

The State Board of Regents met at the University of Iowa on Thursday, April 16, and Friday, April 17, 1981. Those present were:

	<u>April 16, 1981</u>	<u>April 17, 1981</u>
Members of State Board of Regents:		
Mrs. Petersen, President	All Sessions	All Sessions
Mr. Bailey	All Sessions	All Sessions
Mr. Brownlee	All Sessions	All Sessions
Dr. Harris	All Sessions	All Sessions
Mrs. Jorgensen	All Sessions	All Sessions
Mr. Neu	All Sessions	All Sessions
Mr. Nolting	All Sessions	All Sessions
Mr. Shaw	Arr. 2:40 p.m.	All Sessions
Mr. Wenstrand	All Sessions	All Sessions
Board of Regents Nominees:		
Mrs. Anderson	All Sessions	All Sessions
Mr. McDonald	All Sessions	All Sessions
Mrs. Murphy	All Sessions	All Sessions
Office of State Board of Regents:		
Executive Secretary Richey	All Sessions	All Sessions
Director Barak	All Sessions	All Sessions
Director McMurray	All Sessions	All Sessions
Ms. Baker, Secretary	All Sessions	All Sessions
Assoc. Director Caldwell	All Sessions	All Sessions
State University of Iowa:		
President Boyd	All Sessions	All Sessions
Vice President Bezanson	All Sessions	All Sessions
Vice President Brodbeck	All Sessions	All Sessions
Assistant Vice President Small	All Sessions	All Sessions
Assistant to President Mahon	All Sessions	All Sessions
Director Hawkins		All Sessions
Acting Director Brisben	All Sessions	All Sessions
Iowa State University:		
President Parks	All Sessions	All Sessions
Vice President Christensen	All Sessions	All Sessions
Vice President Hamilton	All Sessions	All Sessions
Vice President Moore	All Sessions	All Sessions
Assistant Vice President Madden	All Sessions	All Sessions
Assistant to President Henry		All Sessions
University of Northern Iowa:		
President Kamerick	All Sessions	All Sessions
Provost Martin	All Sessions	
Vice President Stansbury	All Sessions	All Sessions
Director Kelly	All Sessions	
Iowa School for the Deaf		
Superintendent Giangreco	All Sessions	All Sessions
Business Manager Kuehnhold	All Sessions	
Iowa Braille and Sight Saving School:		
Superintendent DeMott	All Sessions	
Business Manager Berry	All Sessions	

GENERAL

The following business pertaining to general or miscellaneous items was transacted on Thursday, April 16, 1981.

President Petersen welcomed Fred W. Nolting to his first Board of Regents meeting. Regent Nolting is filling the unexpired term of Regent Constance Belin. President Petersen also welcomed Board of Regents designees Peg Anderson, John McDonald, and June Murphy. She said the board was pleased to have them observing and was looking forward to their roles on the board.

APPROVAL OF MINUTES. The minutes of the March 12-13, 1981, board meeting were approved as distributed. President Petersen stated that any additions or nonsubstantive changes could be turned in to the secretary.

INTERINSTITUTIONAL COMMITTEE ON EDUCATIONAL COORDINATION. a. Annual Report of the State Extension and Continuing Education Council.

It was recommended that the board accept the Annual Report of the State Extension and Continuing Education Council for 1979-80. It was suggested that a thorough evaluation of the B.L.S. and Western Iowa programs be conducted in the next academic year.

The Annual Report of the State Extension and Continuing Education Council for 1979-80 included sections on the council itself, its organization and membership, program activities, special appropriations, interinstitutional staff, Western Iowa offerings, the Iowa Coordinating Committee for Continuing Education, Higher Education Coordinating Committee for Southwest Iowa, Quad-Cities Study Center, federal programs, and a section on institutional highlights.

The report included comments from two interinstitutional staff members, Dr. Gail McLure and Dr. Patrick McAleer. They raised some serious concerns regarding the delivery of nontraditional learning programs in Iowa. The Board Office regretted that, contrary to its charge, the State Extension and Continuing Education Council made no recommendations on the concerns raised and made no other recommendations.

The Board Office felt the reports of the two interinstitutional staff members raised some serious questions regarding the viability of the off-campus programs being offered through these staff members. In addition, Section 6.05(D) of the Regents Procedural Guide provides that all new or expanded programs will be subject to a post-audit. Given the nature of the concerns and the special characteristics of the Bachelor of Liberal Studies program, the Board Office said it is probably

GENERAL
April 16-17, 1981

ready for an evaluation. The Board Office strongly recommended that a post-audit report be developed on the B.L.S. program and that preferably outside peer consultants be engaged to examine this program and make recommendations regarding its accomplishments and future potential.

Vice President Martin opened the discussion on the report of the State Extension and Continuing Education Council by introducing Dean Robert Ray of the University of Iowa. Dean Ray was representing the council and said he would answer any questions.

President Petersen said the board has been extremely interested in the outreach of the universities and their serving the citizens of the state that cannot or do not come to the university campuses. She noted that the board was instrumental in urging the institutions to develop a B.L.S. degree program and that the board was very pleased when the institutions cooperated with each other to make the program possible.

It is very disturbing, said President Petersen, that as the board presented funding requests over the years, it has not been possible to obtain adequate funding for these programs. She noted that funding is needed to do a quality job. She said the board also recognized that the 4.6% cutback has more or less crippled these outreach programs in their ability to deliver them, counsel students, and in the work that needs to be done to serve these students. She asked Dean Ray if this shortage of funding and nonrecognition of the program continues, how he viewed the future of the programs.

Dean Ray thanked the board for its support in the funding requests that have been made. He explained that of the \$100,000 appropriated for the programs, \$39,000 is used to support the office of the Interinstitutional Program Coordinator. Money would be reallocated to the institutions to support the institutional bases which make the B.L.S. degree program possible.

Dean Ray pointed out that these figures do not show the amount of time devoted by the faculty to developing courses in different formats, in making courses available, and in making them comparable to courses offered on campus. He said the figures also do not show the amount of time that is spent in counseling students. He noted that all of the quality controls that are applied to on-campus degree programs are also applied to the B.L.S. degree program.

Given the current level of resources, Dean Ray said, the B.L.S. degree is not in any jeopardy but that it will not be as possible to make it broadly available. There is a question of accessibility for students.

He said it is necessary to take a great deal of care in the expenditure of the limited funds available. Dean Ray hoped the board would be persistent in forwarding appropriation requests to the proper authorities at the state level so that the program can move ahead. He said that the future of the B.L.S. program is clear but there is a question about how fast it can move ahead.

President Petersen noted that as the year 2000 is approached, the students now being served in the Regent institutions will be adults living and earning in the population. She noted that the board has learned that those who have an education are the ones who take advantage of adult education opportunities. She said Iowa has always had a high level of participation in higher education. She said this means there will be continued demand and stress on continuing education in the next 20 years and there will be an increased number of people who will be wanting and needing these services.

Dean Ray said that a system of teleconferencing is being explored. This would make it possible for students to gather in small clusters at a variety of sites instead of in groups of 20 or 30 at one site, which is difficult in rural communities of the state.

In regard to the need for a post-audit study of the B.L.S. program, Dean Ray said that it is now in its third year of operation. It will be in its fifth year of operation in 1981-82. At that time, he said, there will be a general review of the program in accordance with the Regents procedure. It would be premature to do a complete review during the third year. He said the institutions are fully cognizant of the need to review the program and they will do so on the time schedule required by the board. He noted that recommendations made when the degree program was first approved are updated annually to make fund requests for the current biennium. Vice President Brodbeck agreed that it would be premature to review the program at this time.

In answer to a question from President Petersen about review of the program by the Committee on Educational Coordination, Dean Ray said that in 1981-82 there would be an interinstitutional review of the program. This will be sent to the vice presidents for academic affairs and will be processed through the Committee on Educational Coordination.

Mr. Richey said statements were made in the two staff reports that the Board Office thought should be addressed. He said some of these concerns are significant and should not wait until the completion of the five-year period because they raise some question as to the effectiveness of the programs.

Mr. Richey said if it is not feasible to do a full study until the conclusion of 1981-82, there should at least be some study on the concerns raised in the State Extension and Continuing Education Council's report.

GENERAL
April 16-17, 1981

Vice President Brodbeck said that these are everyday problems that are present in every program. She said the people in charge of the programs are addressing themselves to these problems and they should be able to do this without having to begin a review before the program is really started.

Mr. Richey said that from a planning standpoint for next spring and budget requests for the 1983-85 biennium, now would be a good time to review the program. In answer to a question from President Petersen, Mr. Richey said this would not be a comprehensive review. It would have special emphasis on the concerns listed in the council's report. He said there should be an intermediate level of study with respect to planning because the board will be considering fund requests in about a year from now.

Vice President Martin said that each campus has a B.L.S. committee which monitors the program and there is also an interinstitutional committee. These committees meet regularly so there is an ongoing monitoring process. He did not suggest that there may not be some academic problems but did not think these were significant. He said the problem is in staffing and funding. There would be a problem of taking funds away from ongoing operations to review the program. Vice President Martin questioned whether a major review of the academic program is needed at this time. He did not think there is anything troublesome in the program in terms of academic requirements.

President Petersen said there were two points to be considered. First, how does the board get information to make a judgment on asking for additional resources for the next year of the biennium. Second, what is the schedule for an intermediate review. She thought this review could be worked out between the Board Office and the committee.

Vice President Christensen said he supported his colleagues from the interinstitutional committee. He noted that the time difference involved is roughly six months. He said the concerns raised in the reports are concerns to everyone and he thought it would be appropriate to move the time table up.

President Petersen said the council's report was a good and thorough one and that the board appreciates the work of the faculty and recognizes that much of the work is done on a voluntary basis in order to get the job done with limited funds.

President Petersen received the Annual Report of the State Extension and Continuing Education Council for 1979-80 with the understanding that the Board Office and Interinstitutional Committee on Educational Coordination would work together in scheduling reviews and on next year's funding request.

b. Graduate Degree Designation for Communication and Theatre Arts - University of Iowa. It was recommended that the board approve the change in name of the Major in Speech and Dramatic Art to Communication and Theatre Arts, approve the change in name of the Major in Dramatic Art to Theatre Arts, and approve the change in name of the Major in Speech to Communication.

The Board Office noted that this proposal was recommended for approval by the Interinstitutional Committee.

In April 1980, the board approved a change in the name of the Department of Speech and Dramatic Art to Communication and Theatre Arts. The designations of the graduate degree majors in this department needed to be revised to make them consistent with the department's new name. Consequently, the university requested that the Major in Speech and Dramatic Art be changed to Communication and Theatre Arts; the Major in Dramatic Art to Theatre Arts; and the Major in Speech to Communication. These changes were approved internally by the University Graduate Council in May 1980 and by the graduate faculty in December 1980.

It was the Board Office's understanding that there are no programmatic revisions or additional costs involved in implementing this change.

The Board Office recommended that the name changes be approved.

MOTION: Mr. Bailey moved that the board approve the change in name of the Major in Speech and Dramatic Art to Communication and Theatre Arts, approve the change in name of the Major in Dramatic Art to Theatre Arts, and approve the change in name of the Major in Speech to Communication. Dr. Harris seconded the motion and it passed unanimously.

c. Departmental Name Change and Bachelor of Science Degrees in Statistics and Actuarial Science - University of Iowa. It was recommended that the board approve changing the name of the Department of Statistics at the University of Iowa to the Department of Statistics and Actuarial Science and approve a Bachelor of Science Degree in Statistics and a Bachelor of Science Degree in Actuarial Science.

The Board Office noted that in February the board referred this request to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation. That committee recommended the request for approval. The request has also been received by the Iowa Coordinating Council for Post-High School Education.

The Board Office explained that this proposal involves the designation of two existing sub-tracks within the B.S. Degree in Mathematical Sciences

GENERAL
April 16-17, 1981

as separate degree programs. According to the university, this change will more accurately reflect the specific nature of the degree programs and make these programs more visible to students, prospective students, and potential employers.

The university stated that these proposals will not require any additional financial support. Nothing in the program will change other than changes in courses and requirements in order to maintain modern programs in Statistics and Actuarial Science. While these programs will involve more required courses and a greater number of courses in Mathematical Sciences than do current programs, they do not require any courses which do not currently exist, according to the university.

The Board Office recommended approval of the requested action.

MOTION: Mr. Brownlee moved that the board approve the request for changing the name of the Department of Statistics at the University of Iowa to the Department of Statistics and Actuarial Science and approval of a Bachelor of Science Degree in Statistics and a Bachelor of Science Degree in Actuarial Science. Mr. Wenstrand seconded the motion and it passed unanimously.

REPORT ON MEETING OF IOWA COORDINATING COUNCIL FOR POST-HIGH SCHOOL EDUCATION. The Iowa Coordinating Council for Post-High School Education met on April 2, 1981, at Grand View College in Des Moines.

The council discussed the federal fund loss report, the regulation of out-of-state institutions offering postsecondary educational programs in Iowa, and heard reports from several committees.

Don Ruthenberg reported on behalf of the Reciprocity Study Committee some preliminary conclusions regarding tuition reciprocity agreements with neighboring states. Basically, he indicated that the committee's preliminary discussions suggest that it will not be recommending Iowa's participation in tuition reciprocity agreements with other states.

The council discussed the implications of the federal fund losses as reported by a task force chaired by Mr. Richey. Appreciation was expressed for the work of the task force.

The council heard reports on several out-of-state institutions offering postsecondary educational programs in Iowa. There was some discussion regarding the need for preventive legislation in Iowa.

Mary Louise Petersen, council chairperson, appointed a committee to provide nominations to the council for next year's officers. This was the last meeting in which Mrs. Petersen served as a member and chair of the council. Appreciation was expressed for her dedication and contributions to post-secondary education in Iowa.

Regent Wenstrand opened discussion on the report of the Iowa Coordinating Council by saying he felt one of the biggest benefits of the council has been the open and candid discussion that has occurred. President Petersen agreed and said that membership on the council prevents the board from undercutting other avenues of higher education because it learns about the impact of proposals. She said that through these discussions, the board is able to understand the problems of other sectors as well as its own.

Regent Jorgensen indicated that at the Association of Governing Boards convention there was concern expressed about preventive legislation on out-of-state programs. She suggested that this is something the board should review. President Petersen said that some time ago the Coordinating Council considered a disclosure statement as a way of addressing programs that might come in to the state and holding institutions responsible in terms of fraud. She believed this would be reviewed again by the council and said a report would be made to the Board of Regents.

Regent Bailey said this issue has come up a number of times. He suggested that a proposed statute should regulate the quality of programs brought in to the state by out-of state institutions of higher learning. He felt that a registration system could add dignity to such a program rather than insuring quality.

REPORT ON FEDERAL FUND LOSSES. It was recommended that the board receive the report on potential federal fund losses, including the executive summary of the report of the Postsecondary Education Task Force on the Economic Recovery Plan: Impact on Postsecondary Education in Iowa.

The Board Office provided the following background. At its March meeting, the board received a report on potential federal student aid losses, which indicated cuts expected as of March 2, 1981. Since then President Reagan's budget proposals have been released and analyzed and have been approved in general form by the Senate. Senate and House committees continue to consider specific recommendations for achieving the planned savings.

In order to assess the impact of the administration's budget proposals, Governor Ray established a Federal Budget Task Force to identify, analyze, and make recommendations concerning proposals in specific budget areas (administration, commerce and industry, human services, K-12 and vocational education, postsecondary education, transportation, public protection, natural resources, and elected officials). Representing postsecondary education, Mr. Richey was appointed chair of the Postsecondary Education Task Force, which includes representatives from the independent colleges, the area schools, the private specialized schools, the Regent universities, and the College Aid Commission. The Task Force's report of March 27, 1981, summarized the impact of proposed reductions upon the various sectors of the postsecondary education community in Iowa. It also reported the priorities established by the Task Force in three priority-categories,

GENERAL
 April 16-17, 1981

with highest priority on student assistance programs. The Task Force's second priority category includes programs providing essential services and support for which replacement funding would be required. The third priority category includes other programs of concern which probably could not be continued with the reductions as proposed.

Major losses are expected in the area of student assistance, primarily in the Pell grant and Guaranteed Student Loan programs. Using the Congressional Budget Office assumptions on reductions in the Pell (Basic) Grant program for 1981-82, it may be assumed that 4 percent of those students receiving minimum grants will be eliminated from the program in 1981-82. It may be further assumed that the remaining grants will be reduced by approximately \$200 each. For the Regent universities, these assumptions would lead to a prediction of \$2.2 million in losses, affecting over 11,000 students. With changes proposed for the Guaranteed Student Loan program, loan volume for students in the Regent institutions could decline by \$25 million, affecting over 12,000 students. Reductions in health professions loans, scholarships, and grants are also anticipated.

Additionally, said the Board Office, each of the Regent universities receives federal funds through a large number of federal departments and programs, and losses are anticipated in many areas. The exact effect of proposed rescissions are still quite uncertain, but estimates of losses have been provided by each of the university. These are shown below in comparison with previous projections of federal funds expected.

	Federal Funds Previously Projected for 1981-82 (not including student assistance)		Losses Anticipated (as of April 8, 1981)
	Unrestricted	Restricted	
SUI		\$51.8 million	\$10 Million
ISU	\$7.6 Million	\$35.1 Million	\$3.9 - 4.2 Million
UNI		\$ 1.3 Million	\$400,000

The estimated losses indicated in the table exclude student assistance but include funding for both instruction and research. More detailed breakdowns by function will be available at a future date.

Losses are anticipated in programs funded through Title I (Federal Assistance for the Education of Handicapped Children under Part B, Education of the Handicapped Act, Public Law 94-142; and Title I, Elementary

and Secondary Education Act, Public Law 89-313) and Title VI (Deaf-Blind Services). The Regent institutions currently (1980-81) receive \$255,121 in Title I funds, which are allocated according to enrollment. These are distributed among the Iowa School for the Deaf (\$176,524), the Iowa Braille and Sight Saving School (\$53,472), the Hospital School (\$18,039), and Child Psychiatric Services (\$7,086). Federal reductions of approximately 25 percent are likely, and further reductions could result from enrollment declines. The loss of 25 percent would amount to approximately \$63,800. Under Title VI, for Deaf-Blind Services, the Iowa Braille and Sight Saving School currently is budgeted for about \$64,000 and had expected to receive approximately \$42,700 for 1981-82. With reductions proposed for 1981-82 budgets, it is possible that no funds will be received under this program. Iowa School for the Deaf and Iowa Braille and Sight Saving School also anticipate reductions in unrestricted funds, with losses of \$19,000 out of an expected \$97,000 at Iowa School for the Deaf and of \$3,000 of an expected \$33,000 at Iowa Braille and Sight Saving School.

The Board Office noted that it has been the policy of the board that state funds have been requested as replacement of federal funds losses only for instructional programs in the health sciences.

Mr. Richey started the discussion about the federal fund losses by explaining that Governor Ray indicated to the Task Force that he was generally in agreement with the economic fiscal policies of the Reagan administration and required that the recommendations of the Task Force reflect concern for the condition of the national economy.

Mr. Richey said the Task Force's report covered practically every aspect of both public and private institutions that would be affected. He noted that the Task Force is now considering some recommendations for achieving monetary savings for student aid. Some of these recommendations are to include social security and veteran benefits as part of a student's resources in calculating need for a guaranteed student loan, to eliminate the deferment or interest subsidy by the federal government for a period of one year, to eliminate the grace period a student has after graduation before beginning repayment, and to eliminate higher loan limits for independent students.

Mr. Richey said a nationwide needs analysis would be harmful to Iowa students. The Task Force would prefer that there be simple eligibility for a loan in connection with a given total of adjusted family income. There should be provisions for a higher subsidy if there is unusual need on the part of the family. This would eliminate the need for a federal needs analysis.

One of the aspects of the federal needs analysis that would adversely affect Iowa is the assets portion. The State of Iowa has a substantial number of paper assets but actual income does not provide the full cost of educating students.

Mr. Richey said that institutional personnel have indicated general agreement that some changes must be made in the student aid program and that there must be savings in the national budget. They feel the Task Force's recommendation to eliminate the federal needs analysis would continue to make accessibility to the institutions possible without serious jeopardy while the institutions still share in the effect of the president's recommendations.

Mr. Richey said it is the feeling of the Task Force that there would be a major shift of students from private colleges to public institutions and from four-year institutions to community colleges. This proposal would be a good compromise. Mr. Richey noted that many national organizations are working along this line.

Mr. Richey said that a concern of the institutions is that the federal cuts are being added to the 4.6 percent base reduction in budget which has already taken place. This means that the institutions must deal with an anticipated lack of funds, price inflation, and uncertainty of funding for the salary policy next year. This is in addition to the federal fund losses that are already known in health sciences instruction and in funds for the two specialized schools.

This double impact on the budget, from state and federal cuts, means institutional flexibility is severely restricted and there will be a very dramatic effect, said Mr. Richey.

Mr. Richey said that the first priority in regard to federal fund losses has been established as student assistance. He said the presidential administration anticipates self-help by students of \$750. The Task Force recommended that there be no self-help requirements in determining eligibility for a loan. The Task Force believes that the self-help requirement would have a very negative impact on students attending lower cost institutions such as community colleges and vocational programs. He noted that there are committees working in this area.

Mr. Richey asked that if board members had concerns about these proposals, he would like to know about them so they can be reflected in presentations to the Governor. President Petersen said this was a responsible alternative proposal which recognizes the state's share in trying to address the problem of inflation and reduce federal commitment and doing it in a way that does not stop accessibility to the institutions.

President Petersen said if no comments were received, she assumed that the proposals would have the support of the board and that it would

work with the national groups headed in this direction. She assumed that the board would lend its support to these considerations and put them forward as a proposal in response to the Governor.

President Kamerick said it is appropriate to place student aid as the first priority.

Vice President Madden expressed concern about the priorities and the inclusion of land grant appropriation matters. He said this is part of Iowa State University's general operating budget and is part of actual operating income. If this is reduced, it will have the same effect as the 4.6 percent rescission.

Mr. Richey answered that this would be included in the second priority. He said the board would probably consider requesting state funds to offset some of these losses.

Mr. Richey pointed out that as the federal recommendations develop, the board should feel at ease with the moderate tuition policy it adopted for next year. He noted that the board had been urged by some legislators not to raise student assistance programs whatever happens.

Mr. Richey said that Ms. Stanley of the Board Office did an outstanding piece of work on this report in a very short period of time and that he was proud of her.

President Petersen received the report on potential federal fund losses, including the executive summary of the report of the Postsecondary Education Task Force on the Economic Recovery Plan: Impact on Postsecondary Education in Iowa on behalf of the board.

REPORT ON MEETING OF IOWA COLLEGE AID COMMISSION. Regent Bailey reported that the guaranteed student loan amount is in the area of \$130 million.

He said the Palmer College of Chiropractic is seeking to be included in the tuition grant program. It has received recognition by the North Central organization which puts it in a position to ask for inclusion. The College Aid Commission has deferred action on this because North Central will be making a further inquiry into how the college is progressing with its candidacy status.

In regard to the guaranteed student loan program, there was a discussion on the way checks are made out by the lenders to the students. Presently the checks are made out only to the students. When the loan program was initiated, there was consideration about having the checks made out jointly to the student and to the college.

GENERAL
April 16-17, 1981

Regent Bailey said experience has been such that there is now considerable inclination to use the joint payee arrangement. The Advisory Council recently recommended that this be left up to the option of the lender. The College Aid Commission is inclined to make the joint payee provision mandatory to be sure that the funds are used for the purpose intended. The funds haven't all been used appropriately. Regent Bailey noted that some university and college officials would prefer not to use the joint payee arrangement because it would require them to issue a check back to the student.

Vice President Bezanson said that the main problem with this provision is that it will involve tremendous cost and administrative procedure because tuition is collected on an installment basis.

Regent Bailey suggested that the university accept full tuition payment at the beginning of the semester. Vice President Bezanson said that students would not be able to make the full payment because they need money to live on and must budget their resources. He noted that the students do not live entirely on the loan funds. Many of them get funds from other sources. If they must pay tuition at the beginning of the semester, they will use up a large portion of their loan leaving them without money to pay rent. He pointed out that the students do not begin the semester with \$2,000 or \$3,000 to pay their expenses. They get the money throughout the course of the semester.

If the checks are written jointly, said Vice President Bezanson, and turned in to the university by the student, the university must refund the portion of money that is not due at that time. The university must issue a check to the student. There is a 15-day waiting period to insure that checks are properly processed and the banks are assured that the students actually do enroll at the university. Vice President Bezanson indicated that the university would prefer to use the money necessary to administer this process for other purposes. He estimated it would cost about \$20,000-\$40,000.

Vice President Bezanson did not feel that the joint payee system would address the problem of insuring proper expenditure of these funds. He said students may not necessarily spend the refund appropriately.

Vice President Bezanson also noted that if full tuition is collected from these students at the beginning of the semester, they will be short of funds and the university will have to make arrangements for loans for them to get through the next four months.

President Petersen thanked Regent Bailey for his report and for his long service on the College Aid Commission.

AFFILIATED ORGANIZATION REPORT: IOWA STATE UNIVERSITY COMMITTEE FOR AGRICULTURAL DEVELOPMENT. It was recommended that the board receive the report of the Iowa State University Committee for Agricultural Development.

The Board Office said that the net worth of the Committee for Agricultural Development was reported as \$1,214,318 in 1976; \$1,354,494 in 1977; \$1,294,261 in 1978; \$1,420,167 in 1979; and \$1,541,218 in 1980. The balance sheet and a comparison with prior year reports indicated that total assets declined from \$2,675,602 as of July 31, 1979, to \$2,607,068 as of July 31, 1980. Liabilities were also decreased, from \$1,255,435 to \$1,065,850, on the same dates. Sales and land rental provided income of \$1,253,849, compared to total revenues for the prior year of \$1,276,533. The committee reported net income after the deduction of production costs, operating expenses, and grants, and the addition of interest income and gains on sales, of \$124,897.

President Petersen noted that the board greatly depends upon the auxiliary and affiliated programs and the work that they do to support the total enterprise of the Regent institutions.

President Petersen received the report of the Iowa State University Committee for Agricultural Development on behalf of the board.

REPORT ON IOWA SCHOOL FOR THE DEAF EVALUATION BY DEPARTMENT OF PUBLIC INSTRUCTION. It was recommended that the board receive the report on the evaluation of the Iowa School for the Deaf by the Department of Public Instruction.

The Board Office said that overall the report from the Department of Public Instruction on the evaluation of Iowa School for the Deaf was very favorable. It said the school should be commended for achieving this report.

The Board Office noted that the Department of Public Instruction (DPI) evaluation included a review of policies and administrative procedures, facilities and curricular offerings, records review/IEP development, Title I, Public Law 89-313 project and headcount, psychological services, speech/language program, and audiology services. Each of these areas was addressed in a manner which reported both the strengths and recommendations.

The report concluded by saying that the Iowa School for the Deaf is to be commended on the development of and in receiving board (DPI) approval for policies and procedures consistent with the Education of All Handicapped Children Act and corresponding regulations. The Lewis Central integration/interpreter program offers additional options for certain hearing-impaired students and represents a cooperative endeavor among Iowa School for the Deaf, Lewis Central, and Area Education Agency 13. The Department of Public Instruction is supportive of that cooperative effort.

The Board Office said the school should be commended for its excellent work in making substantial changes in the school program and activities in order to become fully compliant with the Department of Public Instruction regulations.

GENERAL
April 16-17, 1981

Mr. Richey said the DPI report was an excellent report. He noted there are some recommendations which the Board Office will work with the institution to resolve. He said some of the recommendations were not very involved and the institution has already implemented them.

President Petersen said the board was very pleased with the report by the Department of Public Instruction.

President Petersen on behalf of the board received the report on the evaluation of the Iowa School for the Deaf by the Department of Public Instruction and commended the school on behalf of the board.

LEGISLATIVE REPORT - 1981 SESSION. It was recommended that the board accept the written Legislative Report - 1981 Session.

The Board Office explained that the report covered key legislative actions and reviewed legislation introduced since the last board meeting through April 8. During that time, a substantial number of bills were introduced. The appropriations subcommittees finished their work. Bills on operating appropriations, capital bonding, and tuition replacement were all reported out to the full appropriations committee for consideration and action. Also, the Governor's appointment of new Regents took place and action was completed with Senate confirmation of the Governor's appointments.

Mr. Richey opened discussion on the legislative report by informing the board that a bill had been introduced which would appropriate in block grants or categorical grants federal funds received. This means that any federal grants received or anticipated by July 1, 1981, must be appropriated by the Legislature before the funds could be used. He said this legislation would cover everything except educational research grants.

Mr. Richey noted that work is being done to request that federal funds coming to the institutions be exempt from this legislation unless the funds carry a requirement for new or additional state appropriations.

He pointed out that the \$100 million in federal funds received by the institutions was due in large measure to the entrepreneurship of the faculty. Mr. Richey said this would destroy faculty incentive. The legislation would change the amount and way appropriations have traditionally been made. Mr. Richey did not think the proposal would be very workable if the funds were required to be placed in the state treasury and await legislative appropriation before they could be expended. He said the legislation needed some changes and assumed the existing policy of the board would be followed with respect to wanting these things exempt from the legislation.

Ms. Mahon said that it appeared this bill was introduced because of the Legislature's recognition that federal programs will be cut back and that all the money will come in through block grants. The Legislature is concerned that it will have the authority to appropriate the block grants. She noted that the bill establishes that the Legislature understands that research and other university grants are different from block grants. Ms. Mahon said there is a need to refine the language in the bill.

Mr. Richey said this legislation would change the amount and the way appropriations have traditionally been made. He said the institutions are happy to report on the expenditure of federal funds through annual reports.

Mr. Richey further pointed out that if the Legislature must give prior approval to expenditure of federal funds through the appropriation process, it might become involved in the curriculum. He gave the writing program at the University of Iowa as an example. President Petersen noted that if this legislation included research grants, this would be a wide open exposure of academic freedom. She thought it would be unfortunate to substitute the judgment of the Legislature in these areas.

Regent Neu wondered how this legislation would affect other state agencies such as federal road funds for the Iowa Department of Transportation. Mr. Richey said those funds would be required to be appropriated. President Petersen thought it might be possible for the board to join with other state agencies in opposition to this legislation. Mr. Richey felt there should be language in the bill specifically directed toward the Board of Regents.

Regent Neu said the board should take a position of opposition to this bill. He said that if it appears the bill is going to pass, the board should propose amendments to it.

Regent Bailey noted that the board was concerned about preserving the flexibility of the institutions. However, he said that the board should not stand in the way of something that is needed in order to have an appropriate mechanism.

Mr. Richey then spoke about H.F. 444. This bill relates to the payment of state aid for pupils previously enrolled in a laboratory school. The board would transfer state aid received for the pupil to the district of residence in an amount agreed upon by the board of the district of residence and the State Board of Regents for any student leaving the laboratory school during the school year.

He noted that this bill had passed as amended. There will be no more action on the bill this year because it is individually sponsored legislation. Mr. Richey noted that the bill was amended substantially. He did not think the board would find the bill very objectionable as amended.

The next bill for discussion was H.F. 370. The Board Office reported that this bill would have reorganized Iowa's administrative structure for the funding and delivery of mental health and mental retardation services as a division of the Department of Social Services. When the bill came up for debate in the Senate, an amendment (S-3295) passed on a vote of 25-24. The amendment totally rewrote the bill and created a separate Department of Mental Health. It left the responsibility for mental retardation and developmental disability services with the Department of Social Services. With the passage of the amendment, a new state department was created which required that the bill be referred to the State Government Committee for recommendation. The State Government Committee has recently reported the bill out to the Calendar, as amended in earlier Senate action. The future of this bill is uncertain.

The bill passed the Senate as originally set out but with amendments suggested by the Regents. Mr. Richey said the amendments would preserve the educational functions in regard to mental health as the board would like.

Mr. Richey called the board's attention to S.F. 209. This legislation would provide that the Board of Supervisor approve the County Agricultural Extension Council budget and increase the dollar amount which may be levied annually for the county agricultural extension education fund by 50%. The Board Office noted that this bill would be of interest to Iowa State University.

Regent Jorgensen asked about S.F. 438. This bill would make employment applications confidential records and allow them to be discussed in closed session. It passed the Senate.

Mr. Mahon reported that the bill is on the House Calendar. The House Committee amended it to provide that employment applications may be kept as confidential records with the exception of the applications of the final five candidates who are most qualified. She noted that this provision was suggested by other interested parties.

Ms. Mahon said that a provision regarding the open meetings law has been eliminated. The open meetings law applies to interviews conducted by the board if they are done en masse. The open meetings law is unchanged under this legislation. She noted that the open meetings law does permit a closed session in cases where there would be irreparable damage to an individual if the individual requests a closed session.

President Petersen received the Legislative Report - 1981 Session on behalf of the board.

REPORT ON MEETING OF BANKING COMMITTEE. Regent Wenstrand made a report on the March meeting of the Banking Committee. He said there were three items of continuing interest. These are banking selection criteria, performance indicators of investment returns, and institutional treasurers service.

There were two other major items of discussion. One topic was the implication of NOW accounts for the institutions. The institutions are examining NOW accounts to see what possibilities they offer. Another topic was an investment proposal by the University of Iowa with Iowa Des Moines National Bank. That proposal needed further study and legal clarification and it will be brought back to the committee.

President Petersen thanked Regent Wenstrand for his report. She also thanked Regent Bailey for chairing the Banking Committee.

REPORT OF PUBLIC RADIO ADVISORY COUNCIL - UNIVERSITY OF IOWA. It was recommended that the board receive the report and resolutions of the WSUI/KSUI Public Radio Advisory Council of the University of Iowa and recommend that future reports from the public radio station advisory councils at all three universities describe the advisory committees' deliberations and considerations in reaching their conclusions regarding the composition of the advisory board and the extent to which the educational and cultural needs of the communities are being met.

The Board Office noted that in November 1980, the board requested that each university provide an annual report on its public radio station advisory committee regarding "whether or not the station is meeting the specialized educational and cultural needs of the communities served by the station," and describing "efforts to assure that the composition of its advisory board reasonably reflects the diverse needs and interests of the communities served. The University of Iowa submitted its report for the WSUI/KSUI Public Radio Advisory Council in accordance with the request of the board.

The council has 15 members who are to represent the diversity of the WSUI/KSUI-FM listening areas and who are to be selected from various interest areas. Council members are selected by the director and assistant director of broadcasting in consultation with the Advisory Council. The council advises the governing board and management with respect to whether the programming and other policies of the station are meeting the specialized educational and cultural needs of the communities served.

In its meeting on September 18, 1980, the WSUI/KSUI-FM Public Radio Advisory Council approved a resolution confirming that the educational and cultural needs of the community were being met. The council also approved a resolution opposing recommendations which would vest control of Iowa's public radio and television stations in a centralized Department of Communications.

The Board Office said the material submitted by the University of Iowa for the WSUI/KSUI Public Radio Advisory Report was helpful in understanding the composition, responsibilities, and operation of the council. Additionally, it recommended that in future reports from each of the universities, significant information be provided concerning the advisory committees' deliberations and considerations in reaching its conclusions regarding the composition of the advisory board and the extent to which educational and cultural needs are being met.

GENERAL
April 16-17, 1981

Hugh Cordier, Director of Broadcasting, was present at the meeting to answer questions from the Regents. He noted that there is good diversity in the membership of the council and that the members are all long and loyal listeners of WSUI and KSUI.

President Petersen said that the public radio advisory councils provide a very important function in the listening areas. She called attention to the Board Office recommendation that the council reports should provide information on the discussions that take place rather than just reporting resolutions. Mr. Richey agreed and said that the reports should include information on the basis and facts which the council uses to make its decisions. Mr. Cordier said the council would try to include this kind of information in its reports.

President Petersen received the report and resolutions of the WSUI/KSUI Public Radio Advisory Council of the University of Iowa with the recommendation that future reports from the public radio station advisory councils at all three universities describe the advisory committees' deliberations and considerations in reaching their conclusions regarding the composition of the advisory board and the extent to which the educational and cultural needs of the communities are being met.

REPORT ON VALUABLE IDEAS FOR PRODUCTIVITY (VIP) PROGRAM. It was recommended that the board authorize participation of the Regent institutions and employees in the State's Valuable Ideas for Productivity Program and direct the executive secretary to coordinate the implementation and operation of the program at the institutions.

The Board Office noted that the Valuable Ideas for Productivity Program (VIP) was reviewed by the heads of several large state agencies. It was presented to and approved by the Governor and adopted by the Executive Council under authority provided in the Code of Iowa, Chapter 19.33, Employee Awards.

The VIP program is designed to encourage employees to submit ideas which they believe will reduce the costs of operations. If their ideas are implemented, employees will receive cash awards equal to 10% of the realized savings, not to exceed \$1,000. The program provides for:

1. the designation of agency program coordinators whose responsibilities include receipt and analysis of employee suggestions and referral with recommendations for implementation and award to an agency evaluation committee;
2. the formation of agency evaluation committees that would deny, modify, or affirm all implementation decisions based on the recommendations of the agency coordinator;
3. a State Coordinator appointed by the Comptroller who will refer employee suggestions to appropriate agencies and prepare recommendations for awards to the Awards Committee, in addition to performing other administrative duties regarding the program; and

4. a State Awards Committee to evaluate award recommendations and render all awards in addition to hearing employee appeals regarding the State Coordinator's decisions on suggestions.

Employee eligibility is defined in the program manual. Members of boards and commissions and their principal assistants in an agency, and university presidents and their principal assistants are among those excluded. The manual also defines the eligibility of suggestions. Suggestions concerning academic affairs, including teaching and research, and patient care programs in a university teaching hospital are excluded. Ideas submitted by an employee whose primary duties concern the development of cost-saving ideas for an agency also are excluded.

The program further provides that awards are to be paid from the net savings realized from an implemented suggestion, only when such payments do not violate any contracts, laws, or regulations (such as federal grants or bonding restrictions). Savings, less any award paid, will be retained in the fund from which derived. It is intended that legislation eventually be introduced to provide that part of half of the net savings go to a VIP program fund to pay for administrative costs and to establish and maintain a fund to assist agencies in implementing suggestions. The remainder of that half would be transferred annually back to the fund from which derived.

The Board Office proposed that participation of Board of Regents institutions and employees in the program be administered by program coordinators and evaluation and award committees established at each institution, and that their decisions be communicated to the State Coordinator through the Board Office. It was further proposed that institutional procedures concerning the functions of program coordinators and evaluation committees should clearly recognize the authority of appropriate institutional management to determine whether or not a suggestion should be implemented and rewarded.

The Board Office said it recognized that efficiency as well as effectiveness have long been characteristic of programs and operations at the Regent institutions. Indeed, cost consciousness has precipitated concerns about expenses that will be incurred in the implementation and operation of the proposed program. The Board Office again noted the protections from infringements on the missions and management of the institutions that are included in the plan, and said it was appropriate to recommend participation with other state agencies in this cost savings effort.

Mr. Richey noted that the VIP program has been under study for more than a year and that it was started by the state a few months ago. The policy does include Regent employees.

Since the policy does provide certain exclusions in the kinds of suggestions that are eligible for reward, such as teaching and research programs and patient care, he recommended that the board authorize the program.

GENERAL
April 16-17, 1981

MOTION: Mr. Brownlee moved that the board authorize participation of the Regent institutions and employees in the state's Valuable Ideas for Productivity Program and direct the executive secretary to coordinate the implementation and operation of the program at the institutions. Mrs. Jorgensen seconded the motion.

Regent Wenstrand asked about the staffing necessary for implementation of this program. Assistant Vice President Small said these duties would be assumed by people who have other existing duties. No staff will be added.

Mr. Richey explained that the Board Office function would be to monitor the program and assure that the institutions operate within the state policies and Regent policies. He noted that there would be some expense in connection with the program.

President Parks asked if a time limit is attached to the program. Mr. McMurray responded that there is no time limit but that the state reserves the right to limit it at any time.

President Petersen said the board was willing to take on the extra duties involved in the implementation of the VIP program because the board prefers to have it decentralized within the institutions rather than going to a centralized process.

Mr. Richey noted that there are controls with respect to institutional approval of a cost-saving suggestion. There are also appeal procedures provided.

In answer to a question from Regent Bailey, Mr. Richey explained that the reward for a cost-saving suggestion would be made when the idea is implemented and not as the savings are demonstrated. He pointed out that before an idea is implemented, the institution must affirm the actual savings.

VOTE ON MOTION: The motion passed unanimously.

REPORT ON ARBITRATION AND RATIFICATION OF UNIVERSITY OF NORTHERN IOWA CONTRACT. It was recommended that the board accept the report of the arbitrator and authorize the President of the board to sign the agreement, at no time certain, subject to the provisions of Chapter 20.17, Subsection 6, of the Code of Iowa.

The Board Office provided the following explanation. Chapter 20.17, Subsection 6 of the Code states, in part, that

No collective bargaining agreement or arbitrators' decision shall be valid or enforceable if its implementation would be inconsistent with any statutory limitation on the public employer's funds, spending or budget or would substantially

impair or limit the performance of any statutory duty by the public employer. A collective bargaining agreement or arbitrators' award may provide for benefits conditional upon specified funds to be obtained by the public employer, but the agreement shall provide either for automatic reduction of such conditional benefits or for additional bargaining if the funds are not obtained or if a lesser amount is obtained.

The Board Office noted that the board's final salary offer of increases of 8% for each year of the biennium was upheld by the arbitrator. The salary article in the contract for 1981-83 provides for the distribution of increases in a manner consistent with the guidelines set forth in the 1978 "Memorandum of Understanding."

Section 20.22 of the Iowa Public Employment Relations Act, Binding Arbitration, provides in Subsections 12 and 13 that the arbitrator's decision shall be final and binding subject to the provisions of Section 20.17, Subsection 6, and that the arbitrator's decision and the items agreed upon by the public employer and the employee organization shall be deemed the collective bargaining contract between the parties.

The Board Office recommended that the board accept the arbitrator's report and authorize the President of the board to sign the agreement, consistent with past signings and subject to the provisions of Chapter 20.17, Subsection 6, of the Code of Iowa.

Mr. Richey began discussion on the collective bargaining agreement by noting that two recommendations had been received from President Kamerick. These were that the agreement, including the arbitrator's decision, not be signed or that the agreement and the arbitrator's decision be accepted and signed, subject to the provision of Article 20.17, Subsection 6 of the Code of Iowa. He made these recommendations on the basis that Mr. Vernon has not yet signed any contracts negotiated on behalf of the state and that state funding for collective bargaining agreements has not been assured.

Regent Bailey expressed concern about signing the agreement at this time because if the Legislature does not fund it, the board would have to find the funds for the salary increases within the institutions. Mr. Richey said that the Board Office recommendation was that the President of the board sign the agreement subject to the financing of it. The President of the board would not sign the agreement until this funding has been assured.

Regent Bailey was also concerned about the nonorganized faculty not receiving an 8% salary increase if the funds are already committed. Mr. Richey said that the recommendation to sign the agreement would indicate the good faith and intent of the board to authorize execution of the agreement at the appropriate time.

MOTION: Dr. Harris moved that the board accept the report of the arbitrator and authorize the President of the board to sign the agreement, at no time certain, subject to the provisions of Chapter 20.17, Subsection 6, of the Code of Iowa. Mr. Neu seconded the motion and it passed unanimously.

REPORT ON MEETING OF ASSOCIATION OF GOVERNING BOARDS. Regent Jorgensen reported on her attendance at the Association of Governing Boards convention. She said this was an opportunity to see an overview of all education at the postsecondary level in the United States.

Regent Jorgensen felt that the Iowa State Board of Regents has not made a lot of mistakes as a governing board. She noted that a lot of states are going through superboards because each institution has had its own board. Other states are also having problems with overbuilding that has occurred. Another area of concern is the nation is program review. Iowa has made excellent progress in this area.

At one of the sessions, Dr. Barbara Uehling spoke about the role of athletics in the universities. One idea she presented was to make athletics a franchise operation with the university name on it. This is totally opposite of what is now being done. Dr. Uehling's concern was that there be some control in athletics.

Another session dealt with presidential search. Mrs. Jorgensen said she did not learn anything new in this session. She noted that the Association of Governing Boards has a book on this process.

Mrs. Jorgensen said that one of her concerns as a board member has been cooperation between the universities and high schools to improve the education of students. She sat in on a session at the convention dealing with this. She said most of the concern expressed on this topic was recruitment. Regent Jorgensen said if this is the state of the art, it is no wonder there are problems with some students. She said there need to be more cooperative efforts to improve this education. She noted that no one had any suitable solutions.

Another concern which was raised was on the accreditation process and whether it should be voluntary or formally imposed. It would be preferred to keep this voluntary.

There was discussion about program review in another session. In Louisiana a review of specific Ph.D. programs was conducted. Three qualified experts were brought in to conduct the review. A sidelight of that review process was finding excellence within the university that was not previously recognized. This enabled the institution to approach the Legislature to ask for more money to continue this excellence.

President Petersen thanked Regent Jorgensen for her report.

STUDENT TEACHING CONTRACTS. It was recommended that the board approve the student teaching agreements for 1981-82 for the three Regent universities.

The Board Office noted that the student teaching agreements were reviewed by the Board Office and found to be essentially the same as those for last year and were recommended for approval.

Mr. Richey pointed out that approval of the student teaching agreement would allow a large number of such agreements to be signed during the year rather than being presented to the board one at a time.

MOTION: Mr. Wenstrand moved that the board approve the student teaching agreements for 1981-82 for the three Regent universities. Dr. Harris seconded the motion and it passed unanimously.

SCHEDULE OF PUBLIC HEARING FOR 1981-82 REVISIONS IN MERIT SYSTEM PAY PLAN. It was recommended that the board schedule a public hearing on the Merit System Pay Plan for Wednesday, May 6, 1981, at 8:00 p.m. on the campus of Iowa State University and give the President of the board authority to change the date if needed and to appoint a committee of its members to attend.

The Board Office explained that Chapter 19A of the Code and the rules of the Regents Merit System require the annual public hearing. This has been held in Iowa City for the past two years.

The Board Office said a hearing in early May would enable the board to act on final recommendations for revisions to be effective in July and allow time for the required submission of pay plan revisions to the State Merit Commission and the Iowa Executive Council prior to implementation.

Mr. Richey said the board should set the hearing date with the provision that the President of the board could change it if needed because the General Assembly is moving more slowly than anticipated in regard to salary policy and the financing of it. President Petersen said this would be a commitment by the board that it is going to hold a public hearing soon.

Mr. Richey noted that it would be better to hold this public hearing early because the institutions must know what the pay plan is going to be so that they may plan for it.

Employees must have an opportunity to comment on the pay plan, said Mr. Richey. He said the public hearing is a crucial step in determining the final pay plan.

In response to President Petersen's suggestion that the date for the public hearing be set at the May 1 board meeting, Mr. Richey said longer notice of the hearing needs to be given. He said the hearing should be scheduled for May 6 with the caveat that the date is subject to change by the President of the Board.

Mr. Richey explained that the public hearing is not the only consultation with employees that takes place. Employees have had a opportunity to make comments when Board Office staff visited the campuses. They have also had an opportunity to inform the administrations of how they feel about certain aspects of the policies. These consultations took place before the policy was enunciated and the public hearing will give employees a chance to comment on a much more specific proposal.

MOTION:

Mr. Nolting moved that the board schedule a public hearing on the Merit System Pay Plan for Wednesday, May 6, 1981, at 8:00 p.m. on the campus of Iowa State University, subject to change by the President of the board if needed, and appoint a committee of its members to attend. Dr. Harris seconded the motion and it passed unanimously.

REPORT ON MOVE OF BOARD OFFICE. Mr. Richey reported on the plan to move the Board Office back to the sixth floor of the Lucas State Office Building.

He said there is no money to finance the move, including the purchase of partitions. These costs must be borne out of the Board Office budget at the same time it must absorb the 4.6% cutback. The money is available through savings from the Director of Employment Relations position which has been vacant all year.

Mr. Richey said all of the details of the office move have been agreed upon with Office of the Director of General Services except for two offices. This involves serious disagreement. Mr. Richey said he is insisting upon two private offices in addition to his own. These are necessary because it essential that the Director of Employment Relations has need to keep his work confidential. The other private office is needed for the use of the rest of the staff to have private meetings and discussions without disturbing the rest of the office.

Mr. Richey indicated that his position is that the Board Office will not move until a decision is made about the private offices.

Since the area into which the Board Office is moving is not adequate, it will be necessary to buy dividers and work stations for the secretaries. This will cost around \$50,000 that was unanticipated. In answer to Regent Brownlee's question about using the present dividers, Mr. Richey said it would not be possible to make them fit into the much smaller space. He noted that the dividers do not really belong to the Board Office.

In answer to a question from Regent Wenstrand about the reason for the lack of space, Mr. Richey explained that remodeling of the Lucas Building in terms of mechanics was begun but that because of the state budget problems, the project was cut back several million dollars. He said there was an inadequate amount of space with which to begin.

President Petersen and Regent Brownlee asked if the board could be of assistance in resolving the problem in regard to the private offices. Mr. Richey said this would probably be needed at an appropriate time. Regent Brownlee agreed that Mr. Richey should be firm in his position.

Mr. Richey said he is being firm on this issue. He noted that he has made a lot of other concessions in regard to this move. He said it was even difficult to get the appropriate authority to recognize the preparation of docket books as a valid function of the Board Office.

President Petersen received the report on the move of the Board Office and urged that the board be used in helping to resolve this situation.

BOARD OFFICE PERSONNEL REGISTER. The following actions in the Board Office Personnel Register were ratified by the board:

Resignations:

Paula J. Anderson, Clerk Typist III, effective April 17, 1981.

Lorna J. Schmoranz, Secretary I/Receptionist, effective April 3, 1981.

Mr. Richey noted that the Secretary/Receptionist position will be refilled. The other position is frozen and nothing will be done about it until the outcome of the budget is known.

NEXT MEETINGS.

May 1	Iowa State University	Ames
May 21-22	Iowa State University	Ames
June 18-19	Iowa Lakeside Laboratory	Okoboji
July 15-16	University of Northern Iowa	Cedar Falls
August	NO MEETING	
September 17-18	Iowa School for the Deaf	Council Bluffs
October 15-16	University of Iowa	Iowa City
November 12-13	Iowa State University	Ames
December 15-16	University of Northern Iowa	Cedar Falls

The following business pertaining to general or miscellaneous items was transacted on Friday, April 17, 1981.

REPORT ON PURCHASING CONFLICT OF INTEREST. It was recommended that the board approve deleting subsections A through D of the Board of Regents Procedural Guide, Section 10.11, Conflict of Interest of Public Officers and Employees, and substituting in lieu thereof the following:

1. Board of Regent employees who may compete for sales of goods or services to Regent institutions or whose family members¹ may compete, shall not participate in preparing specifications, qualifying vendors, or selecting successful bidders on products or services in which employees or family members have an interest.

Board of Regent employees or their family members shall not sell any goods or services to a Regent institution unless pursuant to an award or contract let after public notice and competitive bidding except as specified in the following sections.

Board of Regent institutions may not knowingly make purchases of goods from Board of Regent employees or their family members without public notice and competitive bidding except under emergency conditions.

Board of Regent institutions may, however, purchase goods or services from Board of Regent employees or their family members under emergency conditions without public notice or competitive bidding with the approval of the chief business officer or designee. Board of Regent employees or their family members may sell goods or services to a Regent institution under emergency conditions without public notice or competitive bidding.

2. Regent institutions shall state in procedural guidelines and employee handbooks the responsibility of Regent employees to avoid conflicts of interest in dealings with any state agency.
3. Notice must be given to all prospective vendors and contractors concerning policy on prohibition of conflict of interest.

¹Employee shall mean any person being remunerated through a Regent university or school payroll. Family members include spouse, parents, brothers and sisters and children (minor and adult). Employee or family member shall also be interpreted to include any firm or association of which any employee or family member is a member or partner and any corporation of which any employee or family member hold a 10% or more equity interest.

4. Board of Regent institutions shall comply with federal statutes or rules on prohibitions of conflict of interest to the extent applicable.
5. Regent institutions shall include in the regular semi-annual purchasing report a section on all purchases where the vendor is a state employee or family member.
6. Employees and members of the Board of Regents shall comply with the Code of Iowa, Chapter 68.B, "Conflicts of Interest of Public Officers and Employees" as applicable to the sale of goods to any state agency subject to additional Regent limitations.
7. Any Regent institution may adopt a more restrictive conflict of interest policy than set forth in the above sections.

The Board Office also recommended that the board accept the Report on Purchasing Conflict of Interest dated April 1981.

The Board Office provided the following background information. At the March 1980 board meeting, it was agreed that the Board Office in cooperation with members of an Ad Hoc Purchasing Committee would review purchasing policy and procedures relating to conflict of interest. The combined effort of the Ad Hoc Advisory Purchasing Committee and Board Office staff resulted in a report entitled "Purchasing Policy and Procedure and Conflict of Interest" dated April 1981. The report is the result of on-site interviews by the Board Office staff, report drafts with responses by members of the Ad Hoc Advisory Purchasing Committee, and a meeting of the Ad Hoc Advisory Purchasing Committee to exchange ideas on the subject.

The participants in developing the report included the following: Wayne F. Chadima, Director and Purchasing Agent, University of Iowa; Leonard R. Brcka, Controller and University Secretary, University of Iowa; Casey Mahon, Assistant to the President, University of Iowa; Ronald J. Santi, Director of Purchasing and Stores, Iowa State University; Bernard O. Randol, Controller and University Secretary, Iowa State University; David J. Henry, Assistant to the President, Iowa State University; Donald R. Boss, Chief Purchasing Agent, University of Northern Iowa; Richard Douglas, Director of Business and Personnel Services, University of Northern Iowa; Melvin H. Kuehnhold, Business Manager and Secretary-Treasurer, Iowa School for the Deaf; Marshall Berry, Director of Business Affairs and Treasurer, Iowa Braille and Sight Saving School; Lyle Sonnenschein, Board Office; and Wallace C. Caldwell, Board Office.

The principal findings of the review are as follows:

1. Regent policy as set forth in the Procedural Guide, Section 10.11, and as reflected in institutional policies complies fully with state law.

GENERAL
April 16-17, 1981

2. The state law permits any employee to sell goods to any state agency except that sales of goods having a value in excess of \$500 by a full-time employee must be pursuant to an award or contract let after public notice and competitive bidding.
3. A recent Attorney General's opinion interprets public notice, competitive bidding and purchases under sole source and emergency conditions.
4. Iowa State University policy adheres closely to the state law. The remaining four institutions have a more strict policy of not permitting sales by any employee except for sole source and emergency conditions.

The Board Office pointed out that some Regent institutions have successfully administered a conflict of interest policy somewhat more restrictive than required by state law or the proposed Regent policies. Accordingly, it recommended that the board allow any Regent institution to adopt a more restrictive conflict of interest policy. This issue is whether institutional interests including ease of administration of conflict of interest policies override the employee's privilege of doing business with the institution as a vendor of goods or services.

The Board Office recommended that Recommendations #1 through #7 be approved and the report on "Purchasing Policy and Procedure and Conflict of Interest" dated April 1981 be approved and accepted.

Mr. Richey opened the discussion on the conflict of interest policy by pointing out that the policy would not cover public accommodations. The proposed policy also would not displace rules that the institutions already have with respect to the publication and use of textbooks by university faculty members and other members of the staff. There are already policies in place to cover these areas.

He noted that as the institutions develop rules to implement the basic board policy, it will be necessary to review those. If there are substantial changes, it may be necessary for the board to review them. If the changes are not substantial, this would not be necessary.

Regent Shaw thought the first paragraph in the first recommendation of the policy was worded to literally say an employee could not be an employee. Mr. Richey answered that this problem had been considered but that it was decided a person would not be an employee if there were no relationship established. It was believed that the recommendation would not be interpreted too narrowly.

In the first paragraph, Regent Shaw questioned the way of stating that an employee who may compete for bids cannot prepare specifications. He suggested stating that anybody who prepares specifications cannot bid on an item. Mr. Richey indicated that was what the recommendation

was intended to say. This would prevent the specifications from being written so narrowly that only one vendor could supply the product. Regent Shaw suggested that it could be changed to state that Board of Regent employees and family members may not compete for sales if they have participated in preparing specifications.

Regent Shaw noted that the recommendations generally talk about goods and services. However, in the second paragraph of the first recommendation, the term products and services is used. He thought the terms goods and services should be used consistently. Mr. Richey agreed.

David Henry indicated that he was asked by the business officers to speak about the proposed purchasing conflict of interest policy.

He noted that the press had represented this issue as having something to do with the situation that had arisen in the Department of Athletics with Coach Nichols in March of last year. Mr. Henry said that situation was made moot by the auditor's review and by an Attorney General's opinion.

Mr. Henry said that the law on conflict of interest, Chapter 68B.3, is directed toward state employees in general. It says state employees shall not sell goods to state agencies. The law doesn't apply only to the Board of Regent institutions. It also applies to purchases that Iowa State niversity makes from people who work for the Iowa Department of Transportation. Therefore, Mr. Henry said, the institutions should be concerned about purchases from any state employee, not just Regent employees.

Another concern is the \$500 amount established as the amount above which competitive bids must be taken. He said this amount was set by the Legislature as an amount that is not enough to tempt officials in terms of risking some kind of crime.

Mr. Henry said that law uses the word "sale" instead of the word "buy."

Mr. Henry disagreed with the Board Office's evaluation that Iowa State University's purchasing conflict of interest is less restrictive than the other universities. He said Iowa State's policy is more restrictive in some respects because it includes services.

Mr. Henry said that Iowa State University is in an unusual position because there are many state employees in the Ames area who are in the technology business. They are the only sellers of such items as radio tubes and computer parts in Ames. To purchase these supplies from other sources would involve a substantial cost difference. Mr. Richey suggested that special rules should be set up to handle these situations.

GENERAL
April 16-17, 1981

Mr. Henry expressed concern about the emergency exceptions provided in the policy. He thought this would lead to a need for increased inventories and increased costs for travel time, postage, and telephoning. There is also a question as to who decides an emergency exists. Mr. Henry said that an Attorney General's opinion exists to handle emergency situations. Iowa State University is very comfortable with the Attorney General's opinion, said Mr. Henry. He noted that it is rarely used.

Mr. Henry then spoke about the recommendation that "Regent institutions shall include in the regular semi-annual purchasing report a section on all purchases where the vendor is a state employee or family member." He said there currently is no state law requiring disclosure of business holdings by employees of the state. He noted that the university has heard from business people who are not employees of the university and do not want to bid on university projects if they must disclose their business ownership.

Mr. Henry concluded by stating that the purchasing conflict of interest policy was not a good policy to effectuate at this time. It has some definitional problems. If it is not to cover hotels and restaurants, he felt this should be stated.

President Petersen asked Mr. Henry if he was suggesting that the policy undergo further review. Mr. Henry replied that someone knowledgeable about business operations should review it.

Mr. Richey pointed out that the purchasing officers of the universities worked with the Board Office in developing this policy. They also had an opportunity to comment on it. Vice President Stansbury said that drafts of the policy had been sent to all of the universities for comment. The business officers did not meet collectively to discuss the policy. He indicated that if the board desired for them to meet and discuss the policy, they would do so right away.

Mr. Henry said there is a state law on purchasing conflict of interest and that the universities comply with it. The universities exercise internal control on writing of specifications. He did not think there was any justification for expanding the policy at this time. President Petersen responded that the effort of the board was to codify the conflict of interest policy to give the public a greater confidence in total Regent operations. She said these are big and complicated operations.

President Petersen stated that if the policy undergoes further review and clarification, it must again be submitted to the board for approval. She said the board was concerned that more complete rules be included in the Procedural Guide than are now included in order to build public confidence in the purchasing process.

In regard to Mr. Henry's concern about the provision for emergency situation, Mr. Richey said this could be defined in the institutional rules as they are developed. One of the definitions would be sole source purchasing. He agreed that some changes in inventory policies might be necessary. He suggested some of these items might be bid on an accumulative basis on the list price less a percentage discount. Purchases would then be based on a clear price and there would be no problem with a person being a university employee as long as he or she is the low bidder.

With respect to the cost of administering the policy, Mr. Richey recognized there will be some costs. He felt this was a modest additional cost in order to have the appearance of avoiding conflict of interest situations for the public benefit.

The recommendation on the reporting requirement, said Mr. Richey, could be changed to say a Regent employee or family member. It would then read "Regent institutions shall include in the regular semi-annual purchasing report a section on all purchases where the vendor is a Regent employee or family member." This would restrict the rules to Regent employees.

Regent Brownlee said the "Purchasing Policy and Procedure and Conflict of Interest" was a very complicated document. He suggested that the Board Office and business officers, after the Legislative business is completed, try to refine the document. It could then be presented to the board with unanimity of opinion or at least with only a few points that need resolving. The board could then address the policy more easily.

Regent Shaw said when matters such as this policy are put out in manual form, there is some danger if it isn't comprehensive and all inclusive. He said every employee cannot be expected to have a copy of the Code and know whether there is anything beyond it.

President Parks endorsed Regent Brownlee's suggestion that the policy undergo further review and be resubmitted to the board. He said a university code of conduct is very complex. Since the universities are in compliance with the state law, he did not think there was an urgency to approve the proposed policy. He noted that none of the three universities appeared to be completely happy with the policy as proposed.

Regent Neu said he was concerned that the universities, perhaps unconsciously, might break large purchases down into smaller parts that are under \$500 so they do not have to be bid. He said the purchasing conflict of interest policy should contain some language to assure that this does not happen.

Mr. Richey suggested that this could be handled by putting a cap on purchases from an individual. If purchases from an individual employee are expected to exceed more than a particular ceiling during a year, then this would be bid.

GENERAL
April 16-17, 1981

Regent Neu agreed with Mr. Richey's suggestion that if a lot of supplies are to be purchased in a given area, that it be bid on an annual basis. The universities could then order from the contract throughout the year.

Regent Shaw said that references to the state statute should be included by reference in the policy.

MOTION: Mr. Brownlee moved that the purchasing conflict of interest policy be returned to the Board Office and business officers of the universities for further review and that the policy be resubmitted to the board at some time after the Legislature has adjourned. Mr. Bailey seconded the motion.

Regent Jorgensen said she feels it is the responsibility of the employees not to become involved in conflict of interest situations. She did not want to have a policy that is so restrictive that employees cannot become involved in other things. She had no objection to limits in the policy as long as employees know it is their responsibility not to create a conflict of interest. She said the proposed policy did not seem to inform employees of this. President Petersen did not think this would address the issue of building public confidence.

VOTE ON MOTION: The motion passed unanimously.

President Petersen then asked board members and institutional executives if there were additional matters to be raised for discussion pertaining to the general docket.

PROPOSED LOCATION OF AIRPORT IN DICKINSON COUNTY. Regent Bailey reported that the committee in Dickinson County had its final meeting. The committee has no official status and cannot take affirmative action.

The subject matter before the committee was not the matter of where the site for the airport should be since this has presumably been determined. The site selection does come up for discussion at each meeting. Regent Bailey said a substantial amount of public sentiment opposing the site selected was expressed.

Regent Bailey said this committee has now completed its work. There are no three options. First, do nothing more. Second, a county commission can be established which would require that the airport improvements be voted upon by the people of the county. And third, an airport authority can be established. Such an authority would have substantial eminent domain power.

At present, there are no steps the Board of Regents can take because it is not known which of these options will be adopted. Regent Bailey said there seems to be some sentiment in favor of the county commission option.

GENERAL
April 16-17, 1981

President Petersen noted that correspondence had been received from Mr. Kassel of the Department of Transportation and distributed to board members. She said any further correspondence would also be distributed to the board.

President Boyd asked if Regent Bailey could continue to represent the university in this matter on an as needed basis. Regent Bailey said he would be glad to do whatever is expected if it was the will of the board.

President Petersen then thanked everyone for the years of cooperation, discussions on very important issues, and for their friendship during her 12 years on the Board of Regents.

She noted that a special board meeting would be held on May 1 for the purpose of reorganizing the board. She reminded outgoing board members that until then they were responsible for legislative concerns, placing appropriation requests, and acting in an advisory capacity to the search committee, and that they would be functioning as board members.

Regent Shaw said he had nothing but praise for the Board Office.

STATE UNIVERSITY OF IOWA

The following business pertaining to the State University of Iowa was transacted on Thursday, April 16, 1981.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes were ratified by the board.

President Petersen called attention to the list of promotions and tenure report included in the Register.

OTHER PERSONNEL MATTERS: The board was asked to approve the following appointment and resignation:

Resignation:

May Brodbeck as Dean of the Faculties and Vice President for Academic Affairs, effective July 1, 1981

Appointment:

Kenneth L. Moll, to serve as Acting Dean of Faculties and Acting Vice President for Academic Affairs effective July 1, 1981, until a successor to Dean Brodbeck is appointed.

President Petersen expressed appreciation for Vice President Brodbeck's years of service to the institution. Noting Vice President Brodbeck's plan to return to the university, after a one-year leave of absence, in her capacity as Carver Professor of Philosophy, President Petersen said the board was looking forward to her return.

MOTION: Mr. Brownlee moved that the board accept Vice President Brodbeck's resignation with sincere regret and approve the appointment of Dean Moll. Mr. Bailey seconded the motion and it passed unanimously.

REPORT ON FACULTY DEVELOPMENTAL ASSIGNMENTS, 1979-80. It was recommended that the board receive the report on faculty developmental assignments for 1979-80 for the State University of Iowa.

The Board Office said the university report provided information on the activities of 91 faculty members with developmental assignments during 1979-80. The total of 91 leaves had previously been approved by the board with an estimated replacement cost of \$54,400. The actual net replacement cost was \$55,675.

STATE UNIVERSITY OF IOWA
April 16-17, 1981

President Petersen commended the reading of the faculty members' reports on their activities to the board. She said it is interesting to see the results of what people have done with their leaves and how it will enrich their teaching and research.

President Petersen received the report on faculty developmental assignments for 1979-80 for the State University of Iowa on behalf of the board.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office reported that the final register for April 1981 had been received, was in order, and was recommended for approval.

The following construction contracts awarded by the executive secretary were recommended for ratification:

Fire Safety Alterations - Phase I - Quadrangle, Hillcrest, and South Quadrangle Residence Halls

Award to:

General: R.K.'s Home Improvement Company, Iowa City, Iowa \$118,900.00

Tissue Culture Facility Remodeling 20, 22, 23, 24 - Medical Laboratories

Award to: George Kondora Plumbing and Heating, Inc., Iowa City, Iowa \$55,500.00

The board was requested to approve the following revised or amended project budgets:

Medical Research Center - Remodel Rooms 370-382

Ratify approval of an amended project budget on this \$161,000 project which changes the work from being done by outside contractors through competitive bidding to work done by Physical Plant work force, except for the heating, ventilation, and air conditioning system contract. A memorandum was sent to the board requesting immediate approval of this change on March 31 so the project could proceed without loss of time. The work needs to be completed by the time of arrival for the new head of Pathology. The project amount remains the same and the source of funds is University of Iowa Foundation.

The board was asked to approve the following new projects:

University Hospitals - Psychiatric Hospital Exterior Structural Repairs

Source of Funds: Psychiatric Hospital Building Usage Funds \$33,850.00

The University Architect's Office was selected as inspection supervisor. In December the board ratified selection of McConnell, Steveley, Anderson, P.C., Cedar Rapids, for architectural services on an hourly rate basis to a maximum of \$3,050.

Oakdale - Steam Condensate Return
Source of Funds: Oakdale Building Repairs \$38,700.00

The Physical Plant Department was selected as engineer and inspection supervisor.

Access Road - Waste Storage Facility at Oakdale
Source of Funds: Institutional Road Fund, 1981 Program \$52,000.00

This project is included in the approved 1981 construction program at an estimated cost for construction of \$55,000. The new estimate for construction is \$45,900. The project budget, as well as approval of the Physical Plant Department as engineer and inspection supervisor, will also require approval by the Department of Transportation.

Quadrangle Lounge Renovation
Source of Funds: Dormitory Improvement Reserve \$95,750.00

The Physical Plant Department was selected as inspection supervisor.

In January, the board ratified selection of Pierce-King & Associates, Muscatine, Iowa, to provide final design services on an hourly rate basis to a maximum of \$2,200.

Oakdale Animal Quarters (Building 129) - Addition and Air Conditioning
Source of Funds: General University Building Repairs \$742,500.00

The Physical Plant Department was selected as inspection supervisor. In January, the board approved a contract with Bussard/Dikis Associates Ltd., Des Moines, Iowa, to perform full architectural services on the project on an hourly rate contract to a maximum of \$52,000. Site survey services are to be performed by Shoemaker & Haaland, Coralville, Iowa, as approved by the board in March.

Reoccupancy Remodeling - Phase II - Children's Hospital
Source of Funds: General University Building Repairs \$390,000.00

The Physical Plant Department was selected as inspection supervisor. In November, the board ratified selection of Wehner Nowysz Pattschull & Pfiffner, Iowa City, Iowa, for architectural services on the project on an hourly rate basis to a maximum cost of \$19,000.

Phase II of this project will modify approximately 11,000 square feet in the Old Children's Hospital for use by the Department of Preventive Medicine and classroom space for the College of Medicine.

Zoology I and II - Fumehood and Ventilation Retrofit - Phase I
Source of Funds: General University Building Repairs \$191,550.00

The Physical Plant Department was selected as engineer and inspection supervisor. In January, the board ratified selection of Environmental

April 16-17, 1981

Engineers Inc., Des Moines, Iowa, as engineer for a lump sum fee of \$22,291 and ratified selection of James Lynch and Associates, Des Moines, Iowa to provide architectural design services for a lump sum fee of \$7,478.

Hospital School Ground Floor Enclosure

Source of Funds: University Hospital School Building		
Usage Fund	\$118,290	
Department of Energy Grant	17,500	
TOTAL		<u>\$135,790.00</u>

The University Architect's Office was selected as inspection supervisor. In March 1980, the board ratified selection of R. Neumann Associates, Iowa City, Iowa, for architectural services on the project.

The Board Office said this project is consistent with the projected capital and redevelopment needs of the University Hospital School as pointed out in the Statewide Health Service planning seminar in May 1980. One of the needs was vehicular approach, entryway, receiving lobby, and development of expanded outpatient facilities, which had a cost of \$610,000. This project begins that process through identification of a specific public entrance for the Hospital School and facilitates future expansion of clinical and support services with which to serve developmentally disabled infants, children, and young adults.

The board was requested to ratify institutional action on architectural and engineering contracts on eight projects and to approve a specialized consultant contract on another project:

Roy J. Carver Pavilion - West Facade Extension, Seventh Floor

Ratify selection of Hansen Lind Meyer, Iowa City, to provide full design services on an hourly rate basis to a maximum of \$11,500.

University Hospitals - South Pavilion, Phase A, Furnishings Design Selected Areas and Inpatient Units and Pediatric Clinic

Ratify selection of Hansen Lind Meyer, Inc., Iowa City, Iowa, to provide furnishings selection under two contracts. The first would be a lump sum fee of \$13,000 for selected areas; the second would be a lump sum fee of \$12,850 for the Inpatient Units and Pediatric Clinic.

University Hospitals - Third Floor West Remodeling, General Hospital

Ratify selection of Engineering Associates, Rock Island, Illinois, to provide design services and site survey services on an hourly rate basis to a maximum of \$16,000. The board has not approved a project budget to date.

Medical Laboratories - Tissue Culture Facility Remodeling 20, 22, 23, 24

Ratify selection of The Durrant Group Inc., Dubuque, Iowa, to provide additional engineering services on this project. This firm was previously selected to provide final design services on an hourly rate basis to a maximum of \$12,790, as ratified by the board in January. Compensation for additional services would be \$4,670 maximum additional.

Hawkeye Sports Arena - Electrical Duct Bank

Ratify selection of Shive-Hattery & Associates, Iowa City, Iowa, to provide final design services on an hourly rate basis to a maximum of \$9,700.

University Hospitals - C-53 Remodeling

Ratify selection of Engineering Associates, Rock Island, Illinois, to provide final design services and site survey services on an hourly rate basis to a maximum of \$16,000. The board has not approved a project budget to date.

Hydroelectric Power at Burlington Street Dam

Ratify selection of Shive-Hattery & Associates, Iowa City, Iowa, to prepare a permit and apply for a feasibility study loan on an hourly rate basis to a maximum of \$3,500. This project would be initiated with the filing of a preliminary permit with the Federal Energy Regulatory Commission and with the filing of a feasibility study loan application with the Department of Energy. The project involves study of the potential electrical generating capabilities at this dam site. The most important feature of the loan program for a feasibility study is that if the result of the study turns out to be negative, the loan will be forgiven.

Hawkeye Sports Arena - Inspection and Testing of Weldments

Approve selection of Barckhoff and Associates, Inc., Excelsior, Minnesota, to provide specialized consulting services which consist of approval of welding procedures, visual inspection, and non-destructive testing of welds and surveillance of applicable welding operations on the roof trusses on the Hawkeye Sports Arena. Compensation under the contract which utilizes the Standard Agreement between Owner and Engineer is on an hourly rate basis to a maximum of \$55,000.

Regent Harris asked if the testing of the welding was a budgeted item. Vice President Bezanson answered that some of the testing is included in the budget but that some supplemental testing was not included in the budget. This testing is a part of the budget. Vice President Bezanson said that although this level of testing may not be necessary, it is being done because of the conservative approach being taken toward the roof. He said supplemental testing would be done on a number of items and that these would be presented for board approval.

MOTION:

Dr. Harris moved that the board approve the Register of Capital Improvement Business Transactions for April 1981; ratify award of construction contracts made by the executive secretary; approve the revised or amended budgets; ratify institutional action on architectural and engineering contracts; and approve the specialized consultant contract. Mr. Neu seconded the motion and it passed unanimously.

Another matter on the Register of Capital Improvement Business Transactions, Kinnick Stadium - Turf Replacement, was discussed on April 17, 1981 (see pages 765-766).

BUDGET CEILING ADJUSTMENTS FOR UNIVERSITY AND PSYCHIATRIC HOSPITALS AND STATE HYGIENIC LABORATORY. It was recommended that budget ceilings be approved as follows:

University Hospitals and Clinics	\$96,235,900
Psychiatric Hospital	6,473,800
State Hygienic Laboratory	2,375,300.

Approval of these budget ceiling will allow application of institutional income in the amounts of \$74,453,478, \$1,873,768, and \$590,461 for University Hospitals, Psychiatric Hospital, and State Hygienic Laboratory, respectively.

The Board Office noted that the board approved budgets for the University and Psychiatric Hospitals and the State Hygienic Laboratory in August. Subsequently, it was necessary to reduce appropriations by 4.6 percent to fund in part the activities of these organizational units. As the year has progressed, these organizational units have been successful in providing additional services which have generated more institutional income. The additional services required larger than estimated expenditures and the budgets needed to be adjusted.

The following table shows the originally budgeted institutional income and appropriations as approved in August 1980 and the current proposal by the university.

	<u>Original Budget</u>	<u>Proposed Budget</u>
<u>University Hospitals</u>		
Institutional Income	\$70,726,178	\$74,453,478
Appropriations	21,782,422	21,782,422
Total	<u>\$92,508,600</u>	<u>\$96,235,900</u>
% Increase		4.0
<u>Psych. Hospitals</u>		
Institutional Income	\$ 1,710,768	\$ 1,873,768
Appropriations	4,600,032	4,600,032
Total	<u>\$ 6,310,800</u>	<u>\$ 6,473,800</u>
% Increase		2.6
<u>State Hygienic Lab.</u>		
Institutional Income	\$ 476,661	\$ 590,461
Appropriations	1,784,839	1,784,839
Total	<u>\$ 2,261,500</u>	<u>\$ 2,375,300</u>
% Increase		5.0

The university figures are stated before the 4.6 percent appropriation cut and show a 4.0 percent, 2.6 percent, and 5.0 percent increase in budget for each of the respective organizational units.

The 4.6 percent appropriation cut is expected to limit total expenditures for 1980-81 to \$95,215,278, \$6,256,232, and \$2,290,026 for the University Hospital, Psychiatric Hospital, and State Hygienic Laboratory, respectively. Expenditure increases of 2.9 percent and 1.3 percent for University Hospitals and State Hygienic Laboratory, respectively, and a reduction of .9 percent for the Psychiatric Hospital, would occur with respect to the original budget.

The university emphasized that the budget adjustments do not affect rates of charge, which were increased 10.1 percent July 1, 1980. They are the result of a significant growth in more complex and costly services. The number of indigent patients remains about the same and some less costly means of providing services have been found to the extent of the \$208,000 portion of the 4.6 percent appropriation cut. With the rates of charge remaining the same, costs are recorded which are not covered fully by appropriations.

The increased institutional income for University Hospitals of \$3,727,300 consists of \$3,445,000 of inpatient income and \$282,300 of outpatient income. All of the Psychiatric Hospital increased income of \$163,000 was from private patients. The State Hygienic Laboratory increased income of \$113,800 consists of \$82,000 of increased recovery of indirect costs related to an increase in contracts and grants and increased fee income of \$31,800 for additional services to satisfy federal and state environmental regulatory laws.

The university proposed to expend the additional funds as summarized in the following table.

STATE UNIVERSITY OF IOWA
April 16-17, 1981

	<u>University Hospitals</u>	<u>Psychiatric Hospital</u>	<u>State Hygienic Laboratory</u>
Salaries and Wages	\$1,653,600	\$163,000	\$
Supplies and Services	<u>2,073,700</u>	_____	<u>113,800</u>
Total	\$3,727,300	\$163,000	\$113,800

The university reported some success in retaining and recruiting staff to care for the greater number of critically ill patients with a proposed increase in budget for salaries and wages of \$1,653,600 for University Hospitals and \$163,000 for the Psychiatric Hospital.

The State Hygienic Laboratory proposed to spend the additional funding of \$113,800 for supplies and services such as part-time staff, chemicals, reagents, and equipment service costs.

In view of the heavier workload being carried in spite of the 4.6 percent appropriation cut, the Board Office recommended that the proposed budgets of \$96,235,900, \$6,473,800, and \$2,375,300 for University Hospitals and Clinics, Psychiatric Hospital, and State Hygienic Laboratory, respectively, be approved for 1980-81.

MOTION:

Mr. Nolting moved that budget ceilings be approved as follows: University Hospitals and Clinics, \$96,235,900; Psychiatric Hospitals, \$6,473,800; and State Hygienic Laboratory, \$2,375,300. Mr. Wenstrand seconded the motion and it passed unanimously.

STATE HYGIENIC LABORATORY SERVICE FEES. It was recommended that the board approve a 12.2% increase in State Hygienic Laboratory Service Fees as set forth in a proposed revision to fee schedule dated April 1, 1981, for implementation July 1, 1981.

The university requested approval of a 12.2% increase in laboratory service fees which would generate about \$52,000 of additional revenue.

The Board Office explained that the service fees were last adjusted in 1976. The university intends to annually adjust service fees on the basis of cost increase experience, fees for similar services provided by public and commercial laboratories, and public health considerations.

The university proposed that fees be increased for 24 tests, remain the same for 31 tests, be reduced for 5 tests, and be adopted for 9 new tests.

In recent years, the laboratory has instituted a system for reporting costs by cost center which provides a reasonably accurate determination of costs of performing each of the various tests. This cost information is used to adjust fees. In addition, costs are compared with fees charged by other laboratories and higher fees are proposed for tests performed efficiently by private laboratories. The policy is to encourage performance of tests by private laboratories and to provide more complex or unusual analyses at the State Hygienic Laboratory.

The Board Office said the university's intent to review the service fee schedule annually is appropriate in order to reflect changes in analytical methods, instrumentation, volume of testing, capability of commercial laboratories, price inflation, and other factors. It said the institution should be commended for managing to avoid increasing service fees over a five-year period but that the service fee schedule should now be adjusted.

The Board Office recommended that the university proposal of a 12.2% increase in the State Hygienic Laboratory service fees as listed in the Proposed Revision to Fees Schedule dated April 1, 1981, be approved for implementation July 1, 1981.

Mr. Richey noted that the Board Office has been working with the institution in getting these fees adjusted. He commended the institution for presenting the fee structure for approval.

MOTION.

Dr. Harris moved that the board approve a 12.2% increase in State Hygienic Laboratory Service Fees as set forth in Proposed Revision to Fees Schedule dates April 1, 1981, for implementation July 1, 1981. Mr. Shaw seconded the motion and it passed unanimous.

NAMING OF BUILDINGS. The institution introduced a supplemental matter. It recommended that the name of the Basic Science Building be changed to Bowen Science Building and the name of East Hall be changed to Seashore Hall.

The university indicated it wanted to honor Howard R. Bowen, president of the university from 1964-1969, for his efforts in securing a Center of Excellence award from the National Science Foundation. His decision to focus the application on the biological sciences led to the university receiving one of the few Center of Excellence awards in this area.

The university also wanted to honor Dean Carl E. Seashore who was Dean of the Graduate College from 1908 to 1936 and from 1942 to 1946. It said that as a result of his leadership, Iowa was one of the national pioneers in graduate education during the early part of this century.

In answer to President Petersen's question about committee review of these name changes, Vice President Brodbeck said they were approved by two campus committees. The names were reviewed and approved by the committee on building names and by the campus planning committee.

MOTION: Mr. Bailey moved that the board approve the renaming of the Basic Science Building to Bowen Science Building and the renaming of East Hall to Seashore Hall. Mr. Shaw seconded the motion and it passed unanimously.

FACULTY DISPUTE PROCEDURES. It was recommended that the board approve faculty dispute procedures as recommended by the University of Iowa, including three amendments noted in the university's request.

The Board Office provided the following explanation. The university requested approval of policies concerning procedures for the resolution of problems and disputes involving a member of the faculty and concerned with denial of tenure, promotion, or appointment; grievance; ethics; or unfitness. The proposed procedures are intended to replace existing procedures contained in the university's Operations Manual, Sections 20.260 through 20.267.

The university indicated that the basic policies submitted were prepared by a faculty committee, reviewed by the Faculty Council and the Vice President for Academic Affairs, and approved by the Faculty Senate. Three emendations included in the university's request were discussed with officers of the Faculty Senate.

The Board Office said the procedures for resolution of disputes have been extensively revised in format, but the most significant substantive changes appeared to be:

1. Use of a single panel to conduct preliminary investigations and to conduct a hearing and removal of options for a hearing officer and a review panel as an alternate to the hearing panel.
2. Statement of more specific standards for judgment and expansion of the discussion of the Faculty Judicial Panel investigation and hearings.

The Board Office noted that other modifications do not appear to be substantive and apparently do not alter the authority of the Regents in governing the institutions.

The Board Office felt that the use of a single faculty judicial panel in procedures concerned with the denial of tenure, promotions, and reappointments and grievances will reduce the time required for the overall process. Procedures for cases concerned with ethics and unfitness were changed less significantly.

Noting the prior approval of the basic procedures by the Faculty Senate as well as a favorable recommendation by the university administration, the Board Office recommended approval.

President Boyd began the discussion on the faculty dispute procedures by noting that the way these procedures have worked over the years have been important and significant. The faculty felt there were ways to streamline these procedures. President Boyd said the faculty and administration were in agreement on the procedures with one exception. He then turned the discussion over to Vice President Brodbeck.

Vice President Brodbeck introduced members of the faculty who were present to explain the faculty's view on the procedures. They were Laird Addis, Professor and Chairman, Department of Philosophy; Leodis Davis, Professor and Chairman, Department of Chemistry and President of Faculty Senate; David Vernon, Professor of Law; and Ronald J. Allen, Professor of Law and Faculty Senate president elect. Professor Addis chaired the committee which rewrote the dispute procedures.

Vice President Brodbeck explained that the faculty wanted to rewrite the dispute procedures for purposes of clarification. She said a substantive change is that there is one committee for review of disputes rather than having two separate committees. If an informal preliminary review is not satisfactory, the issue is returned to the same committee. Vice President Brodbeck indicated that this provision was acceptable to the university administration.

Vice President Brodbeck said the university suggested three other changes. The first change was to replace one of the sentences in the section Other Rights of the Faculty Member with the following sentence:

If the result of an investigation by a Faculty Judicial Panel is to confirm an original decision by the University to terminate the faculty member's appointment either because the Panel has not found in favor of the faculty member or because the President has not made a final decision not to accept the recommendations of the Panel based on a finding in favor of the faculty member, the faculty member shall be entitled to one full semester's further employment by the University after the faculty member has been officially informed of the outcome of the investigation even if this extends the faculty member's appointment beyond the one year of additional employment to which the faculty member is entitled after having been officially informed by the Collegiate Dean of the original decision by the University to terminate the faculty member's appointment.

The university said this provision would limit to one semester the additional time of employment a faculty member who loses an appeal need be offered after the decision of the panel or the president has been made.

The faculty objected to this provision.

STATE UNIVERSITY OF IOWA
April 16-17, 1981

In the section Clearly Adequate Record of Achievement, the university recommended changing a sentence to read:

If the Panel finds in favor of the faculty member on this ground, it shall recommend either that a reconsideration of the original decision to deny the faculty member tenure, promotion, or reappointment be undertaken, starting at the lowest level at which a recommendation unfavorable to the faculty member occurred, or that the faculty member be granted tenure, promotion, or reappointment as the case may be.

The university noted that this change would give the panel who finds in favor of the faculty member the options of recommending either reconsideration of the original decision or that the faculty member be granted tenure, promotion, or reappointment. This would maintain the university's long tradition of decentralization of promotion and tenure recommendations. Although discretion about remand remains with the hearing panel, the university said the principle of true peer review is important to remain as an option.

The faculty agreed to this change.

The next change recommended by the university was in the section called Burden of Proof and Standards of Judgment, Violation of a University Obligation. The university suggested a sentence reading:

In order to gain a favorable recommendation from the Panel on this ground, the faculty member must show, by the preponderance of the evidence, that on the basis of a written promise to the faculty member by an authorized administrator of the University, the faculty member was justified in believing that the administrative action or non-action would not occur and that the faculty member relied detrimentally on the promise.

The university explained that this would require that the faculty member have relied detrimentally on the promise as a condition to relief being granted in a tenure, promotion or reappointment case. Even if the omission was deliberate, however, good policy would dictate that there be no remedy in the absence of actual harm, according to the university.

The faculty agreed to this change.

Vice President Brodbeck then began a discussion about the university's recommended change in regard to the length of time a faculty member may be employed after notice of termination. She said the university felt that the provision proposed by the faculty would abrogate the normal notification times. She explained that when a person received notice of termination, he or she is normally employed for one year past that time. Under the faculty's rule, a person could have over a year of continued employment because the panel reviewing the dispute may not make a decision until late in the year in which a grievance is made. If the notice of

termination does not become effective until the panel makes a decision, the individual could have more than a year of employment. The administration suggested that the procedures should state that a person would have at most one semester beyond the normal notification period.

Vice President Brodbeck said the administration recognizes that when an individual brings a grievance, that person must spend a great deal of time on it. The person would not be able to seek another position during that time. Therefore, the university is willing to grant another semester of employment. The administration does feel that there should be a limit on this time and that one semester would be adequate.

Professor Davis said the faculty does not feel this is an adequate length of time. He said it was not humane if an individual is forced to go through a grievance proceeding. Professor Davis said it was not clear that there would be an adequate amount of time provided for the faculty member who becomes involved in a grievance proceeding to relocate and seek employment elsewhere.

Professor Allen said that the number of cases which would be affected by this provision is very few.

He said the present rule is laudable because the person knows he or she must secure another job. He said the faculty was asking that that rule be preserved. Professor Allen said that an AAUP rule was developed so that faculty members have an opportunity to put their careers back together. He said it is too much to tell a faculty member to go ahead and litigate but if you lose, you will have to look for another job. Professor Allen said that second semester is not a good time to look for another faculty position because most of the academic jobs are filled. He did not think this was fair. He thought it would be better to provide a year of employment after a final decision is reached concerning the faculty member's status.

Professor Vernon felt that if the length of time which a faculty member may continue to be employed after notice of termination is increased, it would encourage the filing of grievances in order to get a little extra time. He said some time limit should be placed on this so grievances are not encouraged.

Professor Allen did not think there would be many frivolous appeals. He did not think a faculty member would file a grievance just to gain time because of the embarrassment associated with receiving notification of termination or denial of tenure. It is embarrassing to face colleagues day after day.

Regent Shaw asked about the consequences to the institution when a faculty member brings a grievance. He wondered if the grievant would be teaching or if the university would hire someone to teach in the grievant's place. Professor Vernon said the person would be actively teaching.

STATE UNIVERSITY OF IOWA
April 16-17, 1981

In reply to a question from Regent Neu, Vice President Brodbeck said the current rule is that an individual is given one year from the time he or she is given notice by the college or institution. There is no rule regarding the time given after grievance proceedings are concluded.

Professor Allen indicated that there was only a difference of one semester between the university proposal and the faculty proposal.

Regent Jorgensen asked when grievance proceedings begin if someone is terminated. Vice President Brodbeck said the faculty member has 30 days to file a grievance. Regent Jorgensen thought it might be possible to make the grievance procedure move a little faster. Vice President Brodbeck indicated that the university proposal would tend to expedite this. Professor Vernon pointed out that it is difficult to assemble a hearing panel during the summer, so the grievance is heard in the following fall.

Professor Vernon compared the two proposals. Under the university proposal, a faculty member would continue at the university for a full year after receiving notice of termination. This would result in continued employment for a year and a half or three semesters. Under the faculty proposal, there would be an additional semester or two years of continued employment after the faculty member receives notice of termination.

President Petersen commended the Faculty Senate for streamlining and refining the grievance process. However, she felt the administration's proposal was the best one. Regent Wenstrand agreed. He said the Faculty Senate did a very good job. He understood the feelings of both sides but thought the administration's proposal would provide adequate time for faculty members to seek other positions and relocate.

MOTION:

Mr. Bailey moved that the board approve the faculty dispute procedures as recommended by the University of Iowa, including three amendments noted by the university. Mr. Wenstrand seconded the motion. Upon a roll call, the following voted:

AYE: Bailey, Brownlee, Jorgensen, Shaw,
Wenstrand, Petersen

NAY: Harris, Neu, Nolting

ABSENT: None

The motion passed.

QUARTERLY REPORT FROM UNIVERSITY OF IOWA HOSPITALS AND CLINICS. It was recommended that the board accept the report and approve the name change for the State Services for Crippled Children program.

Mr. John W. Colloton, Director and Assistant to the President for Health Services, began the quarterly report by introducing Dr. Fred Smith, Professor and Head of the Department of Pediatrics, and Dr. John MacQueen, Director of the State Services for Crippled Children Program.

Mr. Colloton said that the nine children's outreach programs sponsored throughout the state grew up independently and unrelated. There is now a need to bring them into a more cohesive organizational alignment.

He described the characteristics of the organization the university proposed. First, it would create a coordinating umbrella over the nine programs to facilitate their functional interrelationship both at the community and University Hospital levels. This coordinating responsibility would be embodied in the program heretofore known as the State Services for Crippled Children which would be renamed the Iowa Specialized Child Health Services Program.

Second, said Mr. Colloton, the financing of these programs presently consists of a highly unreliable conglomerate assembled over a period of years from multiple sources as each of the programs evolved. Most support currently comes from federal source. While the university anticipated that the continuation of financing of these programs by the federal government could not be relied upon over the long run, it did not realize this financing would be withdrawn so quickly and in such large scale as is now occurring. Mr. Colloton noted that the State Services for Crippled Children Program alone is facing a 25 percent or \$600,000 federal cutback effective October 1, 1981.

Until now, these programs have been largely financed on a categorical basis by the federal government. There is now evolving a block grant concept of financing which will allocate dollars to the states for designation to a broad range of programs to be prioritized at the state level.

Mr. Colloton summarized that it is now of utmost importance to have a consolidated organizational base for these programs, not only to streamline their day to day coordination but also to permit them to effectively compete for block grants through presentation of a consolidated University of Iowa children's outreach program budget. For the foreseeable future, every effort will be made to finance these programs primarily from the federal funds coming through the block grant channel. Over time, however, it may be necessary to augment the federal funds through a legislative asking by the board and the University of Iowa's Statewide Health Services category of askings.

Dr. MacQueen said the children's outreach programs are an integral part of providing hospital care to the citizens of Iowa. They enable the faculty to provide services in the state, provide follow up services to children that were treated in the hospital, provide an opportunity to improve the quality of care by working closely with the physicians who refer patients.

Most changes in the state's medical care system, said Dr. MacQueen, have occurred as a result of the biomedical revolution. There have been changes in the ability to diagnose and treat disease. At this time, there are three levels of medical care - primary, secondary, and tertiary. University

STATE UNIVERSITY OF IOWA
April 16-17, 1981

Hospitals has changed from being primarily a facility for indigent patients to providing advanced procedures of service. It provides complex tertiary care for citizens from all economic walks of life.

The State Services for Crippled Children Program (SSCC) has also changed. It provides secondary and tertiary types of services through continuing multiple speciality clinics. The general patient clinics which have been provided are no longer as important because these services are being provided by general physicians. SSCC has developed a community based series of clinics addressing new problems.

Dr. MacQueen noted that a large number of special needs programs have been developed which have been directed to particular health problems. These programs were developed by the staff of University Hospitals who were concerned about providing services for children throughout the state.

These programs are not administratively related to each other which creates problems of fragmentation. It also creates problems for families who need to know how to get into the system. Dr. MacQueen said this arrangement is not a very efficient way of doing business and that the proposal to create an umbrella for the programs would address this problem.

He pointed out that the proposal would not change the charge of what has been the State Services for Crippled Children Program. It will modernize the program, assist University Hospitals in providing tertiary level care, and improve the ability to provide services to children throughout the state.

Dr. Smith then spoke about Title V legislation. He said Title V includes all children's programs. It provides for highly specialized health services for children. Without this legislation, the children would receive no care. He noted that there has been a heavy emphasis on the preventive aspects of care which has reduced infant mortality and decreased instances of mental retardation.

The programs included under Title V are now in serious jeopardy because of the administration's plan to include them in block grants, said Dr. Smith. He noted there has been a tremendous national effort to convince Congress not to repeal Title V. He explained that it is necessary to repeal this legislation in order for the programs to be included in the block grant concept.

Dr. Smith said if these programs are included in the block grants, it will place services for mothers and children in a weak competitive position, much as existed fifty to seventy-five years ago. He pointed out that children have little, if any, political voice.

Dr. Smith said there are three possibilities for the treatment of Title V. First, Congress may elect to retain the program as it currently exists. This is highly unlikely because it is in direct opposition to President Reagan's wishes.

Second, the programs may be included as part of the general block grant to states according to the desires of the Reagan administration. They would then compete with many other programs. Dr. Smith thought the children's programs could get lost in the shuffle.

Third, moneys may come to the state as earmarked funds as part of a block grant. Dr. Smith said that at the national level, there is an attempt to convince Congress and budgetary committees to follow this system. This would at least identify the funds.

Dr. Smith said it is very important that there be some system of allocating these funds to insure that they come to the agency best qualified to provide continued and highly specialized health care for the children of Iowa. Such a system would put the children's programs in a more competitive position, especially if the funds are included in a block grant and are not earmarked.

Dr. Smith made two final points. He said most of Iowa's specialized care service evolved because of the interest and the creativity of University Hospitals staff. They have been highly successful in bringing specialized services to Iowa communities. Many of these programs are carried on with the involvement of community physicians. And the outreach programs have been very cost effective.

Dr. Smith said the highly specialized systems of care for children in Iowa have become part of the total health care for children and the programs do have a place. He said the state must capitalize on the resources that it has and it must be efficient in using its resources to do this.

Mr. Colloton concluded the presentation by stating it would be the intent of the university to follow block grant developments at the federal level while urging a categorical Maternal and Child Health allocation within the block grant concept.

He said that in whatever form the block grant dollars come to the state level, it will be the university's position that the portion of such dollars available for perpetuating the children's outreach programs should be designated by the Governor for that purpose and channeled directly to the University of Iowa Statewide Health Services via the Board of Regents.

Mr. Colloton noted that as the federal grant block program becomes clear, the university will document this posture and seek the board's support in bringing it into reality.

STATE UNIVERSITY OF IOWA
April 16-17, 1981

He said that as a new element of the University of Iowa Statewide Health Services category, the Iowa Specialized Child Health Services Program would constitute an asking unit analogous to that of the University Hospitals, the Psychiatric Hospital, the Hospital School, and the University Hygienic Laboratory.

Mr. Richey was concerned about the \$600,000 State Services for Crippled Children Program will lose as of October 1 because of budget rescissions. He noted that this would affect the fiscal 1982 budget. Since the Legislature will not be in session at that time, it will not be known whether money will be appropriated for the program. The university may not be successful in getting a categorical grant and may not be assured of getting funds. Mr. Richey asked how this problem would be handled.

Dr. MacQueen said that in response to the rescission, the number of clinics held and the number of children seen will be limited. He said if funds are decreased, the numbers of services are decreased. Mr. Colloton said there would be a curtailment of the program involving about 20 staff members. He noted that the university is working through the Staff Relations Office and with Assistant Vice President Small to try to relocate these individuals within the university.

In regard to the question about success in getting a categorical grant, Mr. Colloton said the university is very optimistic about this and feels that it has a strong, salable program. He said the Statewide Health Services wants to get organized to make the case for these programs at the appropriate state level when it is clear how the federal funds will come to the state.

In answer to a question from Mr. Richey, Mr. Colloton said physician services in these specialized programs are paid for from federal funds. He pointed out that this is not a fee for service arrangement. The physicians receive meager compensation for their time. This does recognize their effort.

Concerning the final determination of how block grants will be allocated, Regent Anderson asked what provisions there would be to assure that the funds would be directed toward the Statewide Health Services. Mr. Richey responded that the Governor has been considering this. No one knows how the block grants will work. If funds are earmarked in a block grant, the only problem would be to make sure that the earmarked funds go to the appropriate unit within the state. In this case, the procedure would be pretty fast.

However, said Mr. Richey, the allocation of the funds may be deferred until the Legislature is in session. He said he was concerned about the timing of these decisions.

He noted that other state departments have programs that in some way relate to health and service and it will be necessary to make sure that these funds do not go to some of those other programs.

President Boyd said it is clear that if the federal government is not only reducing funds but also sending them back to the state for allocation, the board will have to take a firmer approach to State Wide Health Services than it has in the past. He said the people in the health services area have done an enormous amount on their own initiative through earnings and federal support. These programs have not really had any state support. He said these programs must not be viewed in terms of how they relate to the university educational programs.

President Boyd said the people in the Statewide Health Services need the active support of the board and assistance in working for these funds. He said the board must push for this unit as much as it pushes for the Regent institutions. He said the board is responsible for the three universities, the two specialized schools, and the Statewide Health Services Program.

President Petersen assumed the board would be more than willing to share in this responsibility. She said the board would rely upon the people closely connected with these programs to provide the board with the necessary information and the timing that is necessary.

She noted that the board must move into an area where it has not carried the message about these programs except in general terms. She noted there are many people in the state who do not realize the connection between the State Services for Crippled Children Program and the University of Iowa. She said the board would have to do a better job. She noted that the proposed reorganization would help in this identification.

President Petersen said that unless there was any objection, the board would be happy to share in the responsibility of carrying the fund request forward.

President Boyd expressed appreciation for this. However, he said there cannot be a trade off made between academic programs and health care delivery because these are totally different in essence. He said that funds sought for health care have nothing to do with money that is available for education. These must be viewed as coming from entirely different channels. He said the board must recognize that it is dealing with the Statewide Health Services that bears no relationship to the academic functions of the Regent institutions.

STATE UNIVERSITY OF IOWA
April 16-17, 1981

President Petersen said the groundwork to address the capital request for the Statewide Health Services in a different category. She said the board has that responsibility.

President Boyd said the way in which the capital needs for the Statewide Health Services have been addressed has been through generated earnings. No money has come from the state. He said no other state program has a record like this in terms of operating on its own without state support. He said Statewide Health Services can no longer continue in this way.

President Petersen said the immediate problem is the operation of a program that has been operating through University Hospitals and Clinics. She said this unit is going to need the assistance and diligent work of the board, as well as its own representatives, in informing the Executive and Legislative branches in Iowa about these problems so these programs can be continued. She asked if there were any objections to the board assuming this responsibility.

Regent Harris said the programs deal with basic humane services. He said it should be easy to sale but that did not mean the board should not get started as soon as possible to educate legislators in key positions and the Governor about the need for the money to be earmarked in the grant and be specifically designated for these programs.

President Petersen said there are misunderstandings that the board must face. One of these misunderstandings is that there is an adequate amount of people in the state to take care of these health care problems. This is not so. Another misunderstanding is that there is a collection of expertise that can address these problems that could not be addressed before without University Hospitals. President Petersen said it would be a crime to have solutions to health care problems and not be able to deliver them so that people can have happy, useful, and successful lives.

President Boyd suggested that as the board's representative in charge of Statewide Health Services, Mr. Colloton take the initiative to pursue this matter with the Governor and Legislature. He said Mr. Colloton is better equipped to deal with this than himself and that he has deferred considerably to Mr. Colloton. He said Mr. Colloton has the responsibility to give that leadership.

President Petersen said the request to the Legislature should be made in as coordinated fashion as possible. She said Mr. Colloton should utilize the legislative liaison people, the Board Office, and the Regents in the shared responsibility of carrying the request forward. She said the board must rely upon him to provide it with the background information and timing because he would be the one who is sensitive to that.

Regent Bailey thought there would be a difficulty in keeping the Legislature from viewing this as part of the whole picture. He noted that University Hospitals is not a part of the university and that it should not be.

President Petersen said this is unique because University Hospitals is located physically on the same campus as the University of Iowa. Although they are independent, there is a tremendous interrelationship between the delivery of health care and the educational program. She said one of the reasons the educational program is strong is because of the base of University Hospital. One of the reasons the hospital is able to deliver quality and service is because it has a direct and integral working relationship with the health colleges. The health colleges are organized in such a way that they work together in addressing the health needs of the state.

President Petersen said that while the board has a responsibility to carry forward the fund request and make clear its responsibility for the delivery of health care, it should not overlook the fact that these units are interrelated and this organization is one of the strengths in serving the state.

Regent Brownlee said the board has three tasks. First, it must get busy on the problem of block grants. Second, it needs to delineate a little better in its budgetary askings for health care requirements when it makes its request to the state government. Third, it should make sure that its request for health care does not get lost but it should not expand its askings so much that people think the health care delivery does not belong in the university. Regent Brownlee said this system is working very well.

Mr. Colloton agreed with Regent Brownlee and said he would be pleased to pursue the course outlined and present documentation in May on the proposed budget for Statewide Health Services and the kind of state support that would be needed.

Mr. Colloton said that the concept toward which the unit is moving is that Statewide Health Services would have a separate budget line.

Regent Shaw said it was not necessarily bad to have decisions about expenditures made at the federal level rather than decentralizing them. He thought there should not be just a state approach but that the people in Iowa should work closely with those in other states to decide where some of these things should be. He said it is important to be efficient and not everything can be done in each place.

STATE UNIVERSITY OF IOWA
April 16-17, 1981

Dr. Smith said that the reason the hospital has the kinds of people who can deliver services is because of the academic opportunities it can provide. A lot of people come to University Hospitals because of the opportunity to create these programs. He noted that there is research done in many of these programs. Dr. Smith said the same groups of people who are fighting for funds for services to children are also fighting for the preservation of funds for research and educational funds.

Regent Wenstrand indicated an appreciation for the farsightedness of the Statewide Health Services. He thought the reorganization would be beneficial. He noted that he has received very favorable comments from people in his area involved in the statewide services program and that they appreciate these services very much.

President Petersen thanked the unit for its report. She said the Board Office and board stand ready to work cooperatively with the unit to take its message to the Executive and Legislative branches in Iowa.

MOTION: Dr. Harris moved that the board accept the Hospital Quarterly Report and approve the name change for the State Services for Crippled Children Program to Iowa Specialized Child Health Services Program. Mr. Nolting seconded the motion and it passed unanimously.

INTRODUCTION. President Petersen introduced Kenneth Moll who the board approved as Acting Vice President for Academic Affairs on April 16, 1981. She welcomed Dean Moll to this position and expressed appreciation for his willingness to take the position.

KINNICK STADIUM - TURF REPLACEMENT. This item was carried over from the Register of Capital Business Transactions which was discussed on the previous day.

Source of Funds: Men's Intercollegiate Athletic Department	
Facilities Reserves	<u>\$762,000.00</u>

Four actions were requested on this project:

- a) Approve the project and the preliminary budget.
- b) Approve the selection of the Physical Plant Department as project inspection supervisor.
- c) Approve selection of and contract terms with Shive-Hattery & Associates, Iowa City, Iowa, as project engineer.

The terms are an hourly rate contract up to a maximum of \$48,000. The contract scope includes assistance with product analyses and selection, preparation of contract documents for demolition and subbase preparation, preparation of specifications for pad and turf quotation requests, analysis of bids and quotations, and full-time, on-site inspection for the duration of the project.

- d) Approve turf product selection and purchase on the basis of low bid received through solicitation of quotations and purchase order.

After an extensive study of artificial and natural grass products, the Board in Control of Athletics supported continued use of artificial turf and recommended that selection be made from either AstroTurf or SuperTurf on the basis of low quotation and that a purchase order be issued for the material and installation of the selected product.

The Board Office explained that prior to the installation of the new material, the old material must be removed and the asphalt subbase prepared to receive the new product. This will include repairs to the subbase as necessary and the addition of a one-inch lift for new asphalt. This contract was bid on April 15.

The complete project must be done between the completion of spring football practice (May 2) and the middle of August.

Mr. McMurray reported that two bids were received. The original amount for this portion of the project was \$141,500. The low bid was \$198,924.50. The university, in consultation with the engineers, negotiated with the low bidder and identified deductions which will reduce the base bid to an amount much closer to the original estimate. There will be further deduct contract orders. Mr. McMurray said there was no need for a revised project budget at this time.

Award to: Iowa Road Builders Co., Des Moines, Iowa \$198,924.50

MOTION:

Dr. Harris moved that the board approve the project and preliminary budget; approve the selection of the Physical Plant Department as project inspection supervisor; approve selection of and contract terms with Shive-Hattery & Associates, Iowa City, Iowa, as project engineer; approve turf product selection and purchase on the basis of low bid received through solicitation of quotations and purchase order; and award of contract to Iowa Road Builders Co. as shown above. Mr. Shaw seconded the motion and it passed unanimously.

President Petersen then asked board members and institutional executives if there were additional matters to be raised for discussion pertaining to the State University of Iowa.

Regent Shaw said he had nothing but praise for the institution.

IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Thursday, April 16, 1981.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for March 1981 were ratified by the board.

SECURITY PERSONNEL. The board was asked to commission Joel Swanson, Max Samuelson, and Wayne Ball as permanent special security officers. The board was also asked to commission Dennis Goodemoot, Angela Seliner, and Richard McKinley as temporary special security officers.

Mr. Swanson has completed the Sixty-Eighth Basic Training School at the Iowa Law Enforcement Academy. Mr. Samuelson has completed the Sixty-Ninth Basic Training School at the Iowa Law Enforcement Academy. Mr. Ball has attended the Seventh Recruit Training Session at the Iowa Law Enforcement Academy. Mr. Goodemoot has completed the Basic Training for State of Michigan Law Enforcement Officers. Mr. McKinley has thirty-six months experience with the military police.

MOTION: Mr. Bailey moved that the board commission Joel Swanson, Max Samuelson, and Wayne Ball as permanent special security officers and commission Dennis Goodemoot, Angela Seliner, and Richard McKinley as temporary special security officers. Mr. Neu seconded the motion and it passed unanimously.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office reported that the Register of Capital Improvement Business Transactions for the period March 14 through April 17, 1981, had been received, was in order, and was recommended for approval.

The following construction contracts awarded by the executive secretary were recommended for ratification:

<u>Pearson Hall - Ground Floor Extension</u>	
Award to: Iowa Construction, Inc., Boone, Iowa	<u>\$128,490.00</u>

This is a project originally approved by the board in June 1980 which involves excavating and finishing the unexcavated portion of the area

IOWA STATE UNIVERSITY
April 16-17, 1981

existing under Pearson Hall. Approximately 6,400 gross square feet will be made available for Administrative Data Processing Center office and storage functions.

Engineering Annex - Remodel Second Floor

Award to: KS&K Corporation, Ames, Iowa

\$490,996.00

There was an irregularity in this contract award in that the contract award recommendation exceeded the approved project budget and two partial bids were ruled non-responsive to the specifications. The irregularities were waived because:

- 1) Bids were taken the same date as the Pearson Hall project. That budget was reestablished at \$107,500 lower than budgeted. The savings can be applied to this project keeping the funds total for the two projects exactly as budgeted.
- 2) Both bidders ruled non-responsive erroneously submitted what amounted to subcontract bids for their specialties only. University legal review recommended ruling the bids non-responsive to specifications and that the bids not be considered further. These bids were for \$34,500 and \$99,595, as compared to the low responsive base bid of \$483,786.

The Board Office explained that the Engineering Annex project involves remodeling and updating the second floor of this building. The proposed alterations will affect approximately 12,000 net square feet of assignable area plus corridors and restrooms. A portion of this remodeled space will allow the relocation of the Placement Office and the offices for the Center for Industrial Research and Service. Temporary Building E can then be demolished. The balance of space in this building will be used for videotaping classrooms and faculty offices for the Department of Industrial Engineering. In addition, the project includes bringing this building up to the board's orthopedically handicapped accessibility standards which involves an elevator serving all three floors, corridor and circulation improvements, and new accessible restrooms.

The board was requested to approve the following revised or amended project budget:

The university submitted a revised project budget for Pearson Hall totaling \$347,500. This is \$107,500 below the budget approved at the June meeting. Source of funds remains Overhead Reimbursement for Use of Facilities.

The University submitted a revised project budget for Engineering Annex Remodeling totaling \$737,500. This is an increase of \$107,500 over the budget of \$630,000 approved in September 1980. Source of funds for the addition is Overhead Reimbursement for Use of Facilities. It represents an exact match of the savings on the Pearson Hall project.

MOTION:

Dr. Harris moved that the board approve the Register of Capital Improvement Business Transactions for the period March 14 through April 17, 1981; ratify awards of construction contracts made by the executive secretary; approve the revised or amended project budgets; and authorize the executive secretary to sign all necessary documents. Mr. Brownlee seconded the motion and it passed unanimously.

ACTIVITY FEE TRANSFER TO CITY-UNIVERSITY TRANSIT SYSTEM. It was recommended that the board approve the proposed transfer of \$4 of student activity fees from Iowa State Center support to City-University Transit System support for 1981-82.

The Board Office reported that the university proposed to transfer \$4 of student activity fees from Iowa State Center support to City-University Transit System support for 1981-82. The proposed transfer would result in \$100,000 less money for Iowa State Center and \$100,000 more for the City-University Transit System.

The Board Office noted that when student activity fees were allocated by the board last September, an operating budget for the proposed transit system had not been developed. A budget of \$907,000 for 1981-82 has now been developed consisting of \$737,000 for operations and \$170,000 for capital costs. This budget would be supported by revenues as follows:

	<u>Amount</u>
1. Federal Highway Administration - Aid to Small Urban Systems - Section 18	\$ 54,000
2. City of Ames - Tax Levy	227,000
3. Iowa Department of Transportation (IDOT)	36,000
4. Iowa State University - General Fund (for Vet. Med.)	100,000
5. Special Student Fees (\$14/Student)	350,000
6. Fare Box Revenue	140,000
	<u>\$907,000</u>

IOWA STATE UNIVERSITY
April 16-17, 1981

The institution indicated that funding from the Federal Highway Administration and the Iowa DOT is firm. The Iowa DOT funding is from the State of Iowa. The \$100,000 from the university general fund will become available as the proposed transit system eliminates the need for university bus service to the College of Veterinary Medicine. The addition of special student fees (activity fees) at \$14 per student annually in the amount of about \$350,000, together with the \$100,000, would provide an estimated \$450,000, which is about 50% of the budget for 1981-82.

The students and staff of Iowa State University are estimated to use about 50% of the total transit system service. The institution has indicated that records will be kept during 1981-82 to determine what percentage of the service is used by students and staff. This information will enable consideration of funding allocation adjustments for 1982-83.

The Board Office said the City of Ames amended its Code to establish a transit agency. The Ames Transit Agency consists of a Board of Trustees which includes as its members a member of the Ames City Council; a senator of the Iowa State University Government of the Student Body (GSB); a Vice President, Iowa State University; a GSB representative, not a senator, selected by the president of GSB; the Ames City Manager; and a person selected by the Mayor of Ames.

The Ames Transit Agency is prohibited from pledging credit, such as by borrowing, issuing revenue bonds, or entering into installment contracts involving payments in more than one fiscal year.

An agreement is being developed for sale of its property and distribution of the proceeds upon discontinuation of the Ames Transit Agency. The proposed agreement will be brought to the board for approval in the future.

The Board Office said the proposed transfer of \$4 of student activity fees from the Iowa State Center to the City-University Transit System has the support of the university administration and the Government of the Student Body.

The Ames Transit Agency proposed to charge 50¢ per ride for the general public and 25¢ for students. These fares must be low initially to attract riders in order for the transit system to become successful. Although the fare box revenue is estimated at only 19% of operating expenses (excluding depreciation of capital facilities) for 1981-82, it may be adjusted in the future.

The Board Office said the university proposed a plan for a City-University Transit System which can be funded for 1981-82 with the additional \$4 per student. The transit system would save university parking facilities and individual expenditures for automobile transportation. In view of these considerations, the Board Office recommended that the institutional proposal be approved.

President Parks began the discussion on the City-University Transit System by introducing Tom Jackson, President of GSB, and Mike McCabe, GSB senator and a member of the Ames Transit Agency.

President Parks pointed out that when the \$24 per student fee was set, there was some question as to how it would be split between Iowa State Center and the transit system. He said this request would not change the total amount. The change will be within that amount by making \$14 per student available for the transit system and reducing the support for the student center.

President Petersen asked the student leaders if they had an opportunity to participate in the organization and details of the transit system and if the student body is willing to support the system with student fees. Mr. Jackson said this was correct. Vice President Moore indicated that he and Mr. McCabe have worked together on the Ames Transit Agency Board of Trustees.

President Petersen noted that there had been some discussion in the Iowa State Daily about the capital aspects of the transit system. She asked if there had been resolution as to the funding for purchasing buses. Vice President Moore said that the Ames City Council has indicated it will approve signing a contract for the acquisition of a minimum of seven, and perhaps ten, buses. This will be the one major acquisition made possible by the combined university and city effort. He noted that the city has buses on order that will be delivered this summer.

Vice President Moore said that the three-party agreement which is being drawn up would properly recognize the equity interest of each of the three supporting groups. He said the agreement is in the final stages and there are no serious objections to its final approval. If for some reason the capital equipment is no longer needed and is liquidated or sold, the money will be divided in accordance with this agreement.

President Petersen asked if the university would be assuming further financial obligation than that to which it has already committed. Vice President Moore responded that it is possible the university may become involved in further financial support. He said at the level of support proposed, \$14 per student, the city will order the seven buses. He said a higher level of service with ten buses could require further financial support. He said the final budget would be presented to the board.

IOWA STATE UNIVERSITY
April 16-17, 1981

President Parks indicated that the \$14 per student was the total commitment of the moment. He said it was possible that the university may ask the board to agree to a further commitment at the May meeting. Mr. McCabe indicated that this additional request would be for another \$5 on the student fee in order to implement all of the transit service alternatives. He noted that there was a commitment for this greater amount by resolution of the GSB on April 7.

Mr. McCabe said that the present request for the transfer of \$4 to the transit system came at a crucial point in the purchasing procedure for capital equipment. He said it was necessary for the university to commit this amount to the city which will be supplying the buses. He said without this commitment, the city will be reluctant to sign the contract for the buses.

Vice President Moore said the proposed student activity fee of \$14 would make it possible to order equipment and develop a transit system that is a significant improvement in operation. A student fee at the level of \$19 would support a system it appears that the transit board and city will recommend.

Mr. Richey said that if another \$5 is to be added to the student activity fee, this would change the tuition set for the biennium. He suggested the board take this into consideration.

In answer to President Petersen's question about whether the institution would be requesting a tuition increase, Vice President Moore said this was not certain. He said there could be a request for an additional \$5 in tuition fees at the next board meeting. He pointed out that there would be a transit system but that the level of service would depend upon the level of support.

President Parks pointed out that the proposed fee of \$14 for the transit system would assure that there would be a bus system operating at some level. Therefore, this proposal could stand alone with no further action by the board. He explained that it is the expressed wish of GSB that another \$5 be added to student fees to support the system. It passed a referendum to this effect. He said the issue of the additional \$5 would be considered by the administration and a recommendation would be made to the board. He said that the proposed action of transferring \$4 from Iowa State Center to the transit system did not depend on a supplementary action. He assured the board that it would not commit itself to further support by this action.

Regent Bailey wondered about the amount charged for bus fares. He said the students would be subsidizing 25% of the cost of the system and he did not think this was very equitable.

Mr. McCabe said that originally the students considered an expanded bus system with no fare for student riders which would have been funded entirely through activity fees. As discussions progressed, it was felt that some fare was in order. He explained that city residents will be charged a 50¢ fare and student riders will be charged a 25¢ fare. This will shift the burden for use to the users and provide a better service.

Regent Bailey said not all students use the transit system and would be paying for it through their student fees without receiving any benefit. Mr. McCabe agreed that some students don't use the existing transit system. He said if all the system alternatives are implemented, it is believed that students throughout Ames and the campus would benefit from it because it would serve the campus and the entire city. Students would be able to use a bus to get to the business district. By expanding the system to this point, said Mr. McCabe, people not presently inclined to ride the bus would find some benefits.

Regent Wenstrand asked about the effect of the fund transfer on Iowa State Center. Vice President Madden explained that the Iowa State Center has not been receiving any special student fee support for its operation. It has been in the operating budget of the general university. By reducing the student fee to \$10, it will not be possible to subsidize as many users of the Center. He noted that until appropriations are known, the university will not know all of the choices for the Center. He said the institution believes it will be able to develop an adequate budget for Iowa State Center.

Regent Wenstrand asked if the university felt that the additional \$4 would provide enough funds to adequately capitalize cost, start up costs, and debt repayment. Vice President Moore said it was ample from the transit board's point of view.

Regent Neu asked if the \$14 fee would be for operations or capital. Mr. McCabe said it is not clear which dollars would go for capital and which would go for operations. He added that a commitment of \$14 would be viewed by the city council as a positive commitment and the city would be more likely to commit city funds necessary to make capital purchases. He said this is a crucial commitment from the students. Vice President Moore said the money would not necessarily be earmarked for capital or operations.

IOWA STATE UNIVERSITY
April 16-17, 1981

Vice President Moore noted that the present transit system runs only during daylight hours and on weekdays. The expanded system would be a full service system running at night and on weekends. It would also have increased headway. He said the \$14 student fee would attract another \$54,000 from the Federal Highway Administration, \$36,000 from the Department of Transportation, and \$227,000 from the City of Ames. He said the \$4 transfer has a lot of leverage.

If the institution requests additional student fees next month, Regent Bailey asked how this would relate to the general fund portion tuition. Vice President Moore said the general fund portion of tuition would remain at \$824.50. Vice President Madden said an additional request for student fees would increase the tuition fees. Mr. Richey noted that this would make Iowa State University's tuition higher than the other Regent universities.

Vice President Moore said that in comparing the universities, the board would take some facts into consideration. It would be proposed that support for Iowa State Center, which is now \$10, would be considered as part of the general university fund. He noted its present support is in the general university fund. That \$10 fee could be added to the general fund. He said the Memorial Union could be included in the general fund in order to make interinstitutional comparisons.

Regent Brownlee said that the board has made commitments to the General Assembly about financing the Regent universities in the future and has adopted a tuition schedule for the next biennium. He asked if the institution saw any problem with this commitment and an increase in tuition.

President Parks did not think this was a problem. He said it is the overwhelming desire of students at Iowa State University to have a transit system. This is a prime need and the students are willing to tax themselves an extra \$5. Therefore, he did not think the Legislature would oppose this. He noted that this should be viewed in light of a changing world and that it would reduce the number of student cars on campus.

President Petersen noted that she has visited with a large number of legislators who feel that if the board is concerned about its programs, it should raise tuition. She said if the board decides to raise tuition another \$5 at Iowa State, it must be able to defend the increase.

Vice President Moore thought legislative objections would be based on the idea that students would be taxing themselves for a nonessential service. He said it would be worthwhile to point out that the transit

system is not a luxury. It meets a need for energy conservation. He said such a system would be in the national interest because of oil shortages which will become worse. He did not think the system could be attacked as being an unworthwhile direction in which to move.

Regent Bailey suggested getting the additional funds could be done by raising the fare. He thought there was a problem with raising tuition after the board made a commitment for the biennium.

President Petersen summarized that the current proposal was to change the fee schedule within the established tuition. She noted that the board had now been informed that there may be another proposal regarding tuition but that the two proposals were independent of each other. The request for transfer of funds from Iowa State Center to the City-University Transit System was within the established tuition and was for the purpose of getting the transit program started.

Regent Shaw did not agree with the idea that the extra fee would be a case of the students taxing themselves. He said the student fees are set by the board within tuition and the board decides what percentage of the total tuition is devoted to student fees.

He felt that students are transient and they do not live with these problems. Regent Shaw did not like a management structure in which the board would lose control of its own destiny through a three-party agreement. He said this was not the time to take on an additional commitment.

MOTION:

Dr. Harris moved that the board approve the transfer of \$4 of student activity fees from Iowa State Center support to City-University Transit System support for 1981-82. Mr. Nolting seconded the motion. The motion passed with Mr. Shaw opposed.

President Petersen then asked board members and institutional executives if there were additional matters to be raised for discussion pertaining to Iowa State University.

Regent Shaw said he had nothing but praise for the institution.

Regent Harris noted that the College of Education at Iowa State University was selected as one of the best by the National Council of Teacher Education. This is the North Central Association council for accreditation of teacher education. Regent Shaw commended the university, particularly the college, dean, and faculty.

UNIVERSITY OF NORTHERN IOWA

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes were ratified by the board.

OTHER PERSONNEL TRANSACTIONS. The board was asked to approve the following change of title:

Change of Title

Rollin G. Evers, from Safety and Security Director to Parking and Security Director, effective January 28, 1981, with no change in salary.

MOTION: Mr. Bailey moved that the board approve the change in title for Rollin G. Evers. Mrs. Jorgensen seconded the motion and it passed unanimously.

PROPOSED CHANGE IN NAME OF DEPARTMENT OF SPEECH TO DEPARTMENT OF COMMUNICATION AND THEATRE ARTS. It was recommended that the board refer this item to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

MOTION: Mr. Nolting moved that the board refer the proposed change in name of the Department of Speech to the Department of Communication and Theatre Arts to the Interstitutional Committee on Educational Coordination and the Board Office for review and recommendation. Dr. Harris seconded the motion and it passed unanimously.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office reported that the Register of Capital Improvement Business Transactions for the period of March 1 through April 3, 1981, had been received, was in order, and was recommended for approval.

There were no construction contracts approved or recommended.

The board was requested to approve the following new projects:

UNI-Dome - Clean and Renovate Football Field Turf
Source of Funds: Building Repairs

\$35,000.00

UNIVERSITY OF NORTHERN IOWA
April 16-17, 1981

<u>Latham Hall - Roof Improvements</u>	
Source of Funds: Building Repairs	<u>\$80,000.00</u>
<u>Russell Hall - Roof Improvements</u>	
Source of Funds: Building Repairs	<u>\$51,000.00</u>
<u>Price Lab School - Roof and Coping Improvements</u>	
Source of Funds: Building Repairs	<u>\$56,000.00</u>

On the latter three projects, the university requested ratification of selection of Thorson-Brom-Broshar-Snyder, Waterloo, Iowa, for professional services to design, prepare plans and specifications, and review construction of the roof improvements on an hourly rate basis to a maximum fee of \$6,000. The hourly rates would be in accordance with the general owner/architect agreement approved by the board with this firm at the June 1980 board meeting. Mr. McMurray explained that the \$6,000 amount would be for all three projects.

<u>Hillside Courts Exterior Lighting</u>	
Source of Funds: Dormitory Improvement Fund	<u>\$26,000.00</u>

<u>Reconstruct Campus Street and 27th Street (Hudson Road to Campus Street)</u>	
Source of Funds: 1981 State Parks and Institutional	
Road Funds	\$245,000.00
Reserve Parking Lot Revenues	<u>17,000.00</u>
Total	<u>\$262,000.00</u>

This project consists of widening and resurfacing approximately 1,350 lineal feet of narrow and deteriorated portland cement concrete pavement on 27th Street; construction of approximately 300 lineal feet of portland cement concrete pavement for the Strayer-Wood Theatre Access Road; and replacing approximately 550 lineal feet of deteriorated brick pavement with new portland cement concrete pavement on Campus Street.

This project originally was listed in the 1982 Institutional Roads construction program at a cost of \$240,000. Recently, the University of Iowa informed the Board Office that a project scheduled in 1981 at the University of Iowa titled "Extension of Iowa Avenue Overpass," which had a budget of \$220,000, should be deferred at this time. Contact was made with the University of Northern Iowa officials. It was determined that the University of Northern Iowa project scheduled for 1982 could be done this summer. There would probably be some cost savings through accomplishment at an earlier date. Accomplishment of the project in 1981 would make available a total of \$390,000 for other University of Iowa road projects in the 1982 program. The Board Office noted this is all subject to approval by the Board of Regents and the Department of Transportation.

The board was requested to approve the project budget and description; approve a design agreement between the Iowa Department of Transportation and the board under which the board would design, let, and construct the work involved in this project (this agreement would be subject to approval of Iowa Department of Transportation); and approve a design agreement between Jensen Consulting Engineers, Inc., Cedar Falls, Iowa, to provide full engineering services including construction management other than inspection on an hourly basis with a maximum of \$21,000.

The project also includes resurfacing and/or reconstruction of three small parking lots contiguous to the Campus Street Reconstruction work. The university would hope to bid this project in May and complete construction by the start of school this fall.

The board was requested to take action on the following consultant contract:

The university requested authorization to make payments for additional services on the Coal-Fired Boiler Replacement and Auxiliaries project. Payment of \$4,471.96 was recommended by the university to Brown Engineering Company, Des Moines, Iowa, for additional services requested by the university which are outside the scope of the original design agreement. These additional services included finalization of the federal Environmental Protection Agency application, performance and compliance testing of the new boiler, and a relatively small amount which involved work that Brown Engineering did in redesign of contractor work.

MOTION:

Dr. Harris moved that the board approve the Register of Capital Improvement Business Transactions for the period of March 1 through April 3, 1981; approve the new projects; approve the design agreements; give authorization for payments for additional consultant services on the Coal-Fired Boiler Replacement and Auxiliaries project; and authorize the executive secretary to sign all necessary documents. Mr. Bailey seconded the motion and it passed unanimously.

MOTOR VEHICLE AND BICYCLE REGULATIONS, 1981-82. It was recommended that the board approve the 1981-82 motor vehicle and bicycle regulations for the University of Northern Iowa.

The Board Office explained that in accordance with requirements of the Code of Iowa and the Iowa Administrative Code, the university annually requests approval of its motor vehicle and bicycle regulations, including schedules of parking permit fees and violation penalties.

The motor vehicle and bicycle regulations proposed for 1981-82 were identical to those approved for 1980-81 with the exception of an addition to Section 1.4 concerned with permits for students living in university married student housing. The university indicated that this addition was recommended in order to relieve parking congestion problems in certain areas.

UNIVERSITY OF NORTHERN IOWA
April 16-17, 1981

The Board Office recommended approval of the 1981-82 motor vehicle and bicycle regulations.

President Petersen noted that the last time the rules were presented there were some objections from students. She asked if the proposed rules had been discussed by the students. Vice President Stansbury said the recommendation for the only change came from the Parking and Traffic Committee which has a significant and active student representation. He said the students in married student housing suggested the change as a solution to a congestion problem.

MOTION: Mr. Bailey moved that the board approve the 1981-82 motor vehicle and bicycle regulations for the University of Northern Iowa. Mr. Nolting seconded the motion and it passed unanimously.

PARIETAL RULE. President Petersen noted that this item was withdrawn to have further discussion with the student body. Vice President Stansbury explained that UNISA has come up with new ideas and that it would be best to defer the parietal rule so it can be discussed with students. President Kamerick noted that the Residence Hall Association officers and Student Association officers will change on April 1. These are the groups that are interested in discussing the parietal rule.

President Petersen then asked board members and institutional executives if there were additional matters to be raised for discussion pertaining to the University of Northern Iowa.

Regent Shaw said he had nothing but praise for the institution.

IOWA SCHOOL FOR THE DEAF

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel changes for the month of March 1981 were ratified by the board.

CENTRAL FILING SYSTEM. It was recommended that this item be deferred until legal counsel has had an opportunity to review and comment.

The Board Office noted that the Central Filing System has been referred to the State Attorney General's Office for review and comment.

EXTRACURRICULAR ACTIVITIES. It was recommended that the board receive the report on extracurricular activities submitted by the Iowa School for the Deaf.

The Board Office said Iowa School for the Deaf takes pride in its wide range of extracurricular activities. With this report it called attention to the extensive volunteer services provided by staff members in support of extracurricular activities. Payment is provided for the direction of extracurricular activities only in the area of interscholastic activities at the high school and junior high school levels. Time is donated by staff members for all other extracurricular activities, including Pixies, Girl Scouts, Y-Teens, newspapers, student council, cheerleading, choir, band, drama club, sports, speech contests, and other special activities and events. The time donated by individual staff members ranges from 5 to 250 hours per year.

The Board Office commended the staff members for their impressive donation of time in support of extracurricular activities serving students of all ages.

President Petersen received the report on extracurricular activities submitted by the Iowa School for the Deaf and expressed appreciation for all of the voluntary hours that are spent to the benefit of the students at the school.

IOWA SCHOOL FOR THE DEAF
April 16-17, 1981

REPORT ON EMERGENCY PLANS FOR THE CLOSING OF THE SCHOOL. It was recommended that the board receive the Iowa School for the Deaf's report on emergency plans for the closing of the school.

The Board Office explained that Iowa School for the Deaf submitted its schedule for emergency shut-down procedures and requested board approval of the plan and personnel assignments. The schedule indicated that in the event of an emergency closing due to inclement weather or other emergencies, staff members and their spouses who reside in the immediate vicinity of campus would be assigned responsibilities for the switchboard, dormitories, the infirmary, grounds, kitchens, and the power house. Older students will also assist in a number of areas.

The Board Office said board approval of the detailed plan for emergency closing was unnecessary. However, it is expected that institutional heads will notify the board president and the Board Office at the time of an emergency closing.

Superintendent Giangreco pointed out that the staff members and their spouses involved in the emergency shut-down procedures live on campus. They don't pay very much rent and the school expects them to be there when they are needed. The people have indicated they will respond in an emergency shut-down.

President Petersen noted that the emergency shut-down plans were designed to protect the students in an ongoing operation.

President Petersen received Iowa School for the Deaf's report on emergency plans for the closing of the school.

TEACHER'S HANDBOOK. It was recommended that this item be deferred until appropriate reviews and discussions take place regarding certain items in the handbook.

REPORT ON CONTINUING EFFORTS TO COORDINATE DORMITORIES AND SCHOOLS. It was recommended that the board receive the report of Iowa School for the Deaf on its continuing efforts to coordinate the activities of its dormitories and schools.

The Board Office explained that Iowa School for the Deaf reported on plans to provide more effective coordination between dormitory activities and those of the schools (lower elementary, upper elementary, high school, vocational). Administrators and teachers in the schools have volunteered their time to assist in the dormitories and provide regular hours in which they meet with students individually or in groups. Additionally, guidance counselors schedule office hours in the dormitories three evenings each week. The school reported very positive results have been received from this program since its inception in January 1981. Such a coordinate effort was noted by the evaluation team which recently visited Iowa School for the Deaf.

President Petersen noted that what goes on in the dormitories is as important as what goes on in the classrooms.

President Petersen received the report of Iowa School for the Deaf on its continuing efforts to coordinate the activities of its dormitories and schools.

APPROVAL OF CONDITIONS OF APPOINTMENT. It was recommended that the board defer discussion on this subject pending appropriate reviews and discussions concerning several items common to the Teacher's Handbook and the conditions of appointment.

The Board Office noted that as in the case of the Teacher's Handbook, several items needed further clarification and consultation.

REPORT ON STUDENTS' PASSING GALLAUDET COLLEGE ENTRANCE EXAMINATIONS. It was recommended that the board receive the report from the Iowa School for the Deaf on students' passing Gallaudet College entrance examinations.

The Board Office said Iowa School for the Deaf reported that eight of its graduating seniors have successfully passed the entrance examinations for Gallaudet College. Of these, two students passed the examinations as juniors. This year, twelve out of thirty-two seniors took the examinations and an additional six seniors passed. This pass rate is consistent with reports by officials from Gallaudet College that approximately fifty percent of the students taking these examinations on a national basis complete them successfully. The tests have been designed by Gallaudet College specifically for deaf students, and they are felt to be better predictors of college success for deaf students than are other standardized college entrance examinations.

President Petersen noted that the success of students passing these college entrance examinations is one way the board and school have of measuring the quality of its program and the way in which it serves students. Regent Wenstrand pointed out that this is just one measure. A high percentage of students go on to schools other than Gallaudet College.

President Petersen received the report from the Iowa School for the Deaf on students' passing Gallaudet College entrance examinations.

IOWA SCHOOL FOR THE DEAF
April 16-17, 1981

NON-FINANCIAL MEMORANDUM OF AGREEMENT WITH AREA EDUCATION AGENCY 13 AND LEWIS CENTRAL COMMUNITY SCHOOL DISTRICT. It was recommended that the board approve the non-financial memorandum of agreement among Area Education Agency 13, Lewis Central Community School District, and the Iowa School for the Deaf subject to the Board Office having it reviewed by legal counsel.

Iowa School for the Deaf requested approval of an agreement with the Loess Hills Area Education Agency 13 and the Lewis Central Community School District which will provide for regular classroom experiences for resident students at the Iowa School for the Deaf. The agreement would be for the 1981-82 school year.

The Board Office explained that the agreement stipulates that members of the three agencies will meet at least two times per year to review the program and that at least one member from each agency shall serve on a screening committee to determine feasibility and the parameters of each student placement. Lewis Central Community School District will act as the receiving agency and will provide regular classroom experiences for approximately 15 students in residence at the Iowa School for the Deaf. The Loess Hills Area Education Agency 13 will act as the servicing agency and is receiving funding to provide a program of interpretative services for the 1981-82 school year. The Iowa School for the Deaf will act as a sending agency and will provide for the identification of the students who will participate in the integrative program. Iowa School for the Deaf will also identify a liaison staff member, provide transportation for the students as needed, participate in annual staffings, and provide communication and reporting to parents.

The Board Office said the proposed agreement appears to be consistent with Regent interests in cooperation with other agencies and with thrusts toward mainstreaming. It noted that during the past year, the Regents also approved an agreement between the Iowa School for the Deaf and Area 13 providing for the placement of Lewis Central special education students in work experiences at Iowa School for the Deaf. In previous year, cooperation between Area 13, Iowa Western Community College, and the Iowa School for the Deaf has provided model community work experience programs for deaf students. Additionally, a number of students have attended Lewis Central Community Schools each year. The Board Office recommended approval of this agreement, subject to review by appropriate legal counsel.

MOTION:

Mr. Neu moved that the board approve the non-financial memorandum of agreement among Area Education Agency 13, Lewis Central community School District, and the Iowa School for the Deaf subject to review by legal counsel. Mrs. Jorgensen seconded the motion and it passed unanimously.

IOWA SCHOOL FOR THE DEAF
April 16-17, 1981

President Petersen then asked board members and institutional executives if there were other matters to be raised for discussion pertaining to the Iowa School for the Deaf.

Regent Shaw said he had nothing but praise for the institution.

Superintendent Giangreco said the Office of Civil Rights in Kansas City would be reviewing the Iowa School for the Deaf on April 28. He noted Mr. Maxwell of the Board Office would also be present during this review.

IOWA BRAILLE AND SIGHT SAVING SCHOOL

The following business pertaining to Iowa Braille and Sight Saving School was conducted on Thursday, April 16, 1981.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the month of March 1981 were ratified by the board.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office reported that the Register of Capital Improvement Business Transactions for the month of March 1981 had been received, was in order, and was recommended for approval.

The following construction contracts awarded by the executive secretary were recommended for approval:

Handicapped Accessibility Program - Contract for Wheelchair Lift

Ratify issuance of a purchase order to Vern's True Value and G.E., Independence, Iowa, in the amount of \$9,583.88.

Quotations were received on March 20, 1981, for the furnishing and installation of one wheelchair lift including all parts and labor. The low bid was accepted. This lift will be installed at the tunnel steps near the dining room area in Palmer Hall.

The chairlift was included in the original \$275,000 accessibility budget and is the last item on which award is needed on that project. The program consists of installation of three elevators, restroom modifications, and entrance modifications in a total of four buildings on campus.

The board was requested to approve the following contract:

Gutter Renovation - Main Building

Award to: O. F. Paulson Construction Co., Cedar Rapids, Iowa \$32,000.00

The board was also requested to approve a revised project budget totaling \$42,000 funded from current year Building Repairs. The board previously approved a \$28,115 budget in March. Bids were taken on March 17. It became obvious that the original budget was understated as to costs for the project. Shive-Hattery, the outside consultant, analyzed the bids and concurred in the recommendation of award to the low bidder.

IOWA BRAILLE AND SIGHT SAVING SCHOOL
April 16-17, 1981

The board was requested to approve a contract change order with B.A. Westbrook Construction, Inc., in the amount of \$714.19 on the Enclosed Walkway project between Rice Hall and the Gymnasium.

MOTION:

Mr. Wenstrand moved that the board approve the Register of Capital Improvement Business Transactions for March 1981; ratify issuance of the purchase order; approve the construction contract; approve the revised budget; approve the contract change order; and authorize the executive secretary to sign all necessary documents. Mr. Nolting seconded the motion and it passed unanimously.

President Petersen then asked board members and institutional executives if there were additional matters to be raised for discussion pertaining to Iowa Braille and Sight Saving School.

Regent Shaw said he had nothing but praise for the institution.

ADJOURNMENT. The meeting of the State Board of Regents adjourned at 10:45 a.m. on Friday, April 17, 1981.



R. Wayne Richey
Executive Secretary