to 65 percent is a return to the percentage level of previous years. The University of Northern Iowa experienced a shift from 69 percent to 65 percent. These shifts are attributed to the retirement of experienced faculty members. The proportion of student credit hours generated by graduate teaching assistants declined 3 percent at the University of Iowa, increased at Iowa State University (up 2 percent) and remained stable at the University of Northern Iowa (1 percent). Adjunct and other non-tenure track staff were responsible for increased generation of student credit hours at the University of Northern Iowa (up 4 percent) and the University of Iowa (up 1 percent), but remained at the same percentage at Iowa State University.

The combined percentage of student credit hours generated by tenured and tenure track faculty varies markedly among the different colleges at each institution. For example, the percentage at the University of Iowa ranges from 91.4 percent (Law) to 56.1 percent (Education). At Iowa State University tenured and tenure track faculty offer a range from 94.0 percent of the total SCH in Veterinary Medicine to 56.8 percent in the College of Liberal Arts and Sciences. The five colleges at the University of Northern Iowa have a somewhat more narrow range of total SCH from the College of Social and Behavioral Sciences (69.8 percent) to the College of Education (61.3 percent). The three universities have similar SCH averages for tenured and tenure

track faculty when all colleges are combined -- University of Iowa (62.5 percent), Iowa State University (64.7 percent), and University of Northern Iowa (64.2 percent).

Another measure of instructional productivity is the index of credit hours generated per instructional full-time equivalent (IFTE) instructional position. In Fall 1999, the average number of student credit hours generated by a full-time faculty member at the University of Northern Iowa was 272. The comparable numbers for SUI and ISU were 209 and 196. There were substantial differences among colleges. At all three universities, non-tenure faculty who do not have research and service obligations generally carry heavier teaching workloads than their tenured and tenure track colleagues who are responsible for research and service activities.

Faculty Productivity

Measures of faculty productivity focus on such traditional "outputs" as student enrollment data, number of majors, degrees granted, and research and scholarship (including sponsored research grants, publications, and awards received). Regent governance reports have indicated enrollment increases at all three universities during the past year. The 13,510 degrees granted in 1998-99 represent an increase of approximately two percent over 1997-98, when 13,268 degrees were granted. The one percent increase is similar to the increase the previous year, when 13,177 degrees were granted. Institutional reports also detail substantial increases in dollars for sponsored research at each university (\$469 million).

Faculty Portfolios

Four years ago the Board directed the universities to develop a common faculty portfolio database information system. Each university is making extensive use of faculty portfolios; however, a database system, per se, is not used. The universities state their portfolio systems are in process of continuing refinements; the implementation of post-tenure review policies is one factor influencing the refinement of the portfolio systems. Collectively, these measures help portray the diversity of faculty responsibilities and their contributions to education, research, and public service for the benefit of all Iowans.

Peer Institutions

In 1997 the Board requested the use of comparative collegiate and/or departmental faculty workload information, where available, from each university's established group of peer institutions. When compared to data reported in national publications, such as Katrina Meyer's *Faculty Workload Studies* (1998), Regent university faculty are at or

exceed the norms for hours spent on instruction, and the percentage of time spent on research compared with their peer institutions.

Associate Director Kniker provided an overhead presentation of charts and graphs that illustrated the information that was provided in the meeting materials.

Regent Fisher asked for a definition of "service". Associate Director Kniker responded that service would include extension activities and professional service for a national professional group. He noted that tenured faculty have more administrative responsibility at the universities while non-tenured faculty have a high teaching load. He said teaching is a high priority at the universities. Each of the research universities (University of Iowa and Iowa State University) annually awards more than 300 doctoral degrees. With regard to the peer institution studies, in general, the Regent universities are at the middle or higher.

Regent Neil asked how the data on number of hours worked/week is tracked. Associate Director Kniker responded that the data is self reported. There are requirements for samples.

Regent Kennedy stated, for the benefit of the Regents who were new on the Board, that three years ago the Board of Regents intensively looked at the issue of faculty activities. The universities were asked to come up with a way to assure that the three-pronged missions were being fulfilled. There was a concern across Iowa about the number of senior faculty who teach undergraduates. Putting senior faculty into freshman courses was not going to make quality teaching. A very good holistic solution was developed.

Provost Whitmore reviewed the report for the University of Iowa. He said he was pleased to see that faculty are working very hard at being even more productive. He then introduced a member of the College of Pharmacy, Professor Hazel Seaba. Professor Seaba is a clinical faculty not tenured faculty. Clinical professors focus on teaching and public service.

Professor Seaba reviewed with the Regents some of the activities at the College of Pharmacy. She described the Iowa Drug Information Network, a new service developed by the college. The goal of the drug information/informatics curriculum is to prepare the student to serve as an effective provider of drug information.

Provost Richmond reviewed the report for Iowa State University. He then introduced Susan Carpenter, a veterinary medicine molecular biologist, to provide the perspective of an individual faculty member on what is happening at the institution. He said Professor Carpenter was an example of an individual who university officials very much like to have on the campus. She does many things very well.

Professor Carpenter provided the Regents with a snapshot of who she is, what she does and why she does it. Sixty-seven percent of her time is spent on research, 23 percent on teaching and 10 percent on service. Her research is on animal models of HIV and the biological activity of St. John's Wort. Her research resulted in the development of a technology called molecular flashlight; a technology that has resulted in three patents. The research has impacted her teaching for both graduate students and undergraduates. She noted that good science is mainly play disguised as work. She described faculty activity in the engaged institution. Professor Carpenter stated that she feels privileged to be in a job she loves so much and to be able to have an impact upon students' lives.

Regent Kelly asked how closely Professor Carpenter works with investigators working with human HIV. Professor Carpenter responded that there is collaboration with the University of Iowa medical school faculty.

Provost Podolefsky presented the report of the University of Northern Iowa. He said this was a particularly exciting time to serve in his capacity at the University of Northern Iowa. There has been a tremendous opportunity for hiring new faculty due to the retirement of faculty who were hired in the 1960s. For this reason, it is extremely important to take care in faculty hiring. The university hires only the best faculty. He then introduced one of the university's distinguished faculty, Dr. Sue Johnson. Dr. Johnson was one of this year's Regent faculty excellence honorees. In addition to teaching courses, she specializes in research in breast cancer epidemiology. Dr. Johnson was instrumental in developing the university honors program.

Professor Johnson stated that she began her undergraduate work at Iowa State University; received her bachelors and master's degrees at the University of Northern Iowa; and received her doctorate at the University of Iowa. She described the role she plays in the tripartite mission of the University of Northern Iowa. She said she teaches the "hard" courses; many of her students are nontraditional age and are international students. With regard to the "other" category of faculty responsibility, she said she is on 20 active thesis and dissertation committees. She provides students with life-changing experiences. She said it was important that students see her as a scholar. Service enriches the other components of faculty activity. She volunteers with the American Cancer Society and tries to involve students in the service. She just finished her first decade as a professor. Ninety-three percent of University of Northern Iowa students are from Iowa. The face of Iowa is changing to become more diverse.

Regent Lande stated that the presentations by all three faculty were very impressive. It was heartening to learn what they are doing.

Regent Turner asked how the information is obtained from peer institutions. Associate Director Kniker responded that a number of higher education institutions belong to a consortium unofficially called the "Delaware" group. One of the limitations of the group is that some of the identified institutions do not choose to provide comparable data from year to year. Sometimes arrangements have to be made to substitute groups in order to get comparable data.

President Newlin complimented Associate Director Kniker on the graphics and encourage him to expand on them in the future.

President Newlin referred to the percentage of teaching, research and service as an aggregate at the institutions and asked if university officials see any shifts in that regard on a composite basis. Provost Whitmore responded that the numbers at the University of Iowa are usually consistent. One area where the numbers are going up is in tenure and tenure track faculty generating more teaching credit hours. The numbers have gone down some in the number of credit hours generated by graduate teaching assistants.

President Newlin asked for responses from the University of Iowa and Iowa State University to Regent Neil's earlier question about sample size. Provost Whitmore responded that the University of Iowa has 1,600 faculty and 520 faculty were involved in the study. He said the sample size is roughly one-third of the faculty.

Provost Richmond said the Regents could take some sense of security in the data by looking at comparisons with other institutions. Iowa State University faculty are working at about the same level as faculty at comparison institutions. Because of Iowa State University's land grant mission, a significant faculty effort is devoted to service. In many ways, service is very much related to teaching. Faculty last year adopted new promotion and tenure guidelines which provides an opportunity for faculty to obtain promotion and tenure for scholarship.

President Jischke said there is an effort not to work harder but to work smarter and more collaboratively in the interest of the outcomes of these activities.

President Newlin asked if Iowa State University officials expect larger participation in learning communities next fall. President Jischke responded that participation was already pretty high; about one-half of incoming freshmen are involved in learning communities. Learning communities are enhancing retention rates and making more effective use of faculty hours.

Provost Podolefsky referred to the question about the adequacy of the sample. He said the University of Northern Iowa has 600 tenure and tenure track faculty; 300 (about 50

percent) were involved in the sample. He said the consistency of the data over time would suggest there is some reliability in the numbers. University of Northern Iowa faculty have a somewhat higher percentage of time devoted to teaching, consistent with the university's mission.

President Newlin noted that the faculty portfolio system has been in place at the University of Northern Iowa for quite some time. Provost Podolefsky said the faculty portfolio system works at the departmental level.

President Newlin asked for the progress of faculty portfolios at the other two universities. Provost Richmond responded that Iowa State University has a system of annual review of faculty. Each faculty has a position responsibility statement. Department chairs get an overall sense of what their faculty are doing.

Provost Whitmore stated that at the University of Iowa there is a post-tenure effort allocation. This is the second year the effort has been fully in place but it was piloted previously. Each department collectively decides the normal distribution of teaching, research and service. The allocation is negotiated in individual sessions and agreed to by the faculty, department head and dean. He said the system was working quite well.

President Newlin congratulated all three universities on the progress that is being made. From KPMG recommendations to the Pappas review, the institutions have come a long way.

Regent Lande asked about the methodology as to how the statistical sample was created. Provost Whitmore responded that at the University of Iowa it was random samples of all departments. Provost Podolefsky stated that at the University of Northern Iowa it was random samples of faculty segmented by rank. Provost Richmond responded that Iowa State University has a very strong statistics program which performed a stratified random sample.

ACTION: President Newlin stated the Board, by general consent, (1) received the report and (2) encouraged the universities to continue their efforts to refine, where necessary, data collection in the categories of tenured and tenure track (probationary or tenure-eligible) faculty, as it relates to the reporting of faculty portfolio data.

PROPOSED SALARY POLICIES FOR PROFESSIONAL AND SCIENTIFIC STAFF FOR FISCAL YEAR 2001. The Board Office recommended the Board (1) approve the proposed pay schedules for fiscal year 2001 for professional and scientific staff at the five

institutions and the Board Office and (2) approve the proposed revisions to the professional and scientific classification system at Iowa State University and Iowa Braille and Sight Saving School.

The state's salary policy for 2000-2001 is established primarily, as in past years, in its collective bargaining agreements, which provide an increase of "3 percent plus incremental steps in the pay matrices". Generally, this provision provides average pay increases of 4 percent. The revisions to the Professional and Scientific (P&S) pay plans reflect the parameters of the State. The pay plans will not be fully funded through state appropriations.

Salaries for P&S staff are determined by performance and are based on annual evaluations. Pursuant to Regent Procedural Guide §4.13A, individual salaries cannot be increased during the fiscal year beyond what is in the final budget approved by the Board in July, without additional, specific approval by the Board.

University of Iowa officials plan to modify its P&S salary schedule to reflect state salary policy and the external market by increasing the minimums by 2 percent and the maximums by 3 percent. Salary increases will reflect the state salary policy.

Iowa State University officials proposed to adjust the P&S salary scale 3 percent on minimums and 3 percent on the maximums based on market survey data and current recruiting problems. On average the salary increases will be consistent with the state salary policy. Iowa State University officials proposed revisions in its P&S classification system which include the addition of seven new classifications, changes in pay grade assignments for nine classifications, and the deletion of five classifications.

University of Northern Iowa officials proposed varying increases to the grades of the P&S salary scale based on market survey and current recruiting problems. Grades 1, 2, and 3 will be increased 2 percent on the minimums and 2 percent on the maximums. Grades 4 and 5 will be increased 2 percent on the minimums and 4 percent on maximums. Grades 6, 7, and 8 will be increased 4 percent on the minimums and 4 percent on the maximums. On average the salary increases will be consistent with state salary.

Director Wright reported that University administrators report they will propose in late-fall some structural modifications for University of Northern Iowa's P&S pay plan.

Iowa School for the Deaf and Iowa Braille and Sight Saving School officials proposed to increase the P&S salary scale by 2 percent at the minimums and 4 percent at the maximums. Average individual increases will be equivalent to the state salary policy.

The Board Office P&S pay scale will be increased 2 percent at the minimums and 4 percent at the maximums. Average individual increases will be equivalent to the state salary policy.

Director Wright presented the report to the Board of Regents. He stated that each of the university presidents had a staff member who wished to speak to the Board regarding the salary policies.

President Coleman introduced Pat Kenner, the University of Iowa staff council president. Ms. Kenner works in the area of continuous quality improvement.

Ms. Kenner expressed appreciation for the recommendation of the Board Office which mirrored President Coleman's recommendation. However, in order to pursue the goal of becoming a top 10 public research institution, she said the University of Iowa must be able to recruit and retain a diverse faculty and staff of the highest caliber. Currently the marketplace is very competitive especially in professional health care and information technology. She asked for the Board's continued support of competitive salaries.

President Jischke introduced Josie Six who serves as an at-large representative on the Iowa State University Professional and Scientific Staff Council. Ms. Six is a fiscal officer at the Agriculture Experiment Station.

Ms. Six stated that the salary policy for P&S staff had been discussed in depth by the P&S Council. The council drafted the following statement on the salary policy:

The Professional and Scientific Council of Iowa State University supports President Jischke and the institution's aspiration to become the best land grant university, a model of excellence for others to emulate. We recognize that a key component to achieving this goal is the recruitment and retention of high-quality personnel, both faculty and staff. Among the factors to do so is the establishment of competitive compensation policies. While this year presents particularly challenging issues with regard to salary policy, we believe that the proposed policy will allow Iowa State to remain competitive in the market place.

President Koob introduced Doreen Hayek, a member of the information technology services division, who is completing her second year as chair of the P&S Council at the University of Northern Iowa.

Ms. Hayek stated that the P&S Council proposed that one-third of the salary increase money be given for satisfactory performance and the remainder be given for merit and equity reasons. The council agrees with increasing the minimums and maximums in the pay grade scale. The market has become very tight in some areas and it is difficult to

attract employees in those areas. She stated that another area of concern is retention of P&S employees. The council is developing an exit survey process and will be reviewing the results to determine why P&S employees leave the University of Northern Iowa.

Regent Neil asked if there was an automatic progression schedule across the pay grade. Director Wright responded that there was not. A position is evaluated and assigned to a pay grade. There are no steps in a pay grade. Employees move through the pay grade based only on meritorious performance consideration.

Regent Turner asked if the University of Northern Iowa P&S Council's tracking of why P&S staff leave was a new endeavor. Ms. Hayek responded that it was a new endeavor for the University of Northern Iowa. They do not yet have any data to report.

Vice President Madden stated that at Iowa State University the P&S Council does a survey. A survey of all employees was just completed this spring and the council is in the process of completing those results. He noted that certain disciplines experienced significant market place movement.

Vice President True stated that the University of Iowa has data on turnover of various classes which leads to a focus on certain areas. He said university officials need to do a better job of obtaining information on what the competition is doing outside of the universities.

Regent Turner noted that retention is not always related to salary. University officials need to look at other issues, as well.

Regent Lande asked if the University of Iowa and Iowa State University have a formalized system of surveying those who depart the university. Vice President Madden responded that Iowa State University collects data and analyzes the reasons that employees leave the university. He noted that what employees say is their reason for departure may not be exactly the reason behind some of their decisions.

Vice President True stated that non-salary issues are important. He said University of Iowa officials spend a lot of time looking at not just the employees who leave but the people who are currently employed to learn what is important to them and what motivates them. They also learn what supervisors should do better.

Provost Richmond stated that a psychology professor at Iowa State University has been engaged in a study of the reasons P&S employees and faculty leave the institution. There is no one specific reason but a variety of reasons including opportunities at other institutions, opportunities for spouses, and sometimes compensation.

MOTION: Regent Ahrens moved to (1) approve the proposed pay schedules for fiscal year 2001 for professional and scientific staff at the five institutions and the Board Office and (2) approve the proposed revisions to the professional and scientific classification system at Iowa State University and Iowa Braille and Sight Saving School. Regent Kelly seconded the motion. MOTION CARRIED UNANIMOUSLY.

PROPOSED SALARY POLICIES FOR FACULTY AT THE SPECIAL SCHOOLS FOR FISCAL YEAR 2001. The Board Office recommended the Board (1) approve the faculty salary schedule for the Iowa School for the Deaf and the Iowa Braille and Sight Saving School for fiscal year 2001 and (2) approve the proposed supplemental pay schedules for extracurricular activities at the special schools in fiscal year 2001.

The pay matrix for the faculty at the Iowa School for the Deaf and the Iowa Braille and Sight Saving School will be increased 2.5 percent with a cost of 4.2 percent at the Iowa School for the Deaf and 4.4 percent at the Iowa Braille and Sight Saving School. Faculty not at the top step will receive step increases. Faculty attaining additional education may move horizontally on the matrix in addition to receiving step increases.

The compensation for the professional certifications to AER (Association for the Education and Rehabilitation of Blind and Visually Handicapped) and in CED (Council of Educators for the Deaf) will not be changed. Iowa School for the Deaf officials proposed no change to its extracurricular pay scale. Iowa Braille and Sight Saving School officials proposed revisions to its extracurricular scale which will increase the cost from approximately \$19,500 this school year to approximately \$43,500 next school year.

The recommended actions are consistent with the pay policies established in the salary bill passed by the General Assembly. It is expected that the salary policy will not be fully funded from state appropriations.

Director Wright reviewed with the Regents the information that was provided in the meeting materials. No special school faculty had requested to address the Board on teachers' salaries.

MOTION: Regent Kennedy moved to (1) approve the faculty salary schedule for the Iowa School for the Deaf and the Iowa Braille and Sight Saving School for

fiscal year 2001 and (2) approve the proposed supplemental pay schedules for extracurricular activities at the special schools in fiscal year 2001. Regent Fisher seconded the motion. MOTION CARRIED UNANIMOUSLY.

PROPOSED PAY PLAN FOR REGENT MERIT SYSTEM. The Board Office recommended the Board (1) approve Regent Merit System pay matrices to be effective July 1, 2000, for the blue collar, security, technical and clerical bargaining units, as set forth, and (2) approve the Regent Merit System supervisory pay matrix to be effective July 1, 2000, as set forth.

The recommended actions are consistent with the collective bargaining agreement negotiated for 1999-2001 between the State of Iowa and AFSCME and the pay policies established in the salary bill recently passed by the General Assembly. Salary policy for the Regents will not be fully funded through state appropriations.

Pay matrices will be increased 2.6 percent in accordance with the AFSCME agreement and state salary policy. Contract and noncontract covered employees will be eligible for step increases in fiscal year 2001 in accordance with the collective bargaining agreement or the rules of the Regent Merit System. Eligible employees will be moved to Step 10 on January 1, 2001.

A public hearing on the proposed pay plan, as required by state law, was held at 7 p.m. on Thursday, May 11, 2000, in the Gallery of the Memorial Union, Iowa State University. An oral report of the hearing was provided at the Board meeting.

Director Wright reviewed with the Regents the information that was provided in the meeting materials. He also reported on the public hearing that was held on May 11, 2000. Three people attended and addressed issues relative to the pay grade review process in the AFSME collective bargaining agreement. In the past six months, the Board was asked to approve actions that had taken place as a result of a contract mandated review of the assignment of selected positions to pay grades. The result of the hearings are now held confidentially in the administrative structure of the Iowa Department of Personnel and with Executive Director Stork and have not yet been finally resolved. Director Wright reported to the people that it was in process and was expected to be resolved within the next thirty days. A question relating to the costing of the AFSCME agreement was also raised by an attendee who serves on the AFSCME bargaining team.

MOTION: Regent Lande moved to (1) approve Regent Merit System pay matrices to be effective July 1, 2000,

for the blue collar, security, technical and clerical bargaining units, as set forth, and (2) approve the Regent Merit System supervisory pay matrix to be effective July 1, 2000, as set forth. Regent Turner seconded the motion. MOTION CARRIED UNANIMOUSLY.

2010 STRATEGIC PLANNING COUNCIL PRELIMINARY REPORT. The Board Office recommended the Board receive the 2010 Strategic Planning Council preliminary report.

On April 8, 1999, Governor Vilsack announced the appointment of a Strategic Planning Council, "*Iowa 2010: The state of our future*," to prepare a strategic plan for the state's entry into the new century. Specifically, the Governor requested the Council to complete two tasks:

1. Create a vision of what kind of place we want Iowa to be in the year 2010; and
2. Create a statewide strategic plan to move Iowa from where we are now to that vision by the year 2010.

At the Governor's request, the Executive Director of the Board served on a planning committee to assist with the development of a process to be used by the Strategic Planning Council and the appointment of a diverse group of Iowans to serve on the Council.

President Coleman, President Jischke, and President Koob were among the 37 Iowans selected to serve on the Council and make recommendations to the Governor by mid-2000.

With input from Iowans from around the state, the Council is expected to produce the following items for action:

- A situation analysis that shows where Iowa appears to be now and what the future looks like if trends continue.
- A concise statement of values that will guide the visioning, planning, and implementation.
- A bold and captivating vision of what Iowa can become by 2010.
- A strategic plan that maps a course from the Iowa of 1999 to the visionary Iowa of 2010.
- An implementation strategy suggesting steps to be taken by state government, the private sector, non-profits, and individual citizens.

The Council has divided into four work groups: community; development; natural resources; and people. These work groups are using several core values established by the Council to develop vision statements and goals: education; economic prosperity; caring community; individual well-being; natural environment; civic integrity; and world-class reputation and identity.

The Governor and Council have asked Iowans to share their ideas and values in order to focus on changes that can be made to improve the quality of life and competitive position of the state. The 1999 General Assembly appropriated \$130,000 to support this endeavor. The Council has generated over \$285,000 more in private donations.

During a series of town meetings in October and November of 1999, over 2,500 Iowans met with Council members. The Council issued press releases and a public television special to encourage Iowans to participate in the planning process. The Council developed a Website, a toll free input line and an e-mail address, and also distributed pre-paid postcards for convenient public response. The Council now is reviewing the ideas and suggestions generated at town meetings along with several hundred recorded telephone messages, e-mail messages, and postcards.

Co-chairperson David Oman and the Regent Presidents discussed the status of the Council's recommendations at the Board meeting. Progress reports will be presented to the Board in future months.

Mr. Oman discussed the Iowa 2010 Strategic Planning Council process, where the Council has been, where it is going, and some of its findings and recommendations, all of which are in the draft stage. This is the time during the process when the Council wants to meet with key Iowans and groups who can take a pivotal role in the development of the strategic plan. The Council will be presenting its report in June. Mr. Oman thanked the three university presidents for their involvement which had been integral to this process.

Mr. Oman acknowledged that the Regents have had a tough year with the budgets and with the legislature. He said the 2010 Council has had some challenges getting the necessary money to do its work.

Mr. Oman discussed the trends in this state. He said 9,500 students from Iowa's colleges and universities annually leave the state upon graduation. Iowa ranks next to last in population growth of upper Midwestern states. Iowa ranks 44th nationally in population growth (tied with West Virginia). There are fewer Iowans under the age of 5 than over the age of 80. The only other state similar in statistics is Florida. There are currently 137,000 fewer Iowans under the age of 19 than there were in 1980. The

number of working-age lowans will decrease after 2010. The average age of an Iowa farmer is 58 and the average age of a Maytag worker is 57.

With regard to the Council's outreach effort, Mr. Oman said there were 16 town meetings, a statewide television special, assistance of youth groups, over 2,500 inputs and over 40,000 Website hits. Lowans are saying that living wages, educational excellence, a clean environment, and recreational activities are important to them. Young lowans are interested in better paying jobs, a more exciting and diverse state, recreational activities, the environment and internet connectivity. Young people in their late-20s are interested in returning to Iowa to start their families.

Mr. Oman stated that the Council's report is very much in draft stage. The Council wants to be open and inclusive about its work. The Council is starting to come around to a few key ideas for the future of the state. There needs to be a strategy to grow the population, to retain/return lowans, and to welcome new lowans including immigrants from other states and countries. A world class education for lowans of all ages is a key issue as is better jobs for a growing population. A quality environment in which to live, work and play is important. The Council applauded what the legislature did for recreation. He said many people think there is still too much in the draft report. There needs to be a cost/benefit analysis. The Council will likely remove some of the ideas, but some will remain. He asked for the Regents' thoughts on the trends and what they think the state should look like in 2010. He said the clock is ticking; too many young people are leaving. We have to be bold as lowans. He asked for the Regents' support and political advocacy this fall.

President Newlin thanked Mr. Oman for the report.

Regent Lande commended Mr. Oman and the Governor for their efforts. He said he was pleased that education was a focal point but felt that education could be emphasized even more. He would like to see the Governor and legislature have a mechanism to focus on what is a truly affordable and excellent quality education.

Mr. Oman said there will be some preface text in the report which will be objective and balanced in highlighting what is good in Iowa. There are centers of excellence at all three Regent university campuses. Iowa should tell its story domestically and globally.

President Newlin said there have been peaks in terms of public interest in public higher education. He questioned if the public thinks public higher education is important, why doesn't the legislature?

Mr. Oman said that question should be asked of the legislature. Iowa is a state of limited growth. Iowa does not have a growing tax base nor the ability to fund everything

its people want. Iowa is in an era where there is some predictability of revenues. Republicans are not embarking on tax cutting. There is a zone of reasonableness on tax policy in this state. K-12 schools, community colleges, the tuition grant program, the private colleges and the Regent institutions are competing for increasingly scarce dollars. There is a lot of higher education and education in the state, in general. Part of the work that needs to be done is to look at how some funds should be reallocated.

Regent Kennedy stated that it has always been the philosophy of Iowa, reflected to the Regents, to provide quality education that is accessible. She was concerned about the shift in the attitude of legislators that if there are new needs the Regents should just raise tuition. She said that is a whole shift of philosophy for the state of Iowa and it comes at a time when Mr. Oman's group is finding that Iowans want to remain committed to quality education. The Regents have worked hard to make sure that the institutions are doing strategic planning. She said it was a major setback to see the shift in the legislature to not being committed to access for all Iowans.

Regent Neil noted that the state does not have the resources to fund all of the wants. He asked if the committee has started to "connect the dots" of what needs to happen.

Mr. Oman said that was the wisdom of doing strategic planning. The Council is trying to look at everything; there are no "sacred cows". The Council sees a need for the state not to go in fits and starts; it should smartly do three or four things at the same time. The Governor asked the Council not just to do the "what" but also to do the "how to", which, he said, is the hardest part.

Regent Kelly thanked Mr. Oman for all that he has done for the state of Iowa. With regard to economic development, he noted that CEOs still say this state is not friendly enough to business and industry.

Mr. Oman responded that the state has come a long way; it is more friendly to business and industry. The state is still disadvantaged in that regard, particularly in the border communities. There is work to be done. The state has to play the cards it can play to grow the state and be able to continue to support education at all levels while keeping taxes fair. He cautioned that if the state is not growing in 10 years, one-quarter of the state will consist of people over age 65, many with fixed incomes and many with low incomes. He said Iowa needs to sell the assets it has in a smarter, more focused way. We need to get the employers here to keep the people here.

Regent Turner asked if part of the Council's report will include how to sell Iowa. Mr. Oman responded that the report would include some ideas on how to sell Iowa. There will be an internet on-line event on June 8. Individuals can go on line and look at the draft report, and talk about the state they left. He said a suggestion was made the previous evening that the Regent alumni groups should devote in their messages a very clear, positive, upbeat statement about the state of Iowa. It would be great if the next edition of the alumni newsletters would include stories about the Vision Iowa program.

Regent Kennedy asked what will happen to the Council's strategic plan once it is finalized. Mr. Oman responded that there clearly needs to be some smart follow-up. Many on the Council would like to become advocates. They are talking with the Governor's office about how to do that and in a bipartisan way.

Regent Lande asked that Mr. Oman's group communicate that today tuition at the three Regent universities is the highest as a percent of the total cost of education that it has been for 40 years.

President Newlin asked the three Regent university presidents to comment on their participation in the Council.

President Coleman stated that she has been involved in the workgroup that dealt with education, particularly higher education. The workgroup has studied how education is structured and what contributions education is making to the state of Iowa.

President Jischke said he believed that the Council's consensus about growing Iowa, the value of education, the importance of the environment, and the quality of life, was a good reflection of what Iowans want. With regard to his work on the Council, he was pleased to see the recognition of the continued role that agriculture will play in the future of this state. He questioned who approves the Council's strategic plan. There has to be a decision on the part of the state as to whether or not it "buys" the strategy. He said the impact of strategic plans happens over years and years. A strategic plan is a framework for making progress.

President Newlin noted that the Regents had instituted a third-party organizational audit which resulted in 43 recommendations. The Regents followed up on every one of the recommendations. The Regents had another organization come in and review how they did against the 43 recommendations. He knew of no other affiliated organization of the state that has had a self-appointed third-party organizational audit in order to become more effective. Strategic planning was an integral part of that effort.

President Koob stated that economic prosperity occurs around this nation when two things exist: a growing population, and a quality and effective educational system. He

said Iowa is blessed by having a high-quality educational system. Iowa is not blessed by having a growing population. He endorsed the overall goal of the Council to grow Iowa. Without that growth, he said Iowa will not have the opportunity for economic success or other prosperity.

Mr. Oman urged the Regents to read the Des Moines Register article from the previous Sunday regarding the Council's activities and to look at the Council's web site. Executive Director Stork said the Board Office would provide the Regents with a copy of the newspaper article.

President Newlin thanked Mr. Oman for all of the effort he had put into the Council which, he said, would benefit the entire state.

ACTION: President Newlin stated the Board received the 2010 Strategic Planning Council preliminary report, by general consent.

BUDGET CEILING ADJUSTMENTS FOR FY 2000 AND CONCEPTUAL GENERAL FUND OPERATING BUDGETS FOR FY 2001. The Board Office recommended the Board receive the summary budget information for FY 2000 budget ceiling adjustments and FY 2001 conceptual budget presentations and then refer to individual budget memoranda for specific Board actions.

FY 2000 - Budget Ceiling Adjustments

Board policy and strategic planning goal action step 4.1.1.5 require the Board to approve all budget ceiling adjustments. Budget ceiling adjustments are implemented to recognize any new revenue or expenses incurred in the current fiscal year. By Iowa Code, additional fiscal year revenues are not allowed to be carried forward to the following fiscal year for expenditure. If an institution anticipates revenues in excess of the Board-approved budget, the institution must present a request for a budget ceiling adjustment to the Board, in May, pursuant to the Procedural Guide, to be allowed the opportunity to expend the unanticipated funds in the current fiscal year.

This month, four of the five Regent institutions requested FY 2000 budget ceiling adjustments for revenues not previously anticipated. In February 2000, the Board approved revised institutional budgets to reflect the FY 2000 deappropriation (HF 2039) that reduced Regent appropriations by \$3.4 million. The budget ceiling adjustments increase the budgets as revised in February.

GENERAL
May 17-18, 2000

	Original FY 2000 Budget Ceiling (July 1999)	Budget Reductions (Feb. 2000)	Budget Ceiling Adjustments (May 2000)	Revised FY 2000 Budgets (May 2000)
University of Iowa: General Education	\$396,365,060	\$(1,153,376)	\$ 1,700,000	\$396,911,684
University of Iowa Hospitals & Clinics	416,706,000	-	11,275,500	427,981,500
Iowa State University	380,532,823	(1,320,567)	700,000	379,912,256
University of Northern Iowa	123,814,514	(446,351)	2,000,000	125,368,163
Iowa School for the Deaf	8,423,409	(40,631)	44,170	8,426,948
Iowa Braille & Sight Saving School	4,751,995	(22,358)	-	4,729,637

FY 2001 - Budget Presentations

Strategic planning goal 4.1.1.0 requires the Board annually to review and approve institutional resource allocations and reallocations consistent with the Board and institutional strategic plans. In accordance with this goal and the Board's budget process, budgets are presented to the Board at various times before final approval is requested.

In previous years, the institutions presented preliminary general fund operating budgets, with specific planned expenditures, at the May Board meeting. This year, however, the specific budget information could not be completed in time following the legislative session. (Regents appropriations were one of the last items approved.) Accordingly, institutional officials will present conceptual operating budgets that provide overviews of institutional planning as it relates to strategic planning, legislative action, and major budgetary decisions. Individual conceptual general fund budgets were presented in the docket memoranda. The Board will have the opportunity to review the budgetary concepts and provide direction to the institutions before detailed preliminary budgets are submitted for the June Board meeting.

In June, the preliminary general fund operating budgets for FY 2001 will be presented with budget dollars and greater detail about program directions toward strategic planning goals. In July, the final FY 2001 operating budgets and restricted fund budgets will be presented to the Board for approval.

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

ACTION: President Newlin stated the Board received the summary budget information for FY 2000 budget ceiling adjustments and FY 2001 conceptual budget presentations, by general consent.

(a) University of Iowa. The Board Office recommended the Board (1) approve the FY 2000 budget ceiling increase of \$1,700,000 for the general university budget unit of the University of Iowa for a revised FY 2000 budget of \$396,911,684; (2) approve the FY 2000 budget ceiling increase of \$11,275,500 for the University of Iowa Hospitals and Clinics for a revised FY 2000 budget of \$427,981,500; and (3) consider the FY 2001 conceptual general fund operating budget for the University of Iowa.

FY 2000 Budget Ceiling Increase

Board policy and strategic planning (action step 4.1.1.5) require the Board to approve all budget ceiling adjustments. University of Iowa officials requested approval of a budget ceiling adjustment for FY 2000 of \$1,700,000 (0.4 percent) for a revised FY 2000 budget of \$396.9 million. Reimbursed indirect costs and tuition and fees increased. University of Iowa officials proposed to use the increased revenues for expenses related to technology system changes including year 2000, student financial aid, classroom modernization, and costs associated with indirect cost renegotiations.

It is difficult to estimate indirect cost recoveries with precision because they are based on competitively awarded grants and contracts that vary from year to year. Although a maximum indirect cost rate is established, many federal agencies are allowed to pay lower than the maximum rate.

University of Iowa Hospitals and Clinics officials requested approval of a budget ceiling adjustment for FY 2000 of \$11,275,500 (2.7 percent) for a revised FY 2000 budget of \$428.0 million. Sales and services revenues increased from pharmaceuticals and medical/surgical supplies. UIHC officials indicated that although there is some mark-up on the products, the increased revenues are offset by the purchase of these pharmaceuticals and medical/surgical supplies because UIHC does not receive full payment for these products.

FY 2001 Conceptual General Fund Operating Budget

The University of Iowa provided limited information to the Board Office on the conceptual general fund operating budget. University preliminary planning had not been completed at the time of docket preparation. University officials planned to provide an oral report at the Board meeting.

The Legislature recently approved FY 2001 education operating appropriations (HF 2549) for the University of Iowa that were \$2,174,423 below the FY 2000 appropriations base. There was also a reduction of \$25,352 in the institution's special purpose appropriations related to economic development. The University of Iowa is not expected to receive full funding from state appropriations for salary increases – a shortfall of approximately \$4.3 million for calculated salary needs, not including increased costs for health insurance.

University of Iowa officials plan to provide funding for all non-organized employees as close as possible to the 4 percent state salary policy. To fund this salary proposal, mandatory cost increases, and the remaining budget shortfall, University officials intend to use tuition revenues (less student aid) and additional reallocations.

President Coleman stated that this was a difficult legislative session for public higher education. University officials' attention now turned to building the best budget possible. She said she would provide an understanding of the financial shortfalls faced by the University of Iowa. There is \$2.764 million less state appropriations in the base because the temporary deappropriation in the current year was made permanent. Salary funding was only two-thirds of the amount needed to meet state salary policy. It was still unknown how much money would be provided for salaries although a \$4.748 million underfunding was expected. The university will experience \$2.117 million in unavoidable cost increases. She said three new buildings are opening this summer with additional costs for heat, lights, etc.

With regard to how the University of Iowa will deal with the appropriations shortfall, President Coleman stated that all budget decisions will be made in the context of the strategic plan. University officials will avoid lay offs and furloughs by using attrition and hiring delays. Students were previously told that library hours, library connectivity, and library furnishings would be enhanced with tuition revenues. However, all net revenue from the 4.3 percent tuition rate increase will now be used to help cover the budget shortfall. University officials will defer at least \$1.6 million in building repairs. She said \$600,000 in building repair had already been deferred because of the FY 2000 deappropriation in January of this year. Deferred projects will include Phillips Hall auditorium remodeling, Gilmore Hall HVAC renovations, general classroom and campus improvements. She said this was particularly difficult to come forward with because one of the big problems faced in the early-1990s was that building projects were eliminated or deferred for a long period of time due to state budget difficulties. Since that time, the University has been working hard to allocate 1 percent of the replacement value for repairs of buildings. University officials will eliminate most non-salary inflationary adjustments. Library acquisitions inflation will be reduced to 5 percent. Additional cutbacks will be allocated, with each unit determining the best way to absorb the reductions.

President Coleman stated that the budget reductions will greatly limit the University's flexibility. She hoped that this year was a wake-up call for all Iowans. She said the service functions of the University of Iowa are vast, some of which she described.

MOTION: Regent Kennedy moved to (1) approve the FY 2000 budget ceiling increase of \$1,700,000 for the general university budget unit of the University

of Iowa for a revised FY 2000 budget of \$396,911,684 and (2) approve the FY 2000 budget ceiling increase of \$11,275,500 for the University of Iowa Hospitals and Clinics for a revised FY 2000 budget of \$427,981,500. Regent Ahrens seconded the motion. MOTION CARRIED UNANIMOUSLY.

ACTION: President Newlin stated the Board received the FY 2001 conceptual general fund operating budget for the University of Iowa, by general consent.

(b) Iowa State University. The Board Office recommended the Board (1) approve the FY 2000 budget ceiling increase of \$700,000 for a revised FY 2000 budget of \$379,912,256 and (2) consider the FY 2001 conceptual general fund operating budget for Iowa State University.

FY 2000 Budget Ceiling Increase

Iowa State University officials requested approval of a general university budget ceiling adjustment for FY 2000 of \$700,000 (0.2 percent) for a revised FY 2000 budget of \$379.9 million. Reimbursed indirect costs and interest income increased; however, tuition revenues were less than originally projected. Iowa State University officials proposed to use these additional funds to address high priority needs in the technology and building repair categories.

It is difficult to estimate indirect cost recoveries with precision because they are based on competitively awarded grants and contracts that vary from year to year. Although a maximum indirect cost rate is established, many federal agencies are allowed to pay lower than the maximum rate.

FY 2001 Conceptual General Fund Operating Budget

The FY 2001 conceptual general fund operating budget at Iowa State University was presented in accordance with the Board's strategic plan. This conceptual view of the FY 2001 budget summarizes the current budgetary issues and challenges for implementation of the FY 2001 budget. These challenges result primarily from a shortfall in state appropriations for the general fund operating budget and state appropriations that are less than the Regent calculated need for implementation of the state salary policy.

The Legislature recently approved FY 2001 education appropriations (HF 2549) for Iowa State University that were \$621,087 below the FY 2000 appropriations base. There was also a reduction of \$249,833 in the institution's special purpose appropriations related to economic development. Iowa State University is not expected to receive full funding from state appropriations for salary increases – a shortfall of approximately \$3.5 million for salaries, not including increased costs for health insurance.

Iowa State University officials plan to implement a 4 percent salary improvement for faculty and staff, consistent with state salary policy. To fund this plan and provide for mandatory cost increases, opening new buildings, and the Plant Sciences initiative, University officials proposed to use tuition revenues (less student aid) and reallocations to address the budget shortfall.

President Jischke said a little uncertainty remains about the amount of appropriations that will be received with regard to the salary bill allocation. The estimated shortfall in salary and benefits costs was approximately \$5 million. The amount of the operating budget shortfall was about \$5.5 million. The University is opening new buildings, particularly the first half of Howe Hall. Mandatory cost increases of about \$1.5 million are needed for utilities including the growing cost of internet access. He said Iowa State University has accomplished an astonishing effort at cost containment; however, those efforts will not cover inflationary adjustments. University officials are protecting a few items from the appropriations reductions: 1) library acquisitions, 2) student financial aid, 3) building repair, 4) funds set aside for matching grants and 5) recruitment to attract students to Iowa State University.

President Jischke said the two components of salary and benefits total a \$10.5 million total shortfall. University officials will dedicate all of the additional income from the tuition increase and a smaller amount from indirect cost recovery to reduce that shortfall to \$5.5 million. He stated that when the Board approved the 4.3 percent increase in tuition, it was 2.3 percent for inflation and 2 percent for quality. University officials are not going to invest in improvements in quality; they are trying to hang onto what they have. The initial promise that was made to students was that the University would enhance the library, tackle some of the over-enrolled courses and advance technology. Frankly, that cannot now be done. University officials are distributing the cuts across the University. He did not yet know how many positions would be lost.

President Jischke stated that Iowa State University would not make any progress this year except for the plant sciences. The lack of appropriations was discouraging especially at a time when enrollments and research programs are growing. It is hard to maintain enthusiasm. If the appropriations reductions continue, he said the strategic plans will not have much meaning.

MOTION: Regent Lande moved to approve the FY 2000 budget ceiling increase of \$700,000 for a revised FY 2000 budget of \$379,912,256. Regent Turner seconded the motion. MOTION CARRIED UNANIMOUSLY.

ACTION: President Newlin stated the Board received the FY 2001 conceptual general fund operating budget for Iowa State University, by general consent.

(c) University of Northern Iowa. The Board Office recommended the Board (1) approve the FY 2000 budget ceiling increase of \$2,000,000 for a revised FY 2000 budget of \$125,368,163 and (2) consider the FY 2001 conceptual general fund operating budget for the University of Northern Iowa.

FY 2000 Budget Ceiling Increase

University of Northern Iowa officials requested approval of a budget ceiling adjustment for FY 2000 of \$2,000,000 (1.6 percent) for a revised FY 2000 budget of \$125.4 million. Tuition and fee revenues, reimbursed indirect costs, and interest income increased. University of Northern Iowa officials proposed to use these additional funds for student aid and improving undergraduate education by providing funding for faculty start-up costs, classroom renovations, and instructional equipment.

FY 2001 Conceptual General Fund Operating Budget

The FY 2001 conceptual general fund operating budget at the University of Northern Iowa was presented in accordance with the Board's strategic plan. This conceptual view of the FY 2001 budget summarizes the current budgetary issues and challenges for implementation of the FY 2001 budget. These challenges result primarily from a shortfall in state appropriations for the general fund operating budget and state appropriations that are less than the Regent calculated need for implementation of the state salary policy.

The Legislature recently approved FY 2001 education appropriations (HF 2549) for the University of Northern Iowa that were just \$68,211 above the FY 2000 appropriations base. This amount includes \$100,000 for Roadside Vegetation, \$200,000 for the Iowa Office for Staff Development, and an additional \$150,000 for the Master's of Social Work program. There was also a reduction of \$38,074 in the institution's special purpose appropriations related to economic development. The University of Northern Iowa is not expected to receive full funding from state appropriations for salary

increases – a shortfall of approximately \$1.2 million for salaries, not including increased costs for health insurance.

University of Northern Iowa officials plan to implement full funding of salaries as required by collective bargaining. University of Northern Iowa officials proposed to use new tuition revenues and reallocations to fund the salary shortfall and cover mandatory and other unavoidable cost increases.

President Koob stated that the University of Northern Iowa is seeing a continuing growth pattern. The University experienced record enrollments this year and a record graduating class last year. University officials have been able to serve the record number of students by decreasing the number of classes which are taught by permanent faculty. He said there are 104 active faculty searches underway this year. The single most important impact of the appropriations reductions on the University of Northern Iowa will be the inability to restore the level of quality by filling the vacant positions with full-time faculty. The single most important negative impact is the inability to make progress on the strategic plan.

MOTION: Regent Neil moved to approve the FY 2000 budget ceiling increase of \$2,000,000 for a revised FY 2000 budget of \$125,368,163. Regent Fisher seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

ACTION: President Newlin stated the Board received the FY 2001 conceptual general fund operating budget for the University of Northern Iowa, by general consent.

(d) Iowa School for the Deaf. The Board Office recommended the Board (1) approve the budget ceiling adjustment of \$44,170 for a revised FY 2000 budget for ISD of \$8,426,948 and (2) consider the FY 2001 conceptual general fund operating budget for the Iowa School for the Deaf.

FY 2000 Budget Ceiling Increase

Iowa School for the Deaf officials requested approval of a budget ceiling adjustment for FY 2000 of \$44,170 (.53 percent) for a revised FY 2000 budget of \$8.4 million. In addition to Phase III Educational Excellence funding, these increases are from interest income on investments, interpreter receipts, and a one-time payment from the sale of real estate. Iowa School for the Deaf officials proposed to use these additional funds for safety, maintenance, and technology projects.

FY 2001 Conceptual General Fund Operating Budget

The FY 2001 conceptual general fund operating budget of the Iowa School for the Deaf was presented in accordance with the Board of Regent's strategic plan. This conceptual view of the FY 2001 budget summarizes the current budgetary issues and challenges for implementation of the FY 2001 budget. These challenges result primarily from a shortfall in state appropriations for the general fund operating budget and state appropriations that are less than the Regent calculated need for implementation of the state salary policy.

The Legislature recently approved FY 2001 education appropriations (HF 2549) for Iowa School for the Deaf that were \$12,631 below the FY 2000 appropriations base. Iowa School for the Deaf is not expected to receive full funding from state appropriations for salary increases – a shortfall of approximately \$86,000 for salaries, not including increased costs for health insurance. The School is expected to receive additional Phase III Educational Excellence resources of \$67,000.

School officials plan to implement full funding of faculty salaries and to use reallocations and delays in unfilled positions to fund the salary shortfall and mandatory cost increases. This may potentially change the student-teacher and/or student-staff ratios which may conflict with state mandated class size ratios.

Superintendent Johnson stated that it is imperative for the school to fully fund salaries; therefore, maintenance projects will be deferred.

MOTION: Regent Fisher moved to approve the budget ceiling adjustment of \$44,170 for a revised FY 2000 budget for ISD of \$8,426,948. Regent Ahrens seconded the motion. MOTION CARRIED UNANIMOUSLY.

ACTION: President Newlin stated the Board received the FY 2001 conceptual general fund operating budget for the Iowa School for the Deaf, by general consent.

(e) Iowa Braille and Sight Saving School. The Board Office recommended the Board consider the FY 2001 conceptual general fund operating budget for the Iowa Braille and Sight Saving School.

The FY 2001 conceptual general fund operating budget at the Iowa Braille and Sight Saving School was presented in accordance with the Board of Regents' strategic plan.

This conceptual view of the FY 2001 budget summarizes the current budgetary issues and challenges for implementation of the FY 2001 budget. These challenges result primarily from a shortfall in state appropriations for the general fund operating budget and state appropriations that are less than the Regent calculated need for implementation of the state salary policy.

The Legislature recently approved FY 2001 education appropriations (HF 2549) for Iowa Braille and Sight Saving School that were \$7,358 below the FY 2000 appropriations base. Iowa Braille and Sight Saving School is not expected to receive full funding from state appropriations for salary increases – a shortfall of approximately \$52,000 for salaries, not including increased costs for health insurance. The School is expected to receive additional Phase III Educational Excellence resources of \$33,000.

School officials presented budgetary options for dealing with the shortfall.

Superintendent Thurman stated that unlike the larger institutions, there are certain things for which school officials ask that, if they are not received, the school does not get them. There are some things that cannot be reallocated. For Iowa Braille and Sight Saving School, the loss of funds is not just about having to prioritize; some things will not be done. Iowa Braille and Sight Saving School has recently moved to a 12-month program. The school did not receive capital funds for air conditioning and it has a summer program. He said the top priority will always be salaries. He reminded the Regents that the school went through a reorganization this year. School officials made a commitment to all of Iowa that certain services would be available. The school is obligated to fulfill everything that was outlined.

ACTION: President Newlin stated the Board received the FY 2001 conceptual general fund operating budget for the Iowa Braille and Sight Saving School, by general consent.

(f) Regional Study Centers. The Board Office recommended the Board receive the report on the FY 2001 conceptual operating budgets for the Quad-Cities Graduate Study Center, the Tri-State Graduate Center and the Southwest Iowa Regents Resource Center.

Each year funds are appropriated to the Board of Regents for distribution to the Quad-Cities Graduate Study Center, the Tri-State Graduate Center, and the Southwest Iowa Regents Resource Center. The annual reports and budgets of the regional study centers provide one method for addressing action step 2.1.1.1 - annually assess access to Regent institutions - of the Board of Regents strategic plan. The item included information on FY 1998 and FY 1999 expenditures, FY 2000 budgets, and FY 2001 conceptual budgets.

Legislative action on the FY 2001 Iowa educational appropriations for the study centers totals \$369,484, which equals the FY 2000 State of Iowa funding for the centers. In addition, it was anticipated that a small amount of appropriations will be available to fund a salary increase.

	<u>FY 2000</u> <u>Approp.</u>	<u>FY 2001</u> <u>Approp.</u>	<u>FY 2001</u> <u>Salary</u>
Quad-Cities Graduate Study Center	\$171,382	\$171,382	To be determined
Tri-State Graduate Study Center	83,778	83,778	To be determined
Southwest Iowa Regents Resource Center	<u>114,324</u>	<u>114,324</u>	To be determined
TOTAL	\$369,484	\$369,484	

Each of the centers is anticipating a status quo budget for FY 2001 and will plan accordingly. Small mandatory cost increases will be included for the Tri-State Graduate Center and the Southwest Iowa Regents Resource Center. These increases will be funded from sources other than State of Iowa appropriations.

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

ACTION: President Newlin stated the Board, by general consent, received the report on the FY 2001 conceptual operating budgets for the Quad-Cities Graduate Study Center, the Tri-State Graduate Center and the Southwest Iowa Regents Resource Center.

(g) Lakeside Laboratory. The Board Office recommended the Board receive the report on the FY 2001 conceptual operating budget for the Iowa Lakeside Laboratory as provided by the Director with the understanding that the Lakeside Laboratory Coordinating Committee is currently reviewing the proposed FY 2001 budget.

The Director of the Iowa Lakeside Laboratory submitted a conceptual, status quo FY 2001 general fund operating budget plus funds for faculty salary increases. The Lakeside Laboratory Coordinating Committee is currently reviewing the proposed budget. The three Regent universities fund the operating budget for the Laboratory, with FY 2000 funding by institution as follows:

	<u>FY 2000</u>	
	<u>Amount</u>	<u>Percentage</u>
University of Iowa	\$169,997	49.4%
Iowa State University	104,555	30.4%
University of Northern Iowa	<u>69,290</u>	<u>20.2%</u>
Total	\$343,842	100.0%

The Laboratory's operating budget has increased at a lower rate than that of any other Regent institution during the last six years, and this has already forced Lakeside Laboratory to reduce expenditures to a minimum. Lakeside Laboratory does not receive any tuition revenues and consequently cannot offset cuts in its operational budget from tuition income.

In 1994, when the Board reorganized the administration and funding of Iowa Lakeside Laboratory, it established eight goals for the Laboratory; among these goals was improving the financial situation. Lakeside Laboratory's operational budget in FY 1995 was \$300,000. The FY 2000 operational budget is \$343,842, for a total increase of 14.6 percent over the last six years or 2.4 percent per year. For the first four of the last six fiscal years, Lakeside Laboratory's budget was inadequate to meet its fixed expenses (staff and faculty salaries, utilities, maintenance, etc.) and only in FY 1999 was Lakeside Laboratory, for the first time, able to balance its operating budget.

Associate Director Racki reviewed with the Regents the information that was provided in the meeting materials. She stated that Dr. Barak had informed her that the Lakeside Laboratory Coordinating Committee had met the previous day and approved the conceptual budget, as presented to the Board of Regents.

ACTION: President Newlin stated the Board, by general consent, received the report on the FY 2001 conceptual operating budget for the Iowa Lakeside Laboratory as provided by the Director with the understanding that the Lakeside Laboratory Coordinating Committee is currently reviewing the proposed FY 2001 budget.

(h) Board Office. The Board Office recommended the Board consider the FY 2001 operating budget of the Board Office.

The FY 2001 conceptual operating budget for the Board Office was presented in accordance with established Board policy and the Board's strategic plan for effective stewardship of resources.

The Legislature recently approved FY 2001 education appropriations (HF 2549) for the Board Office that were \$2,549 below the FY 2000 appropriations base. The Board Office is not expected to receive full funding from state appropriations for salary increases.

The Board Office plans to implement a salary policy consistent with the state salary policy of an average 4 percent increase. To accomplish this salary funding as well as

provide resources for inflationary increases, the Board Office plans to closely review all expenditure categories.

Executive Director Stork said he had nothing to add to what was provided in the meeting materials.

ACTION: President Newlin stated the Board received the FY 2001 operating budget of the Board Office, by general consent.

BOARD OFFICE PERSONNEL TRANSACTIONS. The Board Office recommended the Board approve personnel transactions, as follows.

Resignation of Sharon Holmes, Intern, effective April 28, 2000.

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

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

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	West Des Moines Marriott Hotel	W. Des Moines

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

GENERAL
May 17-18, 2000

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

STATE UNIVERSITY OF IOWA

The following business pertaining to the University of Iowa was transacted on Wednesday and Thursday, May 17 and 18, 2000.

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

Register of Personnel Changes for March 2000.

The register included the appointment of Nancy L. Baker as University Librarian effective August 15, 2000, at an annual salary of \$140,000.

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

PROPOSED UNIVERSITY OF IOWA ACADEMIC YEAR AND SUMMER SESSION CALENDARS FOR 2000-2001 THROUGH 2004-2005. The Board Office recommended the Board approve academic year and summer session calendars for 2000-2001 through 2004-2005.

In accordance with the Procedural Guide §6.11, the Board was asked to approve the academic and summer session calendars for 2000-2001 through 2004-2005. Each of the five proposed calendars has 76 instructional days in the first semester and 74 instructional days in the second semester.

The holidays proposed were consistent with Board policy and applicable collective bargaining agreements.

ACTION: This report was 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.

Biological Sciences Renovation/Replacement—Phase 2

Project Summary

<u>Phases 1 and 2</u>	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed		Oct. 1994	Approved
Program Statement		Nov. 1996	Approved
 <u>Phase 1</u>			
Architect/Engineer Agreements			
Full Architectural Services (Brooks Borg and Skiles)	\$ 1,290,500	June 1996	Approved
Site Utility Design Services (Shive-Hattery)	34,102	Oct. 1997	Approved
Schematic Design		Nov. 1996	Approved
Project Description and Total Budget	17,710,000	Nov. 1996	Approved
Construction Contract Awards			
Chilled Water Extension (AAA Mechanical Contractors)	74,190	Dec. 1996	Ratified*
Renovate Annex (Mid-America Construction)	1,466,000	June 1997	Ratified*
Biology Building East (McComas-Lacina Construction)	9,554,390	Oct. 1997	Ratified*
Skywalk Connection (Taylor Ball)	843,000	Jan. 1999	Ratified*
 <u>Phase 2</u>			
Architectural Agreements			
Final Schematic Design Services (Brooks Borg and Skiles)	115,000	Sept. 1998	Approved
Detailed Design Services (Brooks Borg and Skiles)	1,084,000	June 1999	Approved
Design		May 2000	Requested
Project Description and Total Budget	16,840,000	May 2000	Requested

*Approved by Executive Director.

Phase 2 of this project includes the complete interior reconstruction of Old Biology (constructed in 1902), and renovation of the heating, ventilating and air conditioning systems and life safety components of Biology 1 and 2 (constructed in 1965 and 1971, respectively).

Old Biology, originally constructed for the College of Medicine, was one of the first permanent buildings constructed on campus. The building consists of four floors with approximately 30,200 gross square feet of space. The renovation project will remove the top floor of the building (originally constructed to hold animals) to permit construction of a mechanical penthouse. The space on the remaining three floors will be gutted with the exception of the floors, corridor walls, and interior structural elements. The areas will be reconstructed to include 13 research laboratories, support facilities, and faculty offices. The project will also include the installation of a sprinkler system, replacement of windows, and cleaning and waterproofing of the building exterior. The renovation project will result in the equivalent of a new building.

Biology 1 and 2, which consist of approximately 74,300 gross square feet, will be upgraded to provide modern mechanical, electrical, and communications systems, and to address life safety and deferred maintenance deficiencies. Current plans for the project include construction of two teaching laboratories and reconstruction of a ramp connecting the top levels of Old Biology and Biology 1 to meet accessibility requirements (eliminating the need to construct a new elevator). The project will also include the installation of new ceilings and lighting in the building corridors, interior painting, and cleaning and re-caulking of the exterior. In addition, the project will include installation of a new emergency generator to serve the Biology complex.

Since state funding for the Phase 2 project has been authorized (subject to approval by the Governor) and the design is complete, University officials requested approval of the design and project budget at this time to allow the project to proceed as soon as possible. University officials anticipate commencing construction in the Old Biology Building in early July following vacation of the building and completion of asbestos abatement.

Iowa Code Chapter 304A, Art in State Buildings program, requires the inclusion of fine art elements in a state building or a group of state buildings equal to no less than one-half of one percent of the total building(s) cost. Accordingly, University officials indicated that the funds allocated for Art in State Buildings in the Phase 1 project budget will be increased to provide the required funding (a minimum of \$172,750) for both phases of the project.

Project Budget

Construction	\$ 13,341,000
Design, Inspection and Administration	
Consultants	1,180,500
Design and Construction Services	695,500
Asbestos Abatement	253,000
Art in State Buildings	0 *
Contingencies	<u>1,370,000</u>
TOTAL	<u>\$ 16,840,000</u>
Source of Funds:	
State Appropriations	\$ 14,700,000
Gifts and Income from Treasurer's	
Temporary Investments	<u>2,140,000</u>
TOTAL	<u>\$ 16,840,000</u>

* Included in Phase 1 project budget.

Director Gibson introduced Bob Lagneaux, Project Manager, and Chery Peterson, Project Architect, of Brooks Borg Skiles.

Mr. Lagneaux discussed the project timeline.

Ms. Peterson reviewed the schematic design for the proposal to remodel completely Old Biology. She said the building should look about the same on the outside as it does now when the remodeling is complete. The building will contain all new mechanicals. The remodeled building will offer a completely modern research facility and give new life to a building that is nearly 100 years old.

Regent Fisher asked about the budget for the second phase of the project. Vice President True responded that the budget was just over \$16 million.

Regent Turner asked if there was any way to build the facility in anticipation of future needs. Ms. Peterson responded that the facility is designed for future needs, for example, to accommodate changing an office into laboratory space.

Regent Lande asked whether an analysis had been done to determine if it would be more cost effective to tear down the building and start over. Director Gibson responded that University officials went through an extraordinarily careful analysis on the Biology Annex. In the final analysis, the decision was to preserve two of the original permanent buildings on campus.

Regent Neil asked if this project was near to being bid. Director Gibson responded that, except for last minute items, the project was ready to go to bid on June 7.

Regent Neil asked if the University specifies the ratio of journeymen to apprentices. Director Gibson responded that, to his knowledge, the University did not specify the ratio of journeymen to apprentices.

Regent Neil suggested that University officials should take a look at that issue. Director Gibson noted that the University does require a performance bond on projects.

Regent Kennedy referred to Regent Lande's earlier comment about a cost analysis to tear down the old building and start over. She stated that it is sometimes appropriate to renovate old buildings versus constructing new facilities. The issue was not always about cost savings.

Regent Turner asked about occupancy of the biology facilities during remodeling. Director Gibson responded that Old Biology will be totally vacated. About one-half way into the project, Biology 1 will be vacated. When work in that building is finished, Biology 2 will be vacated.

Regent Turner asked if the new changes would provide more laboratory space. Director Gibson responded that the renovated facility will offer pretty much the equivalent amount of laboratory space as is in the current facility.

Regent Ahrens asked if consideration had been given to the number of bathrooms included in the project. Ms. Peterson responded that the link between Biology 1 and Biology 2 will contain the restrooms.

Extension of Medical Education and Biomedical Research Facility

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed		Nov. 1999	Approved
Architectural Selection (Rohrbach Carlson)		May 2000	Requested

This project will provide a facility with up to 110,000 gross square feet of additional biomedical research space to accommodate the current and anticipated growth in the College of Medicine's research activities.

University officials are preparing to proceed with development of the building program and design for the extension project. The goal of this project is to replicate as many

details as possible from the main facility consistent with the program requirements and the Health Sciences master plan.

Design services for the Medical Education and Biomedical Research Facility were provided by Payette Associates of Boston, Massachusetts. The firm was selected based on its previous record in the design of large science buildings. University officials wish to retain the services of an Iowa architectural firm to provide design services for the extension project. The selected firm would consult with Payette Associates to ensure design continuity between the two facilities to the extent possible.

The University received expressions of interest from six firms to provide design services for the project. Four of the firms were selected for interviews with the University Architectural Selection Committee, with representatives from the College of Medicine and the Board Office. One of the four firms canceled its interview due to illness, and the remaining three firms were interviewed on April 5, 2000.

University officials requested approval of the selection of Rohrbach Carlson to provide design services for the project. The firm was selected primarily due to the experience on similar projects by the two principals with the firm while employed with another architectural firm. In addition, the firm has provided very satisfactory performance on recent smaller University projects, including projects on the Health Sciences campus.

University officials have held discussions with both Rohrbach Carlson and Payette Associates to ensure that design responsibilities could be clearly assigned to each party to accomplish the design intent for the project. As the result of these negotiations, Payette will have primary responsibility for programming and schematic design for the project with participation by Rohrbach Carlson. At the completion of schematic design, the major responsibility for design services will transfer to Rohrbach Carlson for the preparation of design development and construction documents. Payette Associates will consult with Rohrbach Carlson during this stage, as necessary, to maintain design continuity with the Medical Education and Biomedical Research Facility.

University officials will return to the Board for approval of the negotiated agreements. The architectural fees will be funded by institutional gifts and earnings.

University Parking Systems—Hawkeye Storage and Commuter Lot Expansion—
Phase 3

Source of Funds: Parking Services Improvement and Replacement Funds

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed		May 2000	Requested
Architectural Selection (Shive-Hattery)		May 2000	Requested

This project will expand the Hawkeye Storage and Commuter Lot which is located on the University's far west campus. The lot serves as a commuter parking facility for employees and students and is served by the Cambus system.

The parking lot currently consists of approximately 7.3 acres with a capacity of 1,000 parking stalls. University officials proposed to expand the lot to the south and southwest to include an additional area of approximately 3.9 acres with 500 additional parking stalls.

University officials anticipate that the project will include the construction of the new parking area, installation of new lighting and security cameras, and landscaping. In addition, University officials plan, in the future, to construct a small shelter at the site to serve commuters waiting for the bus service. The total estimated project cost is approximately \$1.3 million.

University officials also requested approval of the selection of Shive-Hattery to provide design services for the project. University officials will return to the Board for approval of the negotiated agreement.

Medical Laboratories—Replace Roofs

Source of Funds: Building Renewal Funds

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 456,000	May 2000	Requested

This project will replace ten separate roof sections, totaling approximately 13,300 square feet, of the Medical Laboratories building. The existing roof areas consist primarily of a rubber membrane roofing material which is 17 years old and failing, having surpassed its life expectancy. Because of the condition of the roof, extensive

maintenance is needed and there is a possibility that water may penetrate through the roof and damage the interior.

The project will include removal of the existing rubber membrane roofing material and insulation, and installation of new insulation, flashing, and rubber membrane roofing material in nine of the roof areas. The rubber membrane roofing system is recommended for the Medical Laboratories roof since it is extremely congested with rooftop mechanical equipment which results in various penetrations of the roofing material and an above average level of foot traffic to service the equipment. While the same material will be used for the roof replacement to provide the necessary durability, a different installation method will be utilized which is expected to improve further the maintainability and the longevity of the roof.

The project will also include the application of a fluid coating to a 2,500 square foot metal roof area over the animal care offices. These operations are housed in a metal building on the roof which is surrounded by one of the roof areas being replaced. The metal roof area, which is 30 years old, will be treated with the coating to seal exposed fasteners and metal panel lap joints, and to restore the metal material which contains some surface rust. This treatment will help to prolong the life of the roof.

In addition, the project will include restoration of the masonry parapet wall, tuckpointing and sealing.

Permission to proceed with the project was not required since the project budget does not exceed \$1,000,000. Design services for the project will be provided by Benchmark, Inc.

Project Budget

Construction	\$ 372,000
Design, Inspection and Administration	
Consultants	24,730
Design and Construction Services	21,570
Contingency	<u>37,700</u>
TOTAL	<u>\$ 456,000</u>

Recreation Building—Replace Flooring

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 780,000	May 2000	Requested

This flooring area, which is used for intercollegiate competition in tennis and indoor track, consists of approximately 65,000 square feet with three layers of flooring material. This material includes the original flooring which was installed with the building construction in 1969, a second layer that was installed in the 1970s, and a third layer which was added in 1988. The flooring suffers from moisture condensation and has deteriorated, which creates a hazardous condition.

The project will include: removal of all layers of existing flooring from the concrete slab; transporting and disposal of all mercury-containing flooring materials in accordance with all local, state, and federal regulations (to be coordinated by the University's Health Protection Office); repair, leveling and preparation of the existing concrete slab; installation of the new flooring; and striping of the new floor to support athletic activities. Work is scheduled for completion prior to August 15, 2000.

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

Project Budget

Construction	\$ 680,000
Design, Inspection and Administration	32,000
Contingency	<u>68,000</u>
TOTAL	<u>\$ 780,000</u>
Source of Funds:	
Recreation Building Surplus Funds	\$ 600,000
Department of Athletics Revenues	<u>180,000</u>
TOTAL	<u>\$ 780,000</u>

University Hospitals and Clinics—Colloton Pavilion Elevator Banks F, G and H Lobbies
 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	\$ 342,000	May 2000	Requested

This project will construct lobby areas for Colloton Pavilion elevator banks F, G, and H. The construction of the lobbies is needed to meet code requirements for smoke control.

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

Project Budget

Construction	\$ 273,600
Architectural/Engineering Support	27,400
Planning and Supervision	13,600
Contingency	<u>27,400</u>
TOTAL	<u>\$ 342,000</u>

Medical Laboratories—Renovate Rooms 2158 and 2160
 Source of Funds: College of Medicine Gifts and Earnings

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 283,000	May 2000	Requested

This project will modernize approximately 1,400 square feet of space in the Medical Laboratories building. The project will include demolition; installation of new casework; widening of selected doorways; electrical improvements; installation of new ceiling and flooring; and painting.

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

Project Budget

Construction	\$ 243,900
Design, Inspection and Administration	
Consultants	5,000
Design and Construction Services	9,500
Contingency	<u>24,600</u>
 TOTAL	 <u>\$ 283,000</u>

Mayflower Residence Hall—Replace Roof

Source of Funds: Dormitory Improvement Reserves

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 611,000	April 1999	Approved
Engineering Agreement			
(Benchmark)	28,810	April 1999	Approved
Construction Contract Award			
(D. C. Taylor)	351,414	July 1999	Ratified*
 Revised Project Budget	 744,000	 May 2000	 Requested
Construction Change Order #1	132,395	May 2000	Requested

* Approved by Executive Director.

University officials are proceeding with the project to replace the 40,000 square foot roof area of the Mayflower Residence Hall, which includes removal of the original roofing system installed in 1966 and an overlay installed more than 15 years ago. These roofing components had reached the end of their useful lives.

As the roof replacement project progressed, extensive deterioration of the parapet wall and fascia was discovered along the roof's perimeter. This damage is the result of moisture penetration and was not evident until the roofing materials were removed. This condition must be repaired as part of the roof replacement project to ensure proper installation of the new roofing material. Delaying the repairs until the roof replacement is complete would result in a high risk of damage to the new roofing system and would require replacement of additional roofing materials.

University officials requested approval of change order #1 in the amount of \$132,395 to the construction contract with D. C. Taylor for the additional work. D. C. Taylor will subcontract with Taylor Ball for the repairs. Taylor Ball was selected based on quotations received from four contractors to complete the work.

The change order requires approval of a revised project budget in the amount of \$744,000, an increase of \$133,000. The additional funds for the revised budget will be provided by dormitory improvement reserves.

Project Budget

	Initial Budget <u>April 1999</u>	Revised Budget <u>May 2000</u>
Construction	\$ 482,150	\$ 615,150
Design, Inspection and Administration		
Consultants	36,200	36,200
Design and Construction Services	20,350	20,350
Contingency	<u>72,300</u>	<u>72,300</u>
TOTAL	<u>\$ 611,000</u>	<u>\$ 744,000</u>

President Newlin asked why it had taken almost a year for the additional problems with the roof to be presented to the Board. Vice President True said he believed that the work was determined to be necessary as the roof replacement project progressed and the current roof material was removed.

* * * *

Included in the University's capital register were project budgets under \$250,000, 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 University officials.

MOTION:

Regent Kennedy moved to approve the Register of Capital Improvement Business Transactions for the University of Iowa, with the exception of the Biological Sciences Renovation/Replacement—Phase 2 project. Regent Ahrens seconded the motion. MOTION CARRIED UNANIMOUSLY.

MOTION: Regent Fisher moved to approve the project description and budget for the Biological Sciences Renovation/Replacement—Phase 2. Regent Turner seconded the motion. MOTION CARRIED UNANIMOUSLY.

Vice President True stated that Facilities Services Group Director Richard Gibson is retiring on July 1. Mr. Gibson has had a long and very distinguished career at the University of Iowa.

President Newlin expressed the Board's appreciation for all of Director Gibson's good work over the decades.

TENANT PROPERTY RENTAL RATES. The Board Office recommended the Board approve tenant property rental rates, as presented.

University of Iowa officials requested approval of tenant property rental rates for FY 2001 for its residences, and pre-school and daycare centers. Increases for the majority of the rates range from 2.8 percent to 6.9 percent, with higher rate increases for selected single family residences.

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

MOTION CARRIED.

MEETING OF THE BOARD OF REGENTS, STATE OF IOWA, AS THE BOARD OF TRUSTEES OF THE UNIVERSITY OF IOWA HOSPITALS AND CLINICS. The Board Office recommended the Board receive the report on the University of Iowa Hospitals and Clinics (UIHC).

The Board of Regents, in its role as Trustees of the University of Iowa Hospitals and Clinics, was provided a quarterly report on the operations of the UIHC. Areas covered in the report were: 1) quarterly update on UIHC operations, programs and finances; 2) 2000-2001 conceptual operating budgets for the University of Iowa Statewide Health Service Units; and, 3) UI Behavioral Health Program.

UIHC's solid performance continued through the first three quarters of FY 2000, despite a continuation and, in some instances, intensification of national trends that are severely challenging healthcare providers. From July 1, 1999, to March 31, 2000, clinic visits increased 7.9 percent. Acute inpatient admissions increased 0.6 percent compared to the same period of FY 1999. The average length of inpatient stays declined 0.6 percent and inpatient days totaled 0.1 percent below a year ago.

The source of reimbursement for care provided to patients continued to shift from traditional insurance programs to managed care. Total operating revenue increased 5.7 percent compared to the July through March period of FY 1999. UIHC's operating margin during the first nine months of FY 2000 was 6.2 percent versus 6.8 percent in the comparable period of FY 1999.

President Coleman introduced R. Edward Howell to present the quarterly report of the UIHC.

Director Howell presented the Regents with the May 10, 2000, edition of the Journal of the American Medical Association which contained a commentary article entitled "The Perilous State of Academic Medicine". With that as a backdrop, he said University of Iowa Hospitals and Clinics officials would present the quarterly report.

Associate Director Rice reviewed with the Regents the operating financial measures through March 31, 2000. She noted that the cost of pharmaceuticals and supplies was much higher than budgeted. As a result of net revenue increases not keeping pace with expenses, the operating margin continues to drop. UIHC officials anticipate that for the long term the operating margin will be around 3 percent.

Mr. Staley reviewed with the Regents the operating statistics through March 31, 2000.

Regent Turner asked about the amount of write-offs. Associate Director Rice responded that in 1999, UIHC collected 66 cents on the dollar. It is anticipated that next year the UIHC will collect 62 cents on the dollar.

Associate Director Rice reviewed with the Regents the FY 2001 conceptual operating budget and the request for an FY 2000 budget ceiling adjustment. UIHC officials requested a 5.5 percent increase in rates for next year. Ms. Rice reviewed specific elements of the upcoming FY 2001 budget including the expected reduction in revenues and the reasons for the decline in revenues next year. Three strategic goals of the UIHC are to focus resources to: 1) assure availability of a sufficient patient base, 2) preserve the UIHC's role as the only comprehensive tertiary care hospital in the state, and 3) to establish UIHC as the employer of choice. She said she believed that the budget would balance.

Director Howell introduced Gerard Clancy, Associate Professor, Department of Psychiatry, to discuss developments within the behavioral health program. Dr. Clancy is also the Medical Director for University of Iowa Behavioral Health.

Dr. Clancy began his presentation by saying that he absolutely loves his job. He stated that mental illness is often misunderstood. Schizophrenia is a brain disorder that is believed to start in an individual's early-20s but it actually starts much earlier. Clinical depression is a medical illness that affects 10 percent of the population. He discussed the cost of mental illness, managed care in psychiatry, new treatments, and the University of Iowa Behavioral Health.

Regent Neil asked how much of the UIHC's bad debt figure is for behavioral health care services. Director Howell responded that UIHC officials had not differentiated mental health bad debt from bad debt in other disciplines. He would get the information for Regent Neil.

Regent Neil said the Regents need the information. There is a parity issue regarding how much the lack of coverage for mental health has added to the bad debt.

Director Howell stated that when Merit Behavioral Health began dealing with the Medicaid patient population, there was a significant growth in the denial of care in communities throughout Iowa. Given the UIHC's statewide referral role, it saw a huge influx at that time.

Dr. Clancy said this was an area with which the UIHC struggles on a constant basis. There is a statistic called "out of benefit". Patients will come to the UIHC after their mental health benefits are already "burned". Psychiatry's out-of-benefit rate is about ten times that of the entire hospital combined. UIHC officials believe that by working closer with Merit, the problem can be alleviated somewhat. Before a patient exhausts his/her benefits, UIHC could be contacted to see if something different can be done. The UIHC has a number of programs that are national referral programs, one being an eating disorder program. If patients can be taken care of at the UIHC up front, the UIHC would use those benefits wisely and be good stewards of the benefits.

Regent Turner said she had truly enjoyed Dr. Clancy's presentation; it was great to see someone who loves his job. She asked if more psychiatrists were needed. Dr. Clancy responded that he is trying to recruit more students into psychiatry.

President Newlin thanked UIHC officials for the presentation.

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

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

IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Wednesday and Thursday, May 17 and 18, 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 April 2000.

The register included the appointment of Maury Hope as Director of Administrative Information Systems, Administrative Data Processing effective April 10, 2000, at an annual salary of \$130,000.

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

PRESENTATION OF 2000-2005 STRATEGIC PLAN FOR IOWA STATE UNIVERSITY. The Board Office recommended the Board receive the preliminary report on the new Iowa State University strategic plan.

President Jischke provided a preliminary oral presentation on the new Iowa State University strategic plan. The draft plan will be reviewed this month and will be presented again in June for approval by the Board. Following the Board's approval of the plan in June, it will be used by the University to guide strategic planning and budgeting decisions for the next five years (2000-2005).

President Jischke stated that the strategic plan has been in development for the past 1-1/2 years. He discussed the process that had taken place in the development of the document presented to the Board of Regents, which he said he was pleased to bring. Iowa State University's aspiration is to become the best land-grant university in the nation. He said a new term in the strategic plan is "engaged". For the past three years, President Jischke has had the privilege of serving on the Kellogg Commission. One of the Commission's reports was about the engaged institution. He stated that last month the Commission completed its work with its sixth report. He said engagement is outreach and more; it is a two-way connectedness. He was very proud of the

leadership role that Iowa State University has taken. A responsible engaged institution is characterized by:

- Responsiveness to clients and stakeholders
- Respect for partners in education
- Academic neutrality in serving as a resource
- Accessibility for all constituencies
- Integration of mission with responsibilities
- Coordination among university entities working in concert with each other
- Resource partnerships with governments, business, and the non-profit world

President Jischke outlined the core values of Iowa State University, noting that they reflected land grant values. He described the culture of Iowa State University which includes the belief that people are the lifeblood of the University. There are three goals which make up the strategic plan concept of Iowa State University: 1) learning, 2) discovery and 3) engagement. President Jischke described the characteristics of each of the three goals and the characteristics at the intersection of the goals. He stated that a set of University-wide strategies for each goal will serve as Iowa State University's primary strategies. Iowa State University will annually measure progress on its strategic plan goals using a number of key indicators of progress (performance indicators). As a subset of the areas of overall measures of progress, a set of benchmark measures will serve to assess Iowa State University's progress on competitiveness with peer institutions.

President Jischke stated that Iowa State University's strategic plan for 2000-2005 was based on certain revenue assumptions, which he described, including state appropriations, tuition revenue/enrollment, reallocations, sponsored funding, private funding, revenues from licenses/patents. He said the strategic plan charts the university's continued course to reach the aspiration of becoming the best land-grant university.

President Jischke concluded his presentation by expressing public appreciation to Associate Director Anderson, Assistant to the President Mukerjea, Professor Ulrichson and Rich Beachler, graphic designer with the instructional technology center, for their assistance with the development of the strategic plan and with the presentation.

Regent Kennedy expressed appreciation to Iowa State University officials for the presentation. She said she could imagine the excitement as the strategic plan started to come together. She then referred to the performance indicators and benchmark measures and asked if the strategic plan would include quantitative benchmarks in comparison to the peer group.

President Jischke said he believed that the peer comparisons were for informational purposes.

Regent Kennedy asked if Iowa State University officials want the university to be in the middle of its peers. President Jischke responded that specific benchmarks had not been set. He said that in some cases, he would like for Iowa State University to rank low in comparison with its peers, in some cases he would like for the University to rank high, and in some cases he would like for the University to be in the middle. It depends on the specific goal. University officials would like to be efficient and effective. He said university officials were in the midst of discussions to see if 10 to 15 universities nationally will join Iowa State University for comparison purposes. He noted that there is no reward for efficiency in the U.S. News and World Report rankings.

Regent Turner stated that she had the opportunity to attend the Kellogg Commission's final meeting 1-1/2 months ago and to review the publications of the Commission. She said Iowa's Regent institutions are very forward thinking and Iowa State University deserves special recognition in that area.

President Newlin referred to Regent Kennedy's question about performance indicators. He suggested that if university officials cannot settle on a specific goal, perhaps they could get a 5-year or 10-year data trend. After one or two years there might become a sense of what should be Iowa State University's goal.

Regent Kennedy asked if university officials are going to develop specific benchmarks. President Jischke responded affirmatively, stating that there will be measurable goals.

President Newlin encouraged university officials to capture in the strategic plan book some of the graphics that were included in the power point presentation. He then congratulated university officials on the preliminary presentation and thanked everyone who had participated.

ACTION: President Newlin stated the Board received the preliminary report on the new Iowa State University strategic plan, by general consent.

RENAMING OF TWO ISU CENTERS. The Board Office recommended the Board approve the renaming of two centers within the Plant Sciences Institute at Iowa State University.

At its September 1999 meeting, the Board of Regents approved the establishment of the Iowa State University Plant Sciences Institute. The Institute serves as the umbrella organization for a number of centers. The Board identified and approved six new

centers as part of that agenda item. University officials wish to rename two of the centers.

Historically, the Board requires its approval for naming of institutional buildings, facilities, and centers. The two existing centers to be renamed are the Center for Plant Breeding and the other is the Center for Bioinformatics and Biological Statistics. University officials distributed additional information about the naming of the centers at the Board meeting.

President Jischke presented the request on behalf of Iowa State University, as follows:

Raymond F. Baker Center for Plant Breeding: Raymond F. Baker is regarded throughout the world as a pioneer in the science of plant breeding. Throughout his distinguished career, Mr. Baker developed cutting-edge techniques that laid the foundation for generations of plant breeders to come. His visionary perspective on the science of plant breeding and genetics naturally links him to a Center recognized internationally for making significant contributions to the productivity and quality of crop cultivars.

Laurence H. Baker Center for Bioinformatics and Biological Statistics: Laurence H. Baker was born in Des Moines and received a B.S. degree in genetics and a minor in statistics from Iowa State University. He then went on to build a successful career focused on developing computer systems for Pioneer Hi-Bred International, the California State University system and many other businesses and institutions. He died in 1982. His family contributed most of the funds toward the endowment for the center.

MOTION:

Regent Kennedy moved to approve the renaming of two centers within the Plant Sciences Institute at Iowa State University, as presented. Regent Ahrens seconded the motion. MOTION CARRIED UNANIMOUSLY.

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

Scheman Building—Replace Roof

Project Summary

	Amount	Date	Board Action
Project Description and Total Budget	\$ 423,650	May 2000	Requested

This project will remove the existing 65,600 square foot rubber membrane roofing material and flashings, which were installed in 1986, and install a new rubber membrane roof and flashings. University officials recommend continued use of the rubber membrane roofing system for the building due to its favorable maintenance record and its ability to withstand foot traffic to service the rooftop equipment. This material has proven to provide the necessary level of durability for the Scheman Building roof; a higher level of durability would require a more expensive roofing material. While the same material will be used for the roof replacement, a different installation method will be utilized and is expected to provide better resistance to wind loads at the site.

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

Project Budget

Construction Costs	\$ 347,200
Professional Fees	58,870
Project Contingency	<u>17,580</u>
TOTAL	<u>\$ 423,650</u>
Source of Funds:	
General University	\$ 200,000
Iowa State Center	<u>223,650</u>
	<u>\$ 423,650</u>

College of Business Building

Proposed Source of Funds: Capital Appropriations and Private Funds

Project Summary

	Amount	Date	Board Action
Permission to Proceed		July 1999	Approved
Architectural Agreement Pre-Design Through Construction (Zimmer Gunsul Frasca Partnership)	\$ 1,887,000	May 2000	Requested

This project will construct a facility of approximately 100,000 gross square feet to house the College of Business programs which are currently located in inadequate and dysfunctional space in Carver Hall, the English Office Building, the Memorial Union, and off-campus. The project will accommodate the University's newest and fastest-growing college, in particular the MBA program, by providing office, laboratory, and classroom spaces to meet the unique needs of modern business programs.

The estimated project cost is \$21.8 million, of which \$300,000 would be funded by a FY 2001 capital appropriation for planning. The remainder of the Board's FY 2001 request for the project (\$10 million) was not funded and University officials will be requesting this additional state funding in a subsequent fiscal year. Additional project funding will be provided from private sources, which have already been committed.

The University received expressions of interest from 19 firms to provide design services for the project. Six firms (three from out of state and three from Iowa) were selected for interviews with the University Architectural Selection Committee in accordance with Board procedures for projects over \$1 million. University officials requested approval of the selection of Zimmer Gunsul Frasca Partnership of Seattle, Washington, to provide design services for the project.

Regent Procedural Guide §9.05 requires the institution to report to the Board, in writing, the reasons for selection of an architectural firm which is neither Iowa-based nor with a permanent office in Iowa. The University's docket exhibits indicated that the background and experience of the individuals with the Zimmer Gunsul Frasca firm, and their vision for the project and its importance to the Iowa State University campus, far exceeded that of the other firms interviewed. University officials indicated that the firm demonstrated a broad range of experience in the design of academic buildings, which has included projects at Cornell University, Northwestern University, John Hopkins University, Washington State University, the University of California, and Ohio State University, among others. In addition, the firm provided design services for the

Microsoft Corporation Redmond West Campus and the Safeco Insurance Redmond Campus (Redmond, Washington), and the World Trade Center and Madison Financial Center in Seattle.

In addition to this experience, University officials indicated that the firm provided a very diverse range of examples of various solutions for their projects, which illustrated the ability to work within existing site constraints. The firm provided a very thorough review of the prominence of the building site and exhibited a thorough understanding of the associated site issues. The Architectural Selection Committee's level of confidence in this firm exceeded that of the other firms. The firm has several Iowa State University graduates on staff, including the individual who would be the principal architect in charge of this project. The commitment and enthusiasm expressed by the firm for the project were clearly evident during the interview process.

University officials requested approval to enter into an agreement with Zimmer Gunsul Frasca Partnership for a fee of \$1,887,000, including reimbursables. The agreement will provide all standard architectural and engineering services from pre-design through construction. The source of funds for the fee will include the \$300,000 capital appropriation for project planning, with the balance of the fee to be funded by private funds. University officials indicated that the full design services may not be completed until funding for construction of the facility is secured.

Regent Fisher asked if Zimmer Gunsul Frasca Partnership, a non-Iowa firm, was going to team with an Iowa architectural firm. Vice President Madden responded that it was not going to team with an Iowa architectural firm. University officials conducted an extensive selection process. After evaluating all of the criteria, the University concluded that this firm is the most qualified firm for the project. He noted that the University has done some team projects with in-state and out-of-state firms. Sometimes the logistics and complexity of a project are not conducive to partnering.

Regent Fisher stated that he highly encouraged University officials in the future to try to have non-Iowa firms form relationships with Iowa firms. Vice President Madden responded that University officials understood that.

Regent Kelly asked if there were any other advantages to hiring an Iowa firm other than the political and public relations issues. Regent Fisher responded that Iowa firms can help in working with general contractors.

Vice President Madden stated that one of the challenges is that the Iowa firms are very busy.

College of Veterinary Medicine—Biomedical Sciences Laboratories Remodeling
Source of Funds: General University Funds

Project Summary

	Amount	Date	Board Action
Project Description and Total Budget	\$ 263,500	May 2000	Requested
Architectural Agreement (Stott and Associates)	27,640	May 2000	Requested

This project will convert outdated and non-functional animal rooms to needed laboratory space, and update existing laboratory space with the installation of new ceiling and floor materials. The project will address approximately 14,900 square feet of space and will include the removal of obsolete equipment, leveling of floors, and installation of new laboratory casework, floor finishes and ceilings. Permission to proceed with the project was not required since the project budget does not exceed \$1,000,000.

University officials also requested approval to enter into an agreement with Stott and Associates to provide design services for the project. The agreement provides for a fee of \$27,640, including reimbursables.

Project Budget

Construction Costs	\$ 207,000
Professional Fees	42,820
Project Contingency	<u>13,680</u>
TOTAL	<u>\$ 263,500</u>

Parks Library—Skylight and Roof Section H Replacement
 Source of Funds: General University Funds

Project Summary

	Amount	Date	Board Action
Project Description and Total Budget	\$ 250,000	May 1997	Approved*
Construction Contract—Phase 1 (Wood Roofing Company)	149,800	July 1998	Ratification*
Revised Project Budget	305,166	May 2000	Ratification**
Construction Contract—Phase 2 (Central States Roofing)	96,200	May 2000	Ratification**

*Approved by University in accordance with Board procedures.

**Approved by Executive Director; ratification by the Board requested.

The original scope of this project included replacement of the skylight and roof area over a portion of the Parks Library to correct water penetration into the building envelope. The roof area was previously replaced in 1973, and the skylight was installed with the original building construction in 1925.

University officials requested Executive Director approval, subject to Board ratification, of a revised project budget in the amount of \$305,166 (an increase of \$55,166), and award of a construction contract in the amount of \$96,200, to replace additional roof areas of the Parks Library. The expanded project scope includes installation of a rubber membrane roof over existing asphalt shingles on a 17,000 square foot area of the roof. The revised budget and contract award were approved by the Executive Director on April 17, 2000.

Project Budget

	Initial Budget <u>May 1997</u>	Revised Budget <u>April 2000</u>
Construction	\$ 200,500	\$ 264,000
Professional Fees	22,500	26,000
Project Reserve	<u>27,000</u>	<u>15,166</u>
TOTAL	<u>\$ 250,000</u>	<u>\$ 305,166</u>

Science Hall 1—Fourth Floor Remodeling
 Source of Funds: General University Funds

Project Summary

	Amount	Date	Board Action
Project Description and Total Budget	\$ 200,550	Oct. 1999	Approved*
Revised Project Budget	286,190	May 2000	Ratification**
Construction Contract (HPC, L.L.C.)	182,500	May 2000	Ratification**

*Approved by University in accordance with Board procedures.
 **Approved by Executive Director; ratification by the Board requested.

The original scope of this project included remodeling of approximately 3,570 square feet of space in Science Hall 1 to provide office space for the Department of Psychology. During design the project was expanded to include development of additional office areas within the same space and upgrading of the interior finishes. University officials requested Executive Director approval, subject to Board ratification, of a revised project budget in the amount of \$286,190 (an increase of \$85,640), and award of a construction contract in the amount of \$182,500, which included additional improvements to the space. The revised budget and contract award were approved by the Executive Director on May 4, 2000.

Project Budget

	Initial Budget <u>Oct. 1999</u>	Revised Budget <u>May 2000</u>
Construction	\$ 163,420	\$ 203,420
Professional Fees	33,300	36,700
Movable Equipment	0	40,000
Relocation	0	3,000
Project Reserve	<u>3,830</u>	<u>3,070</u>
TOTAL	<u>\$ 200,550</u>	<u>\$ 286,190</u>

* * * * *

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

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

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

University officials requested to renew Memoranda of Agreement between the Memorial Union (landlord) and the University Book Store and University Copy Center (tenants) for FY 2001. The University Book Store occupies 20,000 square feet of space on the ground and basement levels of the southeast addition of the Memorial Union. The agreement will be renewed at the rate of \$8.15 per square foot (\$163,000 per year) to be paid in 11 monthly installments of \$13,583.34 and one monthly installment of \$13,583.26. This is the same rate paid under the current agreement. The University Copy Center currently occupies a total of 1,640 square feet of space in the basement games area of the Memorial Union. This includes 1,400 square feet of space for the Copy Center's operations and 240 square feet of semi-finished storage space adjacent to the Copy Center. The lease of 1,400 square feet of unfinished space will be renewed at the rate of \$3.60 per square foot (\$5,040 per year), which is the same rate paid under the current agreement. The lease of semi-finished storage space will increase to a total of 899 square feet (an increase of 659 square feet) to meet the Copy Center's need for additional storage. This space will be leased at the rate of \$4.00 per square foot (\$3,596 per year), which is an increase of 6.7 percent (\$0.25 per square foot) over the current rate per square foot. The total space for the Copy Center will be leased at the rate of \$8,636 per year to be paid in 11 monthly installments of \$719.67 and one monthly installment of \$719.63.

University officials requested approval to renew its lease as lessee with H. L. Munn Company for the University's use of 8,378 square feet of warehouse storage space located in Ames, Iowa. The lease will be renewed at the rate of \$2,094.50 per month (\$3 per square foot, \$25,134 per year) for a one-year period commencing May 1, 2000 through April 30, 2001. This is the same rate paid under the current agreement.

University officials requested approval to enter into a new lease agreement as lessor with Phytodyne, Inc., for the firm's use of 129 square feet of business incubator space in the Iowa State Innovation System at the ISU Research Park. The space will be leased at the rate of \$175 per month (\$16.28 per square foot, \$2,100 per year) for a four-month period commencing May 1, 2000 through August 31, 2000. The University plans to

relocate the tenant to wet laboratory space being developed elsewhere in the Research Park at the end of the lease term.

University officials requested approval to enter into a water line easement agreement with the Rathbun Regional Water Association. The easement will provide for extension of a rural water line from a building site on the University's McNay Research Farm located in Lucas County, Iowa, to neighboring farms.

MOTION:

Regent Fisher moved to approve leases and easements, as presented. Regent Kennedy seconded the motion, and upon the roll being called, the following voted:

AYE: Ahrens, Fisher, Kelly, Kennedy, Neil, Newlin.

NAY: None.

ABSENT: Lande, Smith, Turner.

MOTION CARRIED.

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

UNIVERSITY OF NORTHERN IOWA

The following business pertaining to the University of Northern Iowa was transacted on Wednesday and Thursday, May 17 and 18, 2000.

TOUR OF MCCOLLUM SCIENCE HALL.

The Regents toured McCollum Science Hall at 8:00 a.m. on Thursday, May 18, 2000. They were presented with evidence of the need for additional laboratory space. The rooms are not designed for what they are being asked to do.

Regent Kennedy stated that maintenance of the seats in classrooms needs to be a high priority. Minor maintenance needs to be done on a regular basis. Doing so says something about the pride of the University of Northern Iowa.

Director Mikkelsen described the process for each department to prioritize its deferred maintenance needs. Safety maintenance comes first with cosmetics last. Ventilation is another high priority.

Regent Kennedy stated that biology and chemistry facilities should not be penalized with regard to maintenance needs because of the higher priority for safety. People assume that laboratories on the campuses are safe. The disrepair of the seats is noticeable.

At the Board meeting, President Newlin announced that the Regents had toured the McCollum Science Hall and received a demonstration of the needs in that facility.

RATIFICATION OF PERSONNEL TRANSACTIONS. The Board Office reported that the personnel register had not been received and would be reported next month.

UNIVERSITY CALENDAR HOLIDAYS FOR 2002 AND REVISED ACADEMIC CALENDARS FOR 2001-2002. The Board Office recommended the Board:

(1) Approve proposed holidays for calendar year 2002 as follows:

Tuesday, January 1, 2002	New Year's Day
Monday, January 21	Martin Luther King's Birthday
Monday, May 27	Memorial Day
Thursday, July 4	Independence Day
Monday, September 2	Labor Day
Thursday, November 28	Thanksgiving Day
Friday, November 29	Friday after Thanksgiving
Tuesday, December 24	University Holiday
Wednesday, December 25	Christmas Day

(2) Approve revised academic calendars for 2001 and 2002 summer sessions.

University officials requested revisions to the summer sessions for 2001 and 2002. The proposed summer schedule is essentially a 12-week summer program that begins the Monday after commencement and includes three consecutive 4-week sessions, two consecutive 6-week sessions, and one 8-week session.

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 calendar year 2001 holiday calendar for the University of Northern Iowa is consistent with Board policy and existing applicable collective bargaining agreements.

ACTION: This matter was approved on the consent docket.

UNIVERSITY OF NORTHERN IOWA HONORS PROGRAM. The Board Office recommended the Board approve the University of Northern Iowa Honors Program.

University of Northern Iowa officials requested approval of an honors program. This request is consistent with the Board's objective to improve the quality of educational programs (KRA 1.0.0.0, Objective 1.1.0.0.). The request is also related to the first goal of the University of Northern Iowa Strategic Plan, which is to "create and maintain an intellectually demanding and stimulating environment for all members of the University community." A particular action step associated with reaching this goal is the establishment of a University-wide honors program. The UNI Honors Program that the University plans to inaugurate in the Fall of 2001 is designed to meet the needs of students of exceptional ability and academic achievement from across the University.

The program was proposed for the following reasons:

1. Such a program would help UNI to address the special needs of more motivated and capable individuals. A university's reputation depends, in large part, on the achievements of its graduates, and UNI cannot help but benefit from committing itself to providing a program meant to assist its best students in achieving their goals.
2. While sensitive to concerns of elitism, the University believes that honors students will enhance UNI's academic atmosphere. While those students accepted to the honors program will and should be given every opportunity to interact and grow together, required "honors courses" made up exclusively of honors students will constitute, at most, twenty-five percent of the honors students' curriculum. For the most part, honors students will be enrolled in regular courses.
3. The UNI Honors Program is meant to enhance teaching across the University. The courses designated exclusively for honors students will be held to small enrollments (20 maximum). This is meant not only to give the honors students more individual attention, but to allow teachers to take risks and try experimental instructional methods that they might not otherwise be willing to attempt, including offering interdisciplinary courses that are team-taught by professors from more than one discipline. The University hopes that professors will be able to work closely together and learn from each other, and that new teaching techniques, if successful, will then be applied to regular classes.
4. An honors program will allow UNI to more effectively recruit and retain exceptional students. An honors program will add to the reputation of the entire University, demonstrating serious commitment to academics.
5. UNI already has a highly successful honors program in the College of Social and Behavioral Sciences. Initiated in 1998 with an enrollment of 20 students, enrollment more than tripled to 64 students in its second year. Students are very enthusiastic about the program and it has helped immensely with recruiting exceptional students within the College of Social and Behavioral Sciences (CSBS). Moreover, colleges at UNI other than CSBS have already indicated they would like to establish similar honors programs. Aside from the efficiency of one program as opposed to several, a University-wide program would allow students to take honors courses outside of their own college, creating a truly liberal arts honors program and improving the quality and breadth of opportunity of the program.
6. At present the University is investing in the idea of a first year experience program. The honors program would identify a group of students for whom such a first year experience program can be tailored.

The mission of the University of Northern Iowa Honors Program will be to attract, retain, and meet the needs of students of exceptional academic achievement, provide an intellectual environment that will stimulate the intellectual curiosity of these students, provide a social environment that will help these students develop close ties with each other and with faculty, provide a learning environment that will allow faculty to experiment with new and different teaching techniques, with the hope that successful techniques may be implemented with larger classes, and enhance the reputation of the University of Northern Iowa.

President Koob stated that the honors program was the brainchild of Provost Podolefsky.

Provost Podolefsky presented the Regents with highlights of the honors program.

Regent Kennedy commended University officials for the creation of this exciting initiative. She then asked if there was a projected budget for the program for the next three to five years.

Provost Podolefsky stated that, at the outset, a faculty member will spend part of his/her load as the director. There will also be some secretarial services. The program may start out with 50 to 75 students per year. He said the courses are already offered at the university. The honors courses will be offered as smaller class sizes but the cost initially to do so is marginal.

President Newlin asked about the \$70,000/year cost for the program. Provost Podolefsky responded that the initial budget was for a part-time director and secretary.

President Newlin asked from where the funds would come. Provost Podolefsky responded that the funding would come from reallocation.

MOTION: Regent Kennedy moved to approve the University of Northern Iowa Honors Program. Regent Ahrens seconded the motion. MOTION CARRIED UNANIMOUSLY.

EXECUTIVE SESSION. President Newlin requested that the Board enter into closed session pursuant to Iowa Code §20.17(3) to conduct a strategy meeting of a public employer for collective bargaining; and upon the request of an employee whose performance is being considered, as provided by Iowa Code §21.5(1)(i).

MOTION: Regent Kelly moved to enter into closed session. Regent Kennedy seconded the motion, and upon the roll being called, the following voted:

IOWA STATE UNIVERSITY
May 17-18, 2000

AYE: Ahrens, Fisher, Kelly, Kennedy, Lande, Neil,
Newlin.

NAY: None.
ABSENT: Smith, Turner.

MOTION CARRIED.

The Board having voted at least two-thirds majority resolved to meet in closed session beginning at 3:00 p.m. on May 17, 2000, and adjourned therefrom at 5:47 p.m. on that same date.

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.

Maucker Union—Center for Multicultural Education Renovation/Expansion

Proposed Source of Funds: Designated Tuition Revenue, including bonds to be secured by this revenue; Residence System Improvement Funds; and Maucker Union Surplus Funds

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed		May 2000	Requested

The proposed project will construct multiple additions to the Maucker Union and renovate existing space to provide expanded retail (basic school supplies and small scale packaged food offerings for the University community) and food service areas; house the Center for Multicultural Education and the office of International Services; and provide additional meeting, office and support space. The renovation work will also provide accessibility improvements to the facility and upgrade the mechanical and electrical systems. The goal of this project is to enhance student life and learning at the University through improved services and cultural opportunities.

Maucker Union, which totals 83,000 gross square feet, was constructed in 1969 with an expansion area completed in 1990. Some remodeling has taken place in the lower level meeting rooms, offices and gathering spaces, but no major improvements have been made to the upper level 1969 areas which include dining, food service, lounge and office areas. The majority of the proposed renovation work, which is anticipated to include approximately 25 percent of the total building square footage, will be focused on this upper level space. The work will be undertaken to provide functional improvements for these areas, and will include new finishes and furnishings for the dining area. In

addition, the project will upgrade the heating, ventilating and air conditioning systems that are original to the building.

It is anticipated that the additions will accommodate the expanded food service operations, the Center for Multicultural Education and the office of International Services, and meeting rooms and office areas. The expanded food service area will respond to the need for improved food service offerings in the Union by increasing the number and quality of options. The Department of Residence would serve as the food service provider which will allow students with dining contracts to obtain food and beverage services in the Union with the use of their meal plans.

The Center for Multicultural Education (formerly the Ethnic Minorities Cultural and Educational Center) was established in 1971. Its mission is to provide both educational and cultural activities that promote cross-cultural awareness and multicultural understanding. The office of International Services provides a variety of services to assist international students in traveling from their home countries and in their daily campus activities. The two operations are currently located in separate, aging residential facilities in the northeast area of campus. The relocation of these functions to the Maucker Union will increase their visibility on campus and provide an environment for collaboration and integration of their programs and resources.

The proposed renovation and expansion project will be based on the recommendations of a feasibility study for the Maucker Union which was completed by the architectural firm of Brooks Borg and Skiles in 1999. The feasibility study utilized information from the campus food service master plan which was completed by the RICCA Planning Studio in 1998. This master plan is serving as the basis for other proposed campus food service improvements including the renovation of the Redeker Dining Center.

The total estimated project cost is approximately \$13 million. University officials proposed to fund the majority of the project with debt to be secured by designated tuition (student fees). This month's docket item on allocation of designated tuition for the 2000-01 academic year includes an increase from \$4.90 to \$19.00 per academic year, and from \$1.85 to \$4.75 for the summer session, in the amount of tuition designated for the Maucker Union Renovation. Future increases in the amount of designated tuition for the Maucker Union Renovation/Addition project would be needed to pay the necessary debt service costs.

Additional funding would be provided by Residence System Improvement Funds and Maucker Union Surplus Funds, which would be used to fund the planning costs for the project, currently estimated at approximately \$1.3 million. The financing plan for the project, including all requirements for tax-exempt debt, will be further developed during project planning in consultation with the Board's financial advisor and bond counsel.

University officials requested approval to proceed with project planning and the architectural selection process at this time. University officials will return to the Board for approval of the selected architect.

McCullum Science Hall Addition

Source of Funds: Capital Appropriations

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed		May 2000	Requested

This project will construct an addition of approximately 70,000 gross square feet (42,000 net square feet) to McCullum Science Hall. The additional space is needed to accommodate program growth and new technology primarily for the Department of Biology.

The growth in student enrollment, the increase in scientific knowledge, and the increase in general education classes in the science area have all contributed to the demand for space for the science programs. In addition, the enrollment in the biology major program has more than doubled since 1990, making this the third largest department major at the University.

Construction of the addition to McCullum Science Hall was recommended as part of the long-term solution to address these needs in a study conducted by Rohrbach Carlson in 1999. This study analyzed the space needs of the Departments of Biology, Chemistry and Physics.

The addition will include laboratories, classrooms, and research and office space. It will optimize laboratory space to enhance the programs and provide for more efficient and functional education and research environments.

University officials requested approval to proceed with project planning and the architectural selection process at this time. University officials will return to the Board for approval of the selected architect.

Native Roadside Vegetation Enhancement Center

Source of Funds: Federal Funds

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 580,000	May 2000	Requested
Architectural Agreement			
(InVision Architecture)	45,000	May 2000	Requested

This project will renovate space in Warehouse 1, located on the University's west campus, to house the Native Roadside Vegetation Enhancement Center. The Center will develop native planting species that will have applications for reducing ground washouts, maintenance and mowing requirements, and improving embankment stabilization. The vegetation will be developed for use in roadside plantings by the state departments of transportation in Iowa, Minnesota, Illinois and Wisconsin. The Center, which will be associated with the University Biology Department, will provide a native plant production center, clearinghouse and coordinating center, training facility, and a native vegetation technology transfer center. Permission to proceed with the project was not required since the project budget does not exceed \$1,000,000.

The Federal Transportation Equity Act for the 21st Century provides \$760,000 for the design and construction of the Center at the University. The funds are administered by the Iowa Department of Transportation, and the University will need to execute an agreement with the Department. The University's operating budget appropriation (HF 2549) for FY 2001 provides up to \$100,000 for the roadside vegetation project; the appropriation is subject to approval by the Governor.

Warehouse 1, which currently is not fully utilized, provides storage space for University vehicles, physical plant materials and equipment, and purchasing inventory. The project will include renovation of available space in the warehouse facility, and possible construction of an addition, to house seed handling facilities, an office area and storage space for the Center. Construction of a greenhouse at the site will also be completed as part of the project. The renovation of space in Warehouse 1 to house the Center is consistent with the recommendations of a feasibility study undertaken for the project. The specific space needs for the Center will be further evaluated during the design phase of the project.

University officials also requested approval to enter into an agreement with InVision Architecture to provide design services for the project. The agreement will provide design, construction coordination and periodic construction observation services at a fee of \$45,000, including reimbursables.

Project Budget

Construction Costs	\$ 500,000
Consultant/Design Services	45,000
Contingencies	<u>35,000</u>
TOTAL	<u>\$ 580,000</u>

Schindler Education Center—Replace Roofs 1-8

Source of Funds: Building Repairs

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 315,000	March 2000	Approved
Architectural Agreement (Alan Stevens Associates)	24,000	March 2000	Approved
Revised Project Budget	355,000	May 2000	Ratification*
Construction Contract Award (T and K Roofing Company)	299,432	May 2000	Ratification*

*Approved by Executive Director; ratification by the Board requested.

This project will replace 34,200 square feet of the roof of the Schindler Education Center. These areas consist of a built-up tar and asphalt roofing material, and will be replaced with a rubber membrane roofing system.

University officials requested Executive Director approval, subject to Board ratification, of a revised project budget in the amount of \$355,000 (an increase of \$40,000), and award of a construction contract in the amount of \$299,432 for the base bid plus four alternates, which will allow replacement of the entire roof area of the building. The revised budget and contract award were approved by the Executive Director on April 17, 2000.

Project Budget

	Initial Budget <u>March 2000</u>	Revised Budget <u>April 2000</u>
Contracts	\$ 250,000	\$ 300,000
Design Services	35,000	25,000
Contingencies	<u>30,000</u>	<u>30,000</u>
TOTAL	<u>\$ 315,000</u>	<u>\$ 355,000</u>

* * * * *

Included in the University's capital register were three project budgets under \$250,000. These items were listed in the register prepared by University officials.

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

MOTOR VEHICLE AND BICYCLE REGULATIONS, FINAL 2000-2001. The Board Office recommended the Board approve the proposed FY 2001 parking rates at University of Northern Iowa as set forth.

At its April meeting, the Board gave preliminary consideration to the University's proposed FY 2001 changes to parking rates and regulations. The University's proposed parking rate increases range from \$.50 - \$15.00 annually; \$.25 - \$7.50, for second semester; and \$.15 - \$3.75 for summer. University officials also proposed two new fees: A parking fee of \$1 per 12-hour period, or part thereof, for conference attendees required to park in designated areas assigned by the University's Department of Public Safety, and a new yearly vendor service permit fee of \$100.

These changes will allow the University to continue supporting the comprehensive parking program. The proposals were unchanged from those presented in April.

MOTION: Regent Ahrens moved to approve the proposed FY 2001 parking rates at University of Northern Iowa as set forth. Regent Turner seconded the motion. MOTION CARRIED UNANIMOUSLY.

APPROVAL OF LEASES AND TENANT PROPERTY RENTALS. The Board Office recommended the Board approve leases and tenant property rentals, as presented.

University officials requested approval of the following tenant property rental rate increases.

- a. Tau Kappa Epsilon Fraternity/Gamma Phi Beta Sorority—University officials requested approval to increase the monthly rental rate by \$55 to \$960 (\$11,520 per year) for FY 2001. This is an increase of approximately 6.1 percent over the current rental rate.
- b. Faculty/Staff Housing—University officials requested approval of rental rate increases for two faculty and staff housing units. The University currently leases houses located at 3214 Hudson Road and 8712 University Avenue in Cedar Falls, Iowa, at the rate of \$540 per month. The homes provide temporary housing on a monthly basis (for a period not to exceed one year) for faculty and staff. The agreement with each tenant is subject to approval of the Executive Director.

Shauna Sleep, Shelby Sleep, Jodi Peitzman, Erin Roth—University officials requested approval to enter into a lease agreement as lessor with the aforementioned students for their use of the house located at 1233 West 22nd Street, Cedar Falls, Iowa. The house will be leased at the rate of \$510 per month (\$6,120 per year) for a two-year period commencing August 1, 2000 through July 31, 2002. The agreement includes the provision for annual rate increases of not more than 10 percent per year effective May 1 of each year of the term.

MOTION:

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

MOTION CARRIED.

CAMPUS MASTER PLAN UPDATE. The Board Office recommended the Board receive the update of the campus master plan report for the University of Northern Iowa.

Procedural Guide §9.02 requires the institutions to present updated campus master plans to the Board at least once every four years, or when the institution proposes changes in land use, or at the request of the Board. The University of Northern Iowa master plan was last presented to the Board in December 1995.

The University has made a number of improvements since the 1995 update of the campus master plan, which indicated concerns relative to the age and use of existing campus facilities. Since that time, the University has undertaken new construction and renovation projects to provide upgraded facilities which better serve student needs.

In addition, the University continues to undertake projects to protect existing campus facilities. These projects are consistent with the University's strategic planning goal to effectively manage internal resources and aggressively seek external resources to support University programs and aspirations (Goal Area 3).

University officials see the plans for future campus development as consistent with the strategic plan. Included are upgrades to the campus steam and electrical distribution systems, acquisition of land for future use by the Native Roadside Vegetation Enhancement Center, construction of a new sports arena, and development of the south campus area.

University officials stated that the proposed development for the south campus area is consistent with three of its four strategic planning goals: to create and maintain an intellectually demanding and stimulating environment for all members of the University community (Goal Area 1); to promote a sense of community with the University (Goal Area 2); and to develop appreciation and support for the values, programs and services of the University (Goal Area 4).

Director Mikkelsen presented the update of the campus master plan on behalf of the University of Northern Iowa. The University of Northern Iowa Campus Master Plan is based on the foundation established in the 1968 "Comprehensive Campus Master Plan" prepared by Caudill Rowlett Scott of Houston, Texas. The original Campus Master Plan introduced the concept of concentric zones of land use to reinforce a compact, unified, pedestrian-oriented campus. The concept entailed a central core consisting of a vehicle-free zone housing the library and student union. By continuing to use standard landscape elements, plantings and sidewalk patterns and by approaching campus building as an architectural statement and as a part of the total campus fabric, the University has remained consistent with the 1968 campus planning concepts while employing a framework for operational planning which encourages a pedestrian-oriented, compact, park-like campus.

President Newlin thanked Director Mikkelsen for the presentation. He said the campus is beautiful; maintaining the campus enhances the learning environment.

Regent Kelly asked if it was preferable to have a campus steam distribution system rather than for each building to have its own source. Director Mikkelsen responded that it was more economical to have a central steam plant.

Regent Kennedy stated that being true to the concept that has been in place since 1968 is one reason that people often comment that the University of Northern Iowa campus is a unique and positive experience. She thanked University officials for being visionary and sticking with that concept.

President Newlin suggested that University officials think long and hard about putting any building in the core green area of the campus. He said the area should not be identified as a potential site.

President Koob said he told the Facility Planning Committee that he would vigorously oppose any construction in the green area.

ACTION: President Newlin stated the Board received the update of the campus master plan report for the University of Northern Iowa, by general consent.

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

EXECUTIVE SESSION. President Newlin requested that the Board enter into closed session pursuant to Iowa Code §21.5(1)(c) to discuss a matter with counsel which is either in litigation or where litigation is imminent; and upon the request of an employee whose performance is being considered, as provided by Iowa Code §21.5(1)(i).

MOTION: Regent Smith moved to enter into closed session. Regent Kennedy 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 3:17 p.m. on May 18, 2000, and adjourned therefrom at 4:46 p.m. on that same date.

IOWA SCHOOL FOR THE DEAF

The following business pertaining to the Iowa School for the Deaf was transacted on Wednesday and Thursday, May 17 and 18, 2000.

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

Register of Personnel Changes for April 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 school's capital register, as presented.

Greenhouse for L.I.F.E. Department

Source of Funds: ISD Foundation and Building Repair Funds

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 32,000	May 2000	Requested

This project will construct a greenhouse consisting of approximately 500 to 600 gross square feet of space. The greenhouse will be attached to the workshop area located in the southwest corner of the Administration Building. The greenhouse will be used for the School's L.I.F.E. (Learning, Instruction, Fundamental Education) program which works with children with the greatest needs. The project will be coordinated through Iowa State University.

Project Budget

<u>Source of Funds:</u>	
ISD Foundation	\$ 16,000
Building Repairs	<u>16,000</u>
TOTAL	<u>\$ 32,000</u>

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

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

School officials requested approval to renew its lease as lessor with the Southwest Iowa Regents Resource Center for its use of 3,000 square feet of space in the Careers Building on the Iowa School for the Deaf campus. The lease will be renewed for a three-year term commencing July 1, 2000, through June 30, 2003. The space will be leased at the rate of \$1,500 per month (\$6 per square foot, \$18,000 per year) for FY 2001; this is the same rate that is paid under the current agreement. The rental rate will increase to \$1,563 per month (\$6.25 per square foot, \$18,756 per year) for FY 2002, and \$1,625 per month (\$6.50 per square foot, \$19,500 per year) for FY 2003.

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

MOTION CARRIED.

AGREEMENTS WITH NEBRASKA DEPARTMENT OF EDUCATION. The Board Office reported that this docket item was deferred until June 2000.

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

IOWA BRAILLE AND SIGHT SAVING SCHOOL

The following business pertaining to Iowa Braille and Sight Saving School was transacted on Wednesday and Thursday, May 17 and 18, 2000.

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

Register of Personnel Changes for the period of March 19 through April 15, 2000.

The register included the appointment of Zelda Bower as Education Program Coordinator, effective July 1, 2000 at an annual base salary of \$63,000.

Superintendent Thurman introduced Zelda Bower. He stated that over the past several months, school officials have been examining the school's organizational structure. A new position of Education Program Coordinator was established, to which Ms. Bower was appointed. He said she has been on staff at the Iowa Braille and Sight Saving School as an orientation and mobility instructor. Ms. Bower is also certified as a teacher of the visually impaired.

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

SCHOOL CALENDAR: 2000-2001. The Board Office recommended the Board approve the proposed 2000-2001 school year calendar for the Iowa Braille and Sight Saving School.

Iowa Braille and Sight Saving School officials proposed to begin its instructional year on August 18, 2000, and conclude its school year on May 30, 2001. Total instructional days for students equal the state mandated 180 days. Faculty are contracted for 189 or 199 days depending on the faculty position, primarily covering the standard school year. The calendar also reflects the programming provided during the summer months. The calendar contains the required number of holidays as mandated by state law, Board of Regents policy, and the applicable collective bargaining agreements.

IOWA BRAILLE AND SIGHT SAVING SCHOOL
May 17-18, 2000

The proposed calendar is aligned as much as possible with the Vinton/Shellsburg Community School District, which cooperates with Iowa Braille and Sight Saving School to provide mainstream classroom experiences for Iowa Braille and Sight Saving School students.

ACTION: This matter was approved on the consent docket.

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

School officials requested approval to renew agreements with the following tenants for their use of space on the Iowa Braille and Sight Saving School campus. The agreements will be renewed for a one-year period commencing July 1, 2000, through June 30, 2001. The proposed rental rates reflect increases of approximately 5 percent per square foot for all of the tenants.

- a. Adults Incorporated—The lease will be renewed for 2,474 square feet of space in Palmer Hall at the rate of \$936 per month (\$4.54 per square foot, \$11,232 per year), plus appliance rental of \$35.50 per month (\$426 per year), for a total rental rate of \$971.50 per month (\$11,658 per year). This reflects an increase of 105 square feet of space and a decrease of \$11.75 per month in the appliance rental for the removal of a dishwasher.
- b. Happy Time Child Development Center—The lease will be renewed for 5,084 square feet of space located in the Cottage Building at the rate of \$1,189.08 per month (\$2.81 per square foot, \$14,268.96 per year).
- c. Iowa Department of Public Health—The lease will be renewed for 222 square feet of office space located in the Old Hospital Building at the rate of \$623.08 per year (\$2.81 per square foot).
- d. Vinton-Shellsburg Community School District—The lease will be renewed for 3,118 square feet of office space located in Palmer Hall at the rate of \$2,187.79 per quarter (\$2.81 per square foot, \$8,751.16 per year).

MOTION: Regent Fisher moved to approve tenant leases, as presented. Regent Kennedy seconded the motion, and upon the roll being called, the following voted:
AYE: Ahrens, Fisher, Kelly, Kennedy, Neil, Newlin.

IOWA BRAILLE AND SIGHT SAVING SCHOOL
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NAY: None.

ABSENT: Lande, Smith, Turner.

MOTION CARRIED.

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 4:46 p.m. on Thursday, May 18, 2000.

Frank J. Stork
Executive Director