

The State Board of Regents met at Iowa State University, Ames, Iowa on Thursday, February 16, and Friday, February 17, 1978. Those present were:

	<u>February 16</u>	<u>February 17</u>
Members of State Board of Regents:		
Mrs. Petersen, President	All Sessions	All Sessions
Mr. Bailey	All Sessions	All Sessions
Mr. Barber	All Sessions	All Sessions
Mrs. Belin	All Sessions	All Sessions
Mr. Brownlee	Absent	Absent
Mr. Harris	All Sessions	All Sessions
Mr. Shaw	All Sessions	All Sessions
Mr. Slife	All Sessions	All Sessions
Mr. Wenstrand	All Sessions	All Sessions
Office of State Board of Regents:		
Executive Secretary Richey	All Sessions	All Sessions
Ms. Bacon	All Sessions	
Mr. Barak	All Sessions	All Sessions
Mr. Grant		Aft. only
Mr. McMurray	All Sessions	All Sessions
Mr. Volm	All Sessions	
Mrs. Vosberg	All Sessions	All Sessions
Diane Giovingo, Secretary	All Sessions	All Sessions
Pauline K. Van Ryswyk, Secretary	Absent	Absent
State University of Iowa:		
President Boyd	All Sessions	Exc. 11:30 a.m.
Vice President Brodbeck	All Sessions	Exc. 11:30 a.m.
Vice President Jennings	All Sessions	Exc. 11:30 a.m.
Assistant to President Mahon	All Sessions	Exc. 11:30 a.m.
Assistant Vice President Small	All Sessions	Exc. 11:30 a.m.
Director Hawkins	All Sessions	Exc. 11:30 a.m.
Director Tobin	All Sessions	Exc. 11:30 a.m.
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	Exc. 8:45 a.m.
Assistant Vice President Madden	Arr. 2:35 p.m.	All Sessions
Assistant to President Henry	All Sessions	All Sessions
Director Whitman		All Sessions
University of Northern Iowa:		
President Kamerick	All Sessions	Exc. 11:40 a.m.
Provost Martin	All Sessions	Exc. 11:40 a.m.
Vice President Hansmeier	All Sessions	Exc. 11:40 a.m.
Vice President Stansbury	All Sessions	Exc. 11:40 a.m.
Vice President Voldseth	All Sessions	Exc. 11:40 a.m.
Director Kelly	All Sessions	Exc. 11:40 a.m.
Dean Morin	All Sessions	Exc. 11:40 a.m.
Iowa School for the Deaf:		
Superintendent Giangreco	All Sessions	All Sessions
Business Manager Kuehnhold	All Sessions	All Sessions
Iowa Braille and Sight Saving School:		
Superintendent DeMott	All Sessions	All Sessions
Business Manager Berry	All Sessions	All Sessions

GENERAL

The following business pertaining to general or miscellaneous items was transacted on Thursday, February 16, 1978.

APPROVAL OF MINUTES OF JANUARY 20, 1978 MEETING. The minutes of the Board of Regents meeting held January 20, 1978 were approved as corrected.

COMMITTEE ON EDUCATIONAL COORDINATION. A. Long-Range Academic Plans. The Board Office recommended the board accept the three universities' reports on long-range planning. The Board Office indicated that acceptance of the reports would not imply Regental approval of any specific programmatic, budgetary, or capital items which will be submitted to the board at the time they are being proposed by the institution.

The board was presented a 1977-78 academic year report on each of the universities' long-range academic planning activities, including quantitative data as well as qualitative programmatic reviews and projections. Although each institution presented its own report based on the data and approach which best suited its individual situation, these reports followed similar formats so that appropriate comparisons could be made among the institutions. The reports are on file at the Board Office.

Regent Bailey expressed concern about program duplication and asked if the State University of Iowa has a graduate program in public administration. President Boyd responded in the affirmative. President Parks noted that Iowa State University also offers a graduate program in public administration. Vice President Martin commented that the University of Northern Iowa does not foresee a graduate program in public administration. President Parks noted that public administration has never been an "exclusive" field. He said he feels that Iowa State University and the State University of Iowa have different areas of emphasis with respect to the program.

President Petersen agreed with Regent Bailey's concern about program duplication but noted that the review process for program changes or additions at the institutions is very thorough. She commented that if all the suggested possibilities mentioned in the universities' reports were to come to pass, the board would have a "staggering number" of new programs. She said the board and the institutions realize that such an increase is not going to happen.

Regent Shaw commented that most of the skills in management apply both to the public and private sector. With roughly 20% of employment now in the public sector, a person probably should not refrain from taking courses in management, for example. Regent Shaw encouraged the board take a closer look at deficiencies at the present time rather than waiting for new or changed programs to be submitted to it for final approval.

President Parks said he felt that worry about duplication at Iowa State University is more internal than it is interinstitutional. He said the university has made some progress in eliminating some overlapping programs but he suggested that, if the university does move more in the direction of graduate programs in public administration, it should be an interdisciplinary program.

Mr. Richey reminded the board that it needed to place adequate emphasis on special education for the blind, the hearing impaired and other mentally-disabled persons. He said there is currently a very major demand for practitioners in those fields and the board's two special schools are experiencing difficulty in getting appropriate faculty certification. He said the problem is complicated by the fact that the universities are faced with inadequate funds to take care of additional enrollment for current programs.

Regent Belin expressed concern with respect to the institutional planning reports and indicated the need to teach students to write adequately, to express their ideas in writing in a coherent fashion. She said she would not like to see this responsibility confined to teachers of English. Regent Belin specifically referred to the kind of instruction the board provides at its teacher training institutions that would provide this expertise to teachers of elementary and high school children.

President Boyd noted that while he agreed with Regent Belin that being able to read and write are of utmost importance, he was concerned about the adequacy of the current testing devices. He reported that testing is more dangerous than is assumed. He indicated that there is a bias in the tests as to what is being tested.

President Petersen commented that not only do good educational skills depend upon the skill of the individual teacher, but it also depends upon the administration of the respective school systems in their hiring and staffing patterns. She said the weakness may not be in just saying all teachers don't know how to teach, but that perhaps the right teachers aren't in the right responsibility.

President Petersen encouraged the institutions to address the preparation of teachers in the basic skills. President Boyd said a big argument involves the definition of "basic skills." He noted that he is worried about the President's call for national testing, but is thankful that the United States Office of Education is apprehensive about such an approach.

President Petersen asked board members if there were other matters which should be addressed in the academic planning seminars.

President Petersen encouraged discussion of the philosophy of coordination and cooperation with other institutions, both Regental and external, and how to articulate and put into process the nontraditional and extension programs. President Boyd concurred and added that the board has got to start addressing the financial aspect of nontraditional and extension programs as the cooperation aspect is already there.

President Petersen commended the institutions and their various planning committees for dealing with the planning processes before the board. She then encouraged discussion pertaining to possible dates for the respective university academic seminars.

Regent Harris asked if the board should consider raising the standards for university admission. He noted that Iowa State University, in particular, commented about its entrants who are not really equipped to do college work. He suggested the raising of standards for admission be considered with the effect of enrollment examined. President Parks responded that several years ago specific requirements were expected of students coming from high school, particularly if they were going into certain areas. Then came the period where there were more generalized requirements initiated. President Boyd said he was not sure that some of the things that have occurred in the last 20 years are necessarily bad. Regent Bailey encouraged a lot of research and planning before any major steps are made to change the present system.

President Kamerick said the University of Northern Iowa has dealt with the same problem of high school graduates being unable to do college-level work. He reported that the university has established a learning resources center which attempts to remedy skill deficiencies of various kinds. He said that center has grown since it was established three to four years ago. President Petersen noted that further discussion of this subject will occur at the board's academic seminars held at the respective universities.

President Petersen brought up the question of scheduling board meetings for the academic seminars. She said there is a need to devote a specific period of time for the State University of Iowa's seminar apart from the scheduled board meeting time due to the complexity of the university's plans. After discussion, the following schedule was proposed:

Iowa State University	May 31, 1978
State University of Iowa	June 6, 1:00 p.m., and June 7, 1978
University of Northern Iowa	July 19, 1978

B. Proposed Doctorate of Industrial Technology Degree at the University of Northern Iowa. This item was deferred until the March board meeting in order to provide an opportunity for further study by all parties involved.

IOWA COORDINATING COUNCIL FOR POST-HIGH SCHOOL EDUCATION MEETING. The board was presented a report of the Iowa Coordinating Council for Post-High School Education's meeting of February 2 at Iowa State University. Following is a brief summary of some of the major topics of discussion at the February meeting:

1. The council heard a report from its Data Gathering Committee in which the committee recommended that the Coordinating Council approve a feasibility study on implementing the National Center for Higher Education Management Systems State-Level Information Base project in Iowa. This recommendation was approved by the council.
2. The Coordinating Council gave final approval to the "Statement on Cooperation" that had been circulated and reviewed by the various segments of the council. The council requested that the correspondence secretary develop a brochure consisting of the "Statement of Cooperation," the bylaws of the Coordinating Council, and a list of membership to be distributed to various governmental and educational units.
3. The Coordinating Council received the recommendations of an ad hoc committee to develop a task force to study the impact of the various

reciprocity proposals in Iowa. This recommendation was approved by the council. Also, discussion took place regarding the merits of the Midwest Education Compact proposal. As a result of that discussion, the Coordinating Council requested that a resolution be adopted requesting the legislature postpone approval of the Midwest Education Compact until such time as a comprehensive study can be undertaken to ascertain the impact of the compact on Iowa.

4. The Coordinating Council heard a report by Pat Conway of the Higher Education Facilities Commission regarding the regional Lifelong Learning Project. It was noted that the five regions have all been provided "mini-grants" for carrying out activities for the current year. In future years, the regional groups will need to absorb the cost for these undertakings.
5. The Coordinating Council heard brief reports from each segment regarding legislative programs for the current session of the General Assembly.
6. The Coordinating Council accepted new program proposals from the University of Iowa and the area schools.

Regent Harris commented with respect to the minutes of the meeting by noting that it said that State Superintendent of Public Instruction Benton had received correspondence from Stephens College in Missouri concerning its interest in offering programs in Iowa. President Petersen reported that Stephens College is experimenting with an approach to continuing education in a different format. She said that college notified the Coordinating Council of its seminar-type approach to nontraditional learning. President Petersen noted that Stephens College did not ask the Coordinating Council to approve its proposal.

Regent Bailey said he favored postponement of the Midwest Education Compact as stated above. He favored a deferral position with respect to the proposal.

MOTION:

Mr. Bailey moved the board adopt a resolution requesting that the legislature postpone approval of the Midwest Education Compact until such time as a comprehensive study can be undertaken to ascertain the impact of the compact on the state of Iowa. Mr. Wenstrand seconded the motion and it passed unanimously.

LEGISLATIVE REPORT. The Board Office reported that the 1978 Legislature just completed its fifth week in session. A great deal of time has been spent in committee action, and in particular, the budget committees. There has been a limited amount of floor debate. Certain key topics have been addressed, including a bottle bill, a rewrite of the juvenile justice law, both in the Senate; and revisions to the open meetings bill in the House.

A complete summary report of the bills being followed by the Board Office was presented the board. The positions indicated in the memorandum were to be the ones taken by the board unless otherwise directed.

The Board Office reported that the Senate confirmed as members of the board Dr. Harris, Mr. Wenstrand and Mrs. Belin on a unanimous vote.

The Board Office reported that the Joint Subcommittee on Education Budgets met regularly over the past month on both the operating and capital budgets. As a joint subcommittee, it was not able to agree to report a bill out. Therefore, the Senate Subcommittee on Education Budgets reported out an operating appropriations bill for education. One of the major controversies in the bill related to appropriations of \$400,000 to provide \$10 per pupil for textbooks for students in nonpublic elementary/secondary schools. The bill, as it came out of the Senate subcommittee, grants to the board substantially what the Governor recommended except for a \$200,000 decrease in the amount recommended for off-campus education primarily for western Iowa. The bill also includes the Board Office with \$6,000 added to the Governor's recommendation. It also changes the salary range of the Iowa Public Broadcasting Network director, the state superintendent of the Department of Public Instruction and the executive secretary of the Board of Regents. Mr. Richey noted that the salary range established for his position was along the lines recommended by the board.

Mr. Richey reported that the appropriation to the board contains language relating to the board's collective bargaining responsibilities that has been inserted into the legislation for several years without the support of the board. The language this year reads slightly different than before. As a condition for the appropriation of these funds, the State Board of Regents, for purposes of implementing collective bargaining pursuant to Chapter 20 of the Code, shall act as exclusive public employer for its academic professional and scientific employees. Mr. Richey indicated that the board did not request the above language be inserted into the bill, nor did it support such. The board's constant position has remained that it has the basic authority under Chapter 262 of the Code and that it does not need that language incorporated. Mr. Richey added that the Governor's Office is opposed to the inclusion of this language in the appropriation bill. President Petersen commented that even if that language were passed, she assumed the board would continue to consult and work with the Governor. She said the board cannot be independent of that process.

Regent Bailey asked for clarification regarding funding for continuing education needs in the state. Legislative Liaison Hawkins responded that the Senate subcommittee originally intended to provide funding at the amount of \$300,000 rather than the \$100,000 appropriated for same. President Petersen noted that the board should not interpret the debate on this matter to mean the legislature does not want continuing education. Mr. Richey added that he sat in at the legislative meetings for a few days and understood that while the legislature does not discourage the board from doing work in the field of continuing education, it just didn't want to give the board the money to do it. President Petersen agreed with Mr. Richey's remarks.

Vice President Christensen reported that he shared Regent Bailey's concerns. He said the directors of the extension operations at the institutions and a lot of other people are working very hard to provide new programs for western Iowa. He said he and others have tried to impress upon legislators the fact that what is being done in western Iowa is not substitution for what is already being done by private institutions.

With respect to deliberations on the capital program, Mr. Richey reported that the House subcommittee agreed to all the projects recommended by the Governor. The House subcommittee did not raise any concerns about any of the projects except the \$170,000 for the pedestrian crossovers for the Hudson Road project at the University of Northern Iowa. Mr. Richey said that this morning the Joint Subcommittee on Transportation and Appropriations met and voted to advance \$165,000 for said purpose from highway funds to the Institutional Road Fund to the board with the understanding that \$55,000 would be paid back in 1980 and 1981 from the Regents' allocation from the Institutional Road Fund. The effect of that is that the board is going to have to eliminate some programs planned for the years 1980-1981. Mr. Richey reported that if the board took into consideration price inflation, its current five-year road program will take 40 years to complete and, if the above proposal passes, it will take approximately 43 years to complete.

President Parks asked if Mr. Richey or the board's legislative liaison personnel saw any real prospects of increasing the board's capital appropriations in view of the fact that the state revenue picture is better than before and capital expenditures are not of a recurring nature. Mr. Hawkins said the State Comptroller's Office has not recognized this prospect. Vice President Jennings added that while the subject was raised at the capital hearing, it was not well received.

Discussion then turned to House File 82. The Board Office reported that this bill places with the Department of Health the authority to regulate the design, installation and use of radiation emitting equipment in the state. President Boyd expressed opposition to an amendment filed by Senators Rodgers and Gallagher which provides that the State Hygienic Laboratory shall inspect at the time of installation, reinstallation or major component change and shall periodically check thereafter all equipment and materials located in the state for the purpose of detecting, abating or eliminating excessive radiation exposure hazards. President Boyd indicated that he was not consulted as to the specifics of the amendment. He noted that if the amendment did merit examination, it should be brought to the board through the appropriate channels with the appropriate cost figures for implementation. He said he felt this would involve finances. President Boyd said the amendment had interinstitutional effects. Mr. Richey indicated it would have interagency and interinstitutional implications.

President Petersen recommended the board oppose the amendment to House File 82 in light of the comments made above. There were no objections.

President Petersen reported that the Regents' study committee on retirement has been named and has begun studying the subject of retirement policies and rates of older employees. She referred to House File 419 which removes the mandatory retirement policies from the Code and provides for the continuation of employment as long as an individual is competent to perform the job.

Regent Bailey noted that on occasion the board's position on a specific bill changes from month to month in reports by the Board Office. He recommended such changes in positions be particularly pointed out to members of the board in the future. It was pointed out that positions recommended

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by the Board Office would be considered approved unless the board indicated otherwise. Regent Bailey commented that unless changes were specifically reported on, the board could silently approve of a position unknowingly. Mr. Richey said that care would be taken to avoid such occurrence.

Regent Bailey referred to House File 2113. The bill deals with the appropriation of federal funds by the General Assembly. The bill, as reported out to the floor for debate, is identical to that discussed earlier by the board. The only exemption in the bill is that federal funds do not include project grants for research and funds for student aid programs carried on at the institutions under the control of the board. Regent Bailey said he feels this type of bill could very possibly discourage allocation of funds by the federal agency. Mr. Richey added that the bill would limit the board's ability to compete in national competition for federal grants for a specific project. President Petersen underscored those comments by saying that the bill is "unworkable" for the board. Mr. Richey said the bill is on the House Calendar. He said there are some problems with the bill and it affects the authority of the state's executive branch rather significantly. Regent Belin added that the bill may be unconstitutional. She said the bill would curtail the faculty's initiative to competitively seek federal funds. Legislative Liaison Henry reported that the problems involved with House File 2113 are not unique to Iowa. He said there are ten states where similar legislation is being considered. Such legislation has already been passed in three or four states. Iowa is currently trying to get information about the states under the law. He made specific reference to the states of Montana and Pennsylvania.

Regent Bailey commented on House File 2122 saying the bill provides a minimum tuition grant of \$200 per semester for all students in private institutions regardless of scholastic ability or need.

Regent Bailey referred to Senate File 2088. The bill limits out-of-state travel of state employees and General Assembly members to require that not more than two of its employees travel at the expense of the state outside the state at the same time for the same purpose and destination. Regent Bailey agreed with the recommendation for the board to oppose the bill but suggested not being very vocal about it. President Boyd said he preferred to have this matter left to the administrations, respectively, Mr. Richey added that many times three persons are needed to sign bonds and the proposed bill would conflict with that specific need. President Petersen said it is in the best interest of the institutions to retain autonomy with respect to out-of-state travel.

MEMBERSHIP OF AD HOC COMMITTEE ON RETIREMENT. The board was requested to approve the appointments of the following members to the ad hoc Interinstitutional Retirement Study Committee:

University of Iowa

Mary Jo Small, Assistant Vice President, Administrative Services
Kenneth L. Moll, Associate Dean, Academic Affairs

Iowa State University

Wayne R. Moore, Vice President for Business and Finance
Edwin C. Lewis, Assistant Vice President, Academic Affairs

University of Northern Iowa

Donald Rod, Director of Library
Donald Walton, Assistant to Vice President, Administrative Services 480

Iowa School for the Deaf

C. Joseph Giangreco, Superintendent
Norman Devine, Assistant Superintendent

Iowa Braille and Sight Saving School

Richard M. DeMott, Superintendent
Allan J. Nimmer, Administrative Assistant for Personnel Affairs

Board Office

R. Wayne Richey, Executive Secretary

MOTION:

Mr. Slife moved the board approve the appointments of the above-named members to the ad hoc Interinstitutional Retirement Study Committee. Mr. Harris seconded the motion and it passed unanimously.

INFORMATIONAL REPORT ON COLLECTIVE BARGAINING. The board was presented an informational report on collective bargaining pertaining to the following items: 1) Security Unit, 2) Technical Unit and Professional Fiscal/Staff Unit, 3) Public Employer Case, and 4) Hallberg Grievance.

RECOGNITION OF VOLUNTEER SERVICE IN THE EVALUATION OF APPLICANTS FOR EMPLOYMENT. The board was requested to approve the following statement of policy:

The Board of Regents recognizes volunteer service as an important source of human effort for the benefit of society and its individual members, and directs that volunteer and other unpaid work be given consideration and appropriate evaluation in the assessment of applicants for employment at its institutions.

The Board Office reported that the importance of volunteer service in improving the quality of life was emphasized in numerous discussions and meetings which were part of the recently completed second phase of the Iowa 2000 Program. Employment functions at the board's institutions have long operated on the principle of finding the best person available to do the job, regardless of how that person gained the needed qualifications; attention is given to the nature and scope of applicants' experience, whether paid or unpaid. The statement recommended for adoption would not change existing policies. It would, however, confirm a tradition of recognition and respect for volunteer service and is consistent with and supportive of the Regents' already strong commitment to equal employment opportunity.

Regent Wenstrand emphasized the importance of volunteer work in the state's communities. He said too often we rely on various government agencies to do work which communities can take upon themselves.

Regent Shaw noted that volunteer work should be considered when applications for employment at the board's institutions are taken. He emphasized that "relevant" experience should be considered. President Boyd reiterated Regent Shaw's remarks by saying persons with only relevant past work experience should, likewise, be considered. President Petersen said the phraseology used in the proposed policy statement took care of Regent Shaw's statement about relevance in that it says that the hiring agency will give appropriate evaluation which puts the burden on the agency to evaluate appropriately that experience.

VOTE ON MOTION: The motion carried.

MERIT SYSTEM CLASS SPECIFICATIONS REVISIONS. The board was requested to approve the revisions in the class specifications for Clerk II, III and IV, Clerk Typist II and III, and Secretary I, II III and IV. These are revisions to the minimum qualifications applicants are required to meet in order to compete for positions in these classes.

The Board Office reported that in conjunction with its test validation program and as a result of the original study of the classes using written tests, it came to its attention that the class specifications (minimum qualifications) for the Clerk, Clerk Typist and Secretary classes should be revised to provide consistency in the requirements for these classes, to clarify the wording and to reflect more accurately the minimum amount of previous experience and/or education required to prepare candidates for employment in these classes. A separate study was then conducted to determine valid requirements. New class specifications have now been written using the information provided through this study and from a review of the present statements for these three series of classes.

A second validation project is nearing completion, which result in the implementation of new written tests for the upper level secretary and the clerk classes during March of this year. Since this will require a re-evaluation of all candidates for these positions, the Board Office recommended approval of the revised specifications for these classes at this time rather than waiting for the time of the annual review of the pay plan so that they can be implemented simultaneously with the new tests.

Mr. Volm reported that the majority of changes recommended involved language clarification. He raised an additional matter concerning clarification of Point b under Clerk Typist III's revisions. He proposed changing the last clause to read, "study as a full time student may be substituted for work experience on a month for month basis for a maximum of eighteen months of the required twenty-four...." Mr. Volm said that the change represented no change in substance from the revision presented the board which stated, "one month study as a full time student equaling one month of experience...."

Assistant Vice President Small then suggested a similar change in wording be used in the Clerk IV's specification. She explained that in both of the classes (Clerk Typist II and Clerk Typist III) there is a total amount of required work experience. She said she wanted it made clear that the substitution of education for experience does not meet the higher experience requirement, but does meet the general work test requirements. Mr. Volm indicated that the same change should be applied to the specifications for Clerk IV, Clerk Typist III, and Secretary II, III, and IV. Assistant Vice President Small concurred with Mr. Volm's recommendation.

MOTION: Mrs. Belin moved the board approve the proposed Merit System classification revisions including those made by Mr. Volm and Mrs. Small, as identified above. Mr. Harris seconded the motion and it passed unanimously.

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ASSOCIATION OF GOVERNING BOARDS MEETING. President Petersen called board members' attention to the Association of Governing Boards of Universities and Colleges' National Conference on Trusteeship to be held April 16-18 in San Francisco, California. She encouraged interested board members to attend and to notify Mrs. Mininger of the Board Office of their plans.

RESOLUTION FOR TRANSFER AND SALE OF SECURITIES IN JOHN F. MURRAY FUND. The board was requested to adopt a resolution for transfer and sale of securities in the John F. Murray Fund.

The Board Office reported that a resolution for the transfer and sale of securities held in the John F. Murray Fund has been in effect since it was adopted originally in 1966. Minor modifications have been periodically made to correct for changes in staffing within the Board Office. The resolution requested for adoption reflected corrections for changes in title for positions in the Board Office, and satisfied the request of the Merchants National Bank, the fund's investment adviser.

The resolution proposed was changed from the preceding one in that it specifically is limited to transactions of Murray Fund securities. Also, it was indicated that the signature of either the treasurer or assistant treasurer of the University of Iowa is required to effect these securities transactions. The latter limitation was incorporated in response to a question raised at the September board meeting by Regent Bailey about the scope of the preceding resolution.

MOTION:

Mr. Bailey moved the board adopt the resolution for transfer and sale of securities in the John F. Murray Fund as recommended. Mr. Barber seconded the motion and it passed unanimously.

A copy of the resolution is on file at the Board Office.

BOARD OFFICE PERSONNEL REGISTER. The board was requested to ratify the Board Office Personnel Register for the month of January 1978.

The following entry required board ratification:

Salary Increase

R. Wayne Richey, executive secretary to \$33,600, effective January 20, 1978.

In absence of objections, President Petersen ratified the action reported in the Board Office Personnel Register for the month of January 1978.

GROUP HEALTH INSURANCE - A REPORT ON THE STUDY AND RECOMMENDATION OF THE EXECUTIVE COUNCIL'S INSURANCE COMMITTEE. The Board Office reported that in the 1977 Special Session, the 67th General Assembly amended Chapter 509A of the Code, Group Insurance for Public Employees, to make the Executive

Council the governing body for the administration of group insurance for all state employees, including "employees of the State Board of Regents for purposes of health and life insurance only." Prior to that change, while employees of Iowa School for the Deaf and Iowa Braille and Sight Saving School participated in the same group insurance plans available to other employees on the state central payroll, the universities developed and administered separate group plans for their respective faculties and staff employees. Board of Regents policy permitted variations in benefits provided under such plans in order to recognize and meet the needs and desires of the individual universities and their employees, who paid a substantial portion of the premium cost of the health insurance.

Mr. Richey reported that the 1977 Special Session of the legislature approved an increase in employer contributions toward health and major medical insurance. For the first year of the 1977-79 biennium, contributions for employees at all three universities were increased from \$6.00 per month at Iowa State University and the University of Northern Iowa and \$1.98 per month at the University of Iowa to \$18.80 per month. Contributions for employees at the Iowa School for the Deaf and Iowa Braille and Sight Saving School and for other state employees were increased from \$25.00 to approximately \$30.00 per month (the full cost of single coverage). For the second year of the biennium the legislature approved a further increase in employer contributions for all Regents and state employees to pay for the entire cost of single coverage and contribute an additional \$7.50 per month toward dependent coverage. (Some variations to the above were approved as negotiated or awarded in collective bargaining agreements.)

Following action of the legislature which made the Executive Council the governing body for health and life insurance for all state and Regents employees, the council appointed Secretary of State Melvin Synhorst, State Comptroller Marvin Selden, and Insurance Commissioner Herbert Anderson to a committee which was asked to review existing health insurance plans and make a recommendation to the council for implementation of a single statewide group plan, to be effective July 1, 1978. In late July of 1977, the Executive Council approved the addition of a representative from the Board of Regents' Office to the committee, and Don Volm, Regents Merit System Director, has served in that capacity. Mr. Volm has worked in close consultation with representatives of university administrations and arranged for university representatives to present their concerns directly to the Executive Council's Insurance Committee.

The Board Office indicated that there have been meetings on experience ratings and the apparent lower incidence of claims or medical costs under the present university groups, which have enabled them to provide greater benefits at lower costs than what is presently provided for other state employees. There was further discussion and some difference of opinion about the possibility of reducing health insurance benefits for employees covered under current collective bargaining agreements. Particular concern was expressed by representatives of the State Comptroller's Office about the recent improvements that were made in the University of Iowa plan as of July 1, 1977. In April of 1977, following considerable study and a survey of employee preferences, the university negotiated an agreement with Blue Cross-Blue Shield to add several benefit provisions and make other improvements in its plan which resulted in a rate increase of \$2.55 per month in the single rate, and \$5.61 per month in the family rate. At the time the agreement was made, University of Iowa employees paid the

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entire cost of health insurance. However, the changes did not become effective until July 1 when the Executive Council became the governing body and employer contributions were increased.

In addition to the meeting with universities' representatives, the committee met with Mr. Vernon, the State Director of Employment Relations, and with representatives of the insurance industry to ascertain the feasibility of some of the alternatives under consideration. At a meeting on February 9, the committee reviewed various cost projections prepared by the State Comptroller's Office and by majority vote decided:

1. To recommend to the Executive Council for implementation effective July 1, 1978, a state-wide health insurance group program that would make available to all employees one of two options:
 - a. A plan similar to the present Iowa State University PAT 500 plan and
 - b. A plan similar to the present state Blue Cross-Blue Shield plan.
2. To request bids on the cost of additional provisions, such as those presently in some of the universities' policies but not in the present state Blue Cross-Blue Shield plan.
3. To defer decisions on the question of eligibility for participation in the plan.
4. To include in the specifications provisions for a Medicare supplement for employees age 65 and over.

Cost projections for 1978-1979 were provided for members of the board for separate experience ratings for employees on the centralized payroll versus Regents' employees and for a single experience rating for both groups of employees. The costs were projected for each of two plans: the present Regents' (State University of Iowa) plan which is now in effect only at the University of Iowa, and the present state centralized plan. Monthly rates were provided for each of the four options.

The option recommended by the Insurance Committee of the State Executive Council was based on single experience rating for both state and Regents' employees for the present state centralized plan. The monthly premium was estimated to be \$35.11 per month and \$87.58 for individual coverage and family coverage, respectively. The employer's contribution would pay for individual coverage and an additional \$7.50 toward the cost of family coverage. The additional cost to the Regents of this plan would amount to close to \$600,000, based on current employee participation, over the \$3,454,000 in the budget for 1978-1979 (including funds appropriated by House File 634) in state funds and \$500,000 in restricted funds. In addition, employees would have to pay another \$250,000 or so for less coverage.

It was noted that the committee option provided the lowest overall cost to the state. The single group approach saves \$104,000 assuming the existing state health insurance plan and \$442,000 assuming coverage now in the University of Iowa group plan.

Several financial implications were indicated in the plan. First, additional funding has not been established, which means internal absorption of the cost may be required. This would be in addition to a cost of approximately \$400,000 due to anticipated increased participation by employees in health insurance plans as increases of employer contributions occur in 1978-1979. Further, increased costs to the 4,400 employees purchasing family coverage, who are supported from general funds, could amount to between a quarter and a half million dollars.

Additional costs would be incurred for employer and employee contributions for those employees supported by restricted programs, such as the dormitory systems, University Hospitals (private patient portion), etc. The anticipated employer contribution for employees supported by restricted programs in 1978-79 now amounts to about \$3 million. The additional cost of the employer contribution for employees supported by restricted programs could be estimated using estimated cost and present budget information for employer contributions for employees supported by general programs. The additional cost would amount to about \$500,000 for programs financed from restricted funds.

The Board Office reported that while the committee members who voted for the recommendation understood the seriousness of the concerns expressed by Regents and university representatives, it was apparent that they gave weight to equalizing benefits, to collective bargaining considerations, and to funding. It was the Board Office's understanding that the Insurance Committee's recommendations would be presented to the Executive Council for its consideration on February 20.

Mr. Richey reported that experience in terms of health cost for employees in the Regents' system are better for the insurance companies than employees generally in the state group. Mr. Richey noted that he has been told that there will be no additional funds appropriated to the Board of Regents to finance the institutional costs for the proposed change from institutional groups. Mr. Richey emphasized that one of the crucial issues involved is the fact that the state has substantially increased its contribution for the health insurance coverage for employees in the Regents' institutions, except for the Iowa School for the Deaf and the Iowa School for the Blind. Prior to last July 1, this amounted to only a \$6 per month contribution for employees at the University of Northern Iowa and Iowa State University and \$1.95 per month at the University of Iowa. Then, there was not much state involvement and the board was the governing body for purposes of these benefits.

Vice President Jennings introduced Dr. Alan Widiss who is chairman of the Fund and Retirement Insurance Committee at the University of Iowa who was present for discussion. President Parks introduced Iowa State University's chairman of its Insurance and Annuities Committee, Cliff Smith, and another member of its committee, Norman Boyles, also a professor of Industrial Engineering at the university. President Parks said Assistant Vice President Madden was also present for discussion purposes.

Vice President Jennings reiterated Mr. Richey's earlier remarks by saying the problem before the board is one of the most serious that it faces in the case of the University of Iowa's faculty and staff. He specified four issues specifically involved: 1) extent of coverage,

2) the status of the major medical situation, 3) finances, and 4) the ability of the institutions and the board to respond to changing circumstances and to adapt the policy as time goes on. Vice President Jennings indicated that an overall state plan would cause the University of Iowa to leave out several things from its current plan such as the very important items of out-patients, x-ray expenses, dianostic activity, etc. which takes place in the hospital. He noted that there is a hospital charge in the case of the single policy for obstetrics and in the 365-day coverage for nervous, mental, drug, alcoholism disorders, etc. Under the current state policy, those items are omitted. Therefore, if that policy were to be applied by the University of Iowa, those items would be omitted and the coverage would go down.

Vice President Jennings reported that an extremely important fringe benefit the University of Iowa provides its employees is its major medical insurance coverage. It only costs the university \$1.98 per month per individual and protects very well against catastrophic illnesses. The financial aspect of a state-wide insurance plan would pose a serious problem for the University of Iowa. He said the university would need an appropriation increase of somewhere between \$500,000 and \$635,000. The range was based on whether the university stays with the state policy or if the entire state system goes to the University of Iowa policy. The restricted funds for the University of Iowa would need to be utilized at a minimum of \$418,000 to a maximum of \$522,000. He noted, however, that there would be no appropriation to the university's restricted funds made by the legislature. He said those costs would be adjusted, however, by rate increases.

Vice President Jennings reported that the cost to the individual should also be considered. Under the proposal before the board, next year's full single coverage would be provided but the individual would need to pay for the family coverage less the state's contribution. That would increase for all individuals at the University of Iowa a minimum of \$400,000 and a maximum of \$552,000. On an individual basis, that amounts to an increase of \$130 to \$175 per year. That is approximately one and a half to two percent of the average salary.

The fourth concern raised by Vice President Jennings involved the ability of the board's institutions to adjust to individual circumstances as circumstances change. He noted that the Fund and Retirement Insurance Committee has just determined that the university could add physical therapy coverage in the University Hospitals at no additional cost. If the university would be required to submit to the proposed state plan, such coverage would not be available as such.

Dr. Widiss emphasized the very major impact on the employees at the university if a state-wide system were incorporated. He said the impact of the approaches before the board varies by individual. He added that the university has attempted over an eight-year period to create a comprehensive approach to health care. He said that in the basic area of health insurance, the university has the best in the state.

Dr. Widiss reported that the University of Iowa's basic health policy and its major medical policy are covered by two different insurance companies since Bankers Life Insurance could not provide as comprehensive a basic health insurance for a comparable dollar figure as Blue Cross-Blue Shield and Bankers Life provides a better major medical plan. The university has,

therefore, the best coverage by having separate policies. He added that a good many of the university's employees have spouses who work for other enterprises who do not need to buy health insurance. By having separate policies, that is also a benefit.

Dr. Widiss pointed out that the faculty at the University of Iowa and at Iowa State University are not unionized. He said that to take this coverage and put it on the bargaining table would effectively cut off the voice of all those members of the university community who are not participating in collective bargaining.

Dr. Widiss commented that the university's unique insurance coverage is evidenced by the fact that it features disability coverage with a cost-of-living factor included. He noted that when the university suggested to Bankers Life that possibility, it reported that such a concept had never been done in the United States and could not be done. Dr. Widiss reported that not only is that now a feature of the University of Iowa's plan, it is also a feature of Bankers' disability coverage for its own employees. Dr. Widiss said the University of Iowa has had unique expertise over the years in insurance coverage matters and to have the University of Iowa absorbed into a state-wide plan would be infringing upon the university's freedom. Dr. Widiss noted that the cost figures estimated by the university to join in the state-wide policy were conservative. He said the costs may be two or three times higher. He reported that until bids come in, the university is using estimated costs. Dr. Widiss asked to what extent a change in state-wide coverage might precipitate litigation. He said that it seems it might affect tenure to take away insurance benefits and raise insurance costs.

Mr. Smith of Iowa State University concurred with the presentation made by Dr. Widiss. He noted that there were four points employees will consider: 1) cost, 2) the best possible coverage, 3) equity, and 4) fast and efficient claim adjustment.

President Boyd reported that the Fund and Retirement Insurance Committee at the University of Iowa is and has been viewed as the protector of the faculty's fringe benefit program for nearly 30 years. To lose that would be catastrophic in terms of benefits and in terms of the consequences which will flow in other ways. He said there was no way he could overstate his position on this matter. The university simply can not be drawn into a state-wide plan.

Mr. Boyles of Iowa State University added that Iowa State's insurance committee operates very, very closely with the university staff. He reiterated President Boyd's comments by saying such rapport would suffer if the universities were to become involved in a state-wide plan.

Regent Belin stated that to move from the current policies the institutions have to a state-wide policy would be a disastrous move. She asked what advantage could possibly be gained by moving to such a proposal. Mr. Richey stated that the Executive Council feels that fringe benefits should be standardized. There seems to be concern that by not having standard fringe benefits, there could be some "whipsawing" between the various collective bargaining units. Also, the Executive Council feels that it is more manageable to have a standard policy. Regent Belin said the Executive Council is

demanding that the institutions lose their individual freedom. She viewed the matter as one of possibly being buried in a system of conformity. She said the board should fight against such a move to conformity.

President Boyd said the recommendation for insurance conformity assumes something that the board and its institutions do not assume and that is that everyone is going to be bargaining, ultimately. It also assumes that everything has to be uniform in government. President Boyd said he feels that such uniformity is a great mistake as there ought to be variety in government. The respective institutions have taken a strong position that there should be campus-by-campus differences within general guidelines.

Regent Slife asked how the Executive Council became the governing body with respect to life and health insurance of Regents' employees. Mr. Richey responded that the Governor recommended it to the 1977 Special Session of the legislature. The initial recommendation involved more than health and life insurance and covered just about every kind of insurance policy. During the legislative session all were eliminated as they applied to the Regents other than health and life insurance.

Regent Slife asked if the Governor's recommendation had union support. Mr. Richey said he did not know. Regent Slife said he seemed to think that the Iowa State Education Association would be against the proposal as is the board. He said it appears that the next step may be to require the local school districts to have the state buy its insurance. President Petersen noted that while local school district insurance was not suggested in the legislation, it could be the next step in the future.

Regent Shaw said the matter has two issues: the transition problem, if mandated; and whether the board actually ought to be included in the statewide coverage policy. He said he personally is more bothered by the transition problem than by the ultimate result. He said the board is most interested in providing the maximum amount of benefits for its employees for the dollars spent, realizing that dollars are limited. He noted that it looks as if the state government is quite open about the idea of collective bargaining but managers of government are beginning to see the problems involved in the fringe benefit area and he emphasized that the board should not surrender in this matter.

Regent Wenstrand said it is erroneous to always assume that centralization is going to result in the most efficient operation, even if the total premium cost is less. He said when one considers the implications mentioned above--the creativity, freedom of choice, etc.,--there are serious doubts raised for the state of Iowa that it is really the cheapest or the least expensive approach. He stated that while he is in favor of cutting corners if warranted, in this case reducing total premium cost would not necessarily provide the most efficient method of providing insurance.

Vice President Jennings emphasized that the state is now paying single coverage for its employees. The individual is still making an out-of-pocket payment for a family policy. That premium, the family policy premium, would go up substantially.

Vice President Moore commented that Iowa State University has employees who are paid out of state appropriations and others who are paid from private

gifts and grants, federal grants and student fees. He indicated that it would not be the state of Iowa alone that would be paying increased costs for state employees, but non-state sources, including student dormitory fees, would pay for the increases.

President Kamerick reported that while the University of Northern Iowa's insurance "experts" were not able to come to the meeting today, the university administration shared the board's concerns against joining the state-wide insurance system. He said the impact of having the University of Northern Iowa incorporated into a state-wide system might be more severe than for the other Regents' institutions. He said he was not sure how a state-wide plan would affect collective bargaining contracts. He felt those who are bargaining would undoubtedly feel they would be then getting less than that for which they bargained.

Regent Bailey said he did not feel it would be fair for the legislature to put the board in a situation where the state would actually be depriving one group of employees of the state benefits to which they are presently entitled. Regent Bailey commented that if the Regents' institutional personnel would be placed in the state-wide setup, certain benefits would be taken away and that would defeat the efforts of those who have worked for a long period of time to improve such benefits. In response, Mr. Richey said the state feels that the Regents' employees are getting better benefits than the rest of the state in many areas, such as long-term disability and retirement, as well as health insurance. The state, therefore, has concern for equity for the rest of state employees. Regent Bailey said the board's benefits should not be lowered when benefits to others are not going to be increased.

President Petersen commented that the board's feelings were quite clear: that it wished the Executive Council to reject the recommendations that will be made to it by the ad hoc committee. She recommended the board send a delegation of institutional personnel, board members, and Board Office staff to present the case at the February 20th meeting of the Executive Council. She said the board needs to strongly argue its case.

MOTION:

Mr. Harris moved the board ask the chairman of the Executive Council for a delay in the Executive Council's consideration of the issue and, if granted, request an appointment with the chairman of the Executive Council and other appropriate persons to discuss the board's concerns; if denied, a board delegation should appear at the February 20, 1978, Executive Council meeting. Mrs. Belin seconded the motion. The motion passed unanimously.

President Petersen commented that the delegation would be composed of Mr. Richey, a few institutional executives and a couple of board members.

RATIFICATION OF AMENDMENT TO COLLECTIVE BARGAINING AGREEMENT WITH UNITED FACULTY AT THE UNIVERSITY OF NORTHERN IOWA. Upon the recommendation of the executive secretary and Lawrence Pope, Chief Spokesman for the Board of Regents, the board was requested to approve Article Fifteen amending the collective bargaining agreement negotiated with the United Faculty at the University of Northern Iowa for the fiscal years 1977-78 and 1978-79 and authorize President Petersen to execute said Article Fifteen on its behalf. It was also recommended that the board approve a Memorandum of Understanding and authorize Lawrence Pope, Chief Spokesman, to execute said Memorandum of Understanding on its behalf.

The Board Office reported that Article Eight of the 1977-79 master agreement between the parties, which covers salaries, states in Section 8.5 that:

The duration of this article shall be one year commencing July 1, 1977 and ending June 30, 1978. Therefore, the parties shall be under the obligation to bargain on salaries and salary-related benefits pursuant to the following conditions for the period of July 1, 1978 through June 30, 1979.

Article Fifteen contains the salary provision negotiated for the second year of this agreement. It provides for an increase in the personnel costs budgeted for members of the unit of 6.4% and is consistent with the intent of the legislative appropriation contained in House File 634, enacted during the 1977 Special Session of the legislature.

The proposed agreement required that 30% of the funds available for salary increases be distributed at the discretion of the board and that such judgments are not subject to any grievance procedure. The proposed agreement also established minimum salaries by academic rank and would phase in minimum salary guidelines which would recognize years of service in current rank at the University of Northern Iowa.

The board was presented a recommendation from Lawrence Pope, Chief Spokesman for the board, recommending ratification of the agreement, also. The recommendation from Mr. Pope is on file at the Board Office.

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The Board Office reported that the Memorandum of Understanding, while not a part of the collective bargaining agreement, was intended to express the principles to which the parties are committed and which underlie their continuing relationship. It provides that the board agrees to phase in a fair and reasonably objective salary distribution system which provides for subjective academic judgments by the board and the university administration regarding each faculty member's performance and permits wide discretion in making individual salary adjustments.

In this memorandum the United Faculty affirms its deep and continuing commitment to the principles of merit, when fairly implemented, and both parties express their intent to allocate not less than 30% of future available funds, if any, to a pool of money to be distributed by the board at its discretion and not subject to any grievance procedure.

President Kamerick paid tribute to Mr. Lawrence Pope, Mr. Robert Grant, and Mr. R. Wayne Richey for their help in writing the amendment to the collective bargaining contract.

Mr. Pope was present for discussion. He reported that he received communication from the United Faculty of the University of Northern Iowa informing him that at a ratification election held on Tuesday, February 14, the United Faculty voted to ratify the collective bargaining agreement agreed on by the representatives of the parties on February 3. He reported that he also received communication from Mr. David Crownfield, chief negotiator, that the Central Committee of the United Faculty has authorized him to sign the agreed-upon Memorandum of Understanding. Furthermore, the membership which ratified the collective bargaining agreement was made aware of both the contents and the implications of the Memorandum of Understanding. When they voted for the ratification of the contract itself, the memorandum was not submitted to the membership as a whole for ratification but the membership understood the contents and the implications of the memorandum and that the contract and the memorandum are inseparable as far as the two parties are concerned. Mr. Pope said that Mr. Crownfield is, therefore, prepared to meet with him for the purpose of signing the memorandum.

Mr. Pope said he felt the amendment to the collective bargaining agreement properly met the guidelines of the Governor. In addition, the amendment protects the important principles that the board has clearly made known to the negotiating team.

Mr. Pope noted one problem that one runs into is that both sides received their instructions in private sessions and so some of the very deep emotions and strong commitment of the board to the principles of merit have not been made in such a way that the general public is aware of them. Certainly, however, the strong commitment of the board toward merit has been expressed to the leadership of the University of Northern Iowa's United Faculty.

President Petersen made it clear that it was only in the interests of bargaining and good faith and being able to reach a voluntary agreement that the board was willing to go to the salary minimums and a salary schedule because of the continuing commitment the board has had over a long period of time to merit. Regent Barber agreed by saying he feels that the board is no less committed to the merit philosophy than it ever was. He noted, however, that the board's strong commitment to merit has been somewhat overshadowed by this agreement.

Mr. Richey reported that the board very carefully monitored the monetary aspect in negotiations. The contract was settled within the appropriated funds with a 6.4% increase, which is uniform to all three of the board's universities. The average faculty increase for employees of the University of Northern Iowa, then, would be about the same as that provided at the other two universities. In addition, each of the universities' faculties received the same health insurance benefit growth money.

MOTION:

Mr. Shaw moved the board approve Article Fifteen amending the collective bargaining agreement negotiated with the United Faculty at the University of Northern Iowa for the fiscal years 1977-1978 and 1978-1979 and that the board authorize President Petersen to execute said Article Fifteen on its behalf. Regent Shaw also moved the board approve a Memorandum of Understanding and authorize Mr. Lawrence Pope, Chief Spokesman, to execute said Memorandum of Understanding on its behalf. Mr. Slife seconded the motion. The motion carried with Mr. Barber voting nay.

The following business pertaining to general or miscellaneous items was transacted on Friday, February 17, 1978.

APPOINTMENT TO THE UNIVERSITY OF IOWA RESEARCH FOUNDATION. The board was requested to reappoint Regent Bailey to the University of Iowa's Research Foundation. It was noted that his current term expires on March 1, 1978. It was recommended that the board be reappointed to a three-year term expiring on March 1, 1981.

MOTION:

Mr. Slife moved the board approve the reappointment of Regent Bailey to the University of Iowa Research Foundation for a three-year term. Mr. Barber seconded the motion and it passed unanimously.

EVALUATION OF THE IOWA SCHOOL FOR THE DEAF. The Board Office recommended that the board:

1. Direct the Iowa School for the Deaf to consider the various recommendations of the committee and report back to the board on the results of its consideration. This report should include progress toward implementation of recommendations or reasons for non-implementation.
2. Direct the Interinstitutional Iowa School for the Deaf/Iowa Braille and Sight Saving School Governance Committee to take into consideration the recommendations of the Iowa School for the Deaf Evaluation Team where the implications are appropriate.
3. Express its strong desire for the institutions under the board providing special education to seek full cooperation with other agencies in spirit as well as in various written agreements and with the executive secretary to provide leadership to achieve cooperative relationships with other agencies.

President Petersen noted that members of the board had received a complete copy of the school's evaluation for their information. Ms. Bacon of the Board Office staff then introduced three members of the Evaluation Committee who were present for discussion: Dr. Kenneth Mangan, Professor of Special Education, California State University, and Dr. Gilbert Delgado, Dean of the Graduate School at Gallaudet College, Washington, D. C., and Dr. Ross Engel, Professor, Educational Administration, Iowa State University.

Dr. Mangan reported that the study at the Iowa School for the Deaf has been particularly timely because of the fact that the federal government recently passed a Public Law 94-142 which is changing the direction of the education of exceptional children all over the United States. The main aspects of Public Law 94-142 are that: 1) all handicapped children will receive proper education, and 2) that this education will be in the least restrictive environment. Dr. Mangan clarified the second aspect by stating it means that each respective child would stay as close to home and as close to the regular public school as possible. It also means that there would be individual educational planning for each handicapped youngster and parent involvement in making the plans as well as due process in deciding what kind of education the youngster will receive.

Dr. Mangan commented that probably the most significant recommendation made by the committee involves coordination and cooperation with other state agencies for education of deaf youngsters in the state of Iowa. Dr. Mangan reported that at the present time the education of deaf children is being carried on at the Iowa School for the Deaf and in local classes under the area educational agencies. There needs to be a plan of coordination of the services of all of these agencies so that hearing-impaired children will have the best services available to them. Dr. Mangan emphasized that it is not necessary that all the schools involved be operated by the state agency; they should, however, cooperate.

Dr. Delgado concurred with the comments made by Dr. Mangan and added that every state in the union is facing the same kinds of problems with respect to the mandates of Public Law 94-142.

Superintendent Giangreco thanked the board for making the evaluation of the school possible. He also thanked the evaluation team and the three universities which supplied manpower to look at the school. Superintendent Giangreco reported that during the past two years the school has gone through four evaluations and is now in the process of the fifth. The North Central Association will be evaluating the school next week. He assured the board that everyone at the school is vitally interested in the hearing-impaired child in the state and are working very hard to cooperate with other state agencies.

Dr. Mangan reported that the state of Illinois has a comprehensive state-wide plan regarding education for the hearing-impaired child which was developed eight to ten years ago. He noted that Illinois' setup is similar to Iowa's in that its school for the deaf is under one agency and the public schools are under another. Dr. Mangan continued by saying the directors of the two state agencies in Illinois organized a task force made up of persons who were working in both agencies plus several citizens. In essence, the state of Illinois organized a commission of approximately 25 persons working for an 18-month period to develop the state's state-wide plan. He noted that that plan seems to be working well.

Mr. Richey commented that for several years the board has left the matter of coordination of special education to the individual institutions to work out cooperative arrangements with their counterparts. Several years ago the board was particularly concerned about coordination as it related to the Iowa Braille and Sight Saving School. At that time a special education coordinating committee was established to coordinate between the various state agencies the educational programs relating to education for the blind. The committee met a few times and was generally ineffective. Mr. Richey said he hoped that would not be the case with the Iowa School for the Deaf. He noted that the Board Office has had meetings with representatives of the Department of Public Instruction about the matter of coordination. A meeting has been planned for March 9th in which the area education directors and superintendents of the Iowa School for the Deaf and Iowa Braille and Sight Saving School and Hospital School, Mr. Barak, and Mr. Richey will meet.

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Mr. Richey said the purpose for his calling the first meeting with respect to cooperation for the Iowa School for the Deaf was to get all the parties together to air concerns, problems, and differences to see where the state can move. Mr. Richey reported that there are some very serious differences of opinion with respect to educational policy. Some of the differences are more pragmatic in nature than philosophical. He noted that the 15 area education agencies in the state are in varying stages of development. One area education agency might be able to provide excellent services to a given child, while another might not be able to handle that child at all. Therefore, in one instance the appropriate placement of that child would be at the Iowa School for the Deaf, where in the other instance it might be in the local community.

Mr. Richey commented that there is a great possibility for leadership at both the Iowa School for the Deaf and the Iowa Braille and Sight Saving School in providing expert services to the local educational agencies. The acceptance of that leadership will depend, in large part, upon the area education agencies' sensing of our good will and desire to cooperate.

Regent Bailey expressed reluctance to "lean over backwards" as far as being cooperative is concerned. He said he would not want to lean over backwards with the attitude that other people have the handle on expertise. He said the school's approach has been effective over the years and the board shouldn't "give in" to things that it knows are not right. In response, Mr. Richey said no one was planning to "lean over backwards." He added that the role of the area education agencies is a new one and probably serves a good purpose, if coordinated in the right manner. At the same time, however, the area education agencies are a bit competitive. The real expertise is not usually in the area education agency setting. He stressed that the state needs to rely on the expertise it has in the Iowa School for the Deaf.

Regent Belin asked about the board's previous discussions relating to a professional advisory board. She asked how such a board's coordination aspect would relate to the state plan as well as that plan for the Iowa School for the Deaf. Mr. Richey reported that the Governance Study Committee is studying the concept of a professional advisory board, as Regent Belin suggested.

Regent Shaw said that while he was in favor of cooperation, he was not in favor of dismantling the Iowa School for the Deaf until the board knows it's got something better to look forward to. He expressed reservations about the use of the term "least restrictive environment" as an excuse for or reason for pulling apart a residential institution. Regent Shaw said one of the biggest problems in the education and development of a hearing-impaired child is the fact that in many cases the students can't communicate with their parents. Therefore, going home to their parents on weekends is a negative thing. Regent Shaw noted that he was puzzled that the area education centers don't teach the parents of deaf children as their locations are scattered over the state. He noted that they have much better access to parents of the school's children than the Iowa School for the Deaf does because of the school's location. Regent Shaw continued by stating that the board now is in charge of running the best residential school (Iowa School for the Deaf) it can with the resources it has.

Superintendent Giangreco noted that what is the "least restrictive environment" is a debatable subject nationwide. He said since the state does not have a specific state plan regarding education of the handicapped, every child who enters Iowa School for the Deaf is evaluated both by the school's staff, the local agency agency, or the area education agency. He stressed the fact that no child enters the Iowa School for the Deaf without a thorough evaluation. For example, this year since school opened, twelve children left the Iowa School for the Deaf to go back to either the local education agency or the area education agency. Two have returned. He, therefore, noted that the flow is working back and forth in that regard.

Superintendent Giangreco pointed out that Iowa School for the Deaf personnel meet at least once a month with Area XIII, the school's local education agency, and is now at the beginning of the preschool level to staff every child at Iowa School for the Deaf to see whether or not a more appropriate placement could be made in the public school. Superintendent Giangreco noted that while the process is slow, it is important. He added that the child's parents play a key role in the staffing process in that the parents make the final decision on the child's placement.

Superintendent Giangreco commented that the Iowa School for the Deaf visits the home of every parent of the children attending the school. He noted that apparently one visit per year is not enough and the school, therefore, is going to make some adjustments with respect to that.

Dr. Delgado commented that hearing-impaired children who are in any kind of mainstreaming situation have a lesser degree of hearing loss, come from higher socio-economic background and the parents are generally from a higher educational background. Dr. Delgado reported that information has come from national data. He pointed out that those children who do not meet the above criteria have to have a program for them. He said the board must think about the above factors when it thinks about placement for children.

Dr. Mangan reported that nothing in the report presented the board would indicate a "dismantling" of the school or a decreasing of its current role. He said the report was referring to a "redefinition" and it suggested a larger high school and vocational school at the Iowa School for the Deaf and that perhaps more of the younger children could be educated nearer their homes. He supported the idea of parent education done by local educational personnel with the advice and cooperation of the Iowa School for the Deaf. He said the role of the Iowa School for the Deaf may, in fact, be greater in the future at the high school vocational level and also as a resource center. He added that cooperation could make the Iowa School for the Deaf a stronger institution in the state.

President Petersen noted that the report analyzed the various dimensions of teaching the deaf. She said that it indicated that vocabulary development was one of the basic problems and that occurs in the primary grades. President Petersen stressed, then, that one of the most important ingredients in the development of education of the deaf student occurs very early in life. She said the area education agencies will need development to have good primary programs and good programs of parent education.

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Regent Belin asked if it would be appropriate for the board to do some research on how much training of personnel the board's universities provide with respect to teachers of handicapped children. She stressed the fact that trained people will have to make any type of cooperative plan work. In response, Mr. Richey reported that the Governance Committee is addressing that specific question. He added that he alluded to that concern yesterday in the long-range academic reports of the institutions. He said Regent Belin's request would be looked into with an appropriate response to come back to the board at a later time.

Regent Slife noted that one of the recommendations before the board was the utilization of the advisory committee to the board, the Department of Social Services, and the Board of Public Instruction be called the Iowa Committee on Programming for Children and Hearing Impairments. Superintendent Giangreco commented that while the committee has been established, it has not been very effective this year. Mr. Richey encouraged the Board of Regents to take the leadership role in getting something organized between the various groups.

President Petersen commented that there may be a division of labor not between the primary and secondary level, but between the levels of handicap that the child has. She said that perhaps is one of the more rational ways to divide students between the area education agencies, public schools, and the School for the Deaf.

Regent Barber requested Superintendent Giangreco comment regarding the quality of education offered at the Iowa School for the Deaf. He noted that the report presented the board indicated that the school provides an average education for deaf children. He commented that he has been under the impression that the school provides better education than "average." Superintendent Giangreco responded that it all depends on how a person looks at the school. He commented that the school is above the national average in some areas such as mathematics, according to some interpretations of data provided in the evaluation report. He said Iowa School for the Deaf personnel feel the school is doing a good job of providing education.

Superintendent Giangreco clarified one point in the report presented the board that indicated that the school does not have a curriculum. He stated that the school does have a curriculum throughout the whole school. He said he would be glad to provide board members with copies if they requested same.

President Petersen emphasized that the board has confidence in the Iowa School for the Deaf and also recognizes, however, some areas of concern that were identified in the report. She said those concerns will help the board build on the level of excellence that is at the school. She added that with the encouragement of the ad hoc committee, the Board Office, and the excellent reports, that in sincerity the school can think positively toward the future in serving the constituencies it is to serve in a better fashion.

Regent Belin asked who the members of the ad hoc governance committee are. Mr. Richey reported that the members on the committee include: Superintendent Giangreco, Superintendent DeMott, Mr. Barak, Kenneth Moll (University of Iowa), Jim Schnur (University of Northern Iowa), Edwin Lewis (Iowa State University), and himself. Mr. Richey indicated that the committee

is exploring all aspects of the educational process. He said that the committee prefers to keep the special institutions under the governance of the Board of Regents with more refined procedures for planning and reporting and with the cooperation and provision of services from the University Hospital School. Superintendent Giangreco expressed pleasure with the work of the governance committee and said he feels some workable solutions will be forthcoming.

Superintendent DeMott commented that there are some real problems with regard to implementing the law, Public Law 94-142. While it is a painful process, he felt the board and its institutions need to realize that Iowa is not unique in that people are experiencing problems with implementation all across the country. On the other hand, the board must realize that the problems are real and it must understand that it is extremely important that cooperation and coordination are the keys to developing a workable plan that does fulfill the mandates of public and state law. He urged the board take a strong stance in terms of cooperation and coordination and take the leadership position in those directions.

MOTION:

Mrs. Belin moved the board: 1) direct the Iowa School for the Deaf to consider the various recommendations of the committee and report back to the board in April on the results of its consideration. This report should include progress toward implementation of recommendations or reasons for non-implementation; 2) direct the Interinstitutional Iowa School for the Deaf/Iowa Braille and Sight Saving School Governance Committee to take into consideration the recommendations of the Iowa School for the Deaf Evaluation Team where the implications are appropriate; and 3) express its strong desire for the institutions under the board providing special education to seek full cooperation with other agencies in spirit as well as in various written agreements and with the executive secretary to provide leadership to achieve cooperative relationships with other agencies. Mr. Shaw seconded the motion and it passed unanimously.

UNIVERSITY RESIDENCE SYSTEM REPORT. The Board Office recommended the board accept the annual report on university residence systems. The Board Office also recommended the board approve inclusion of a five-year projection of university residence system operation in the university residence system report.

The Board Office reported that the overall residence system operations in 1976-77 were successful in producing full occupancy of all facilities at the three universities. All three residential systems improved their financial position in 1976-77 with the University of Northern Iowa breaking a three-year period of having to draw down surplus funds to meet operating and bond-required commitments. Current expectations, based on the first half year operation for 1977-78, indicate that similar success may be expected 499 this year.

GENERAL
February 16-17, 1978

A review of the financial position of the residence systems in 1977-78 indicates that there is a limited degree of flexibility within current revenues to meet increased operating costs anticipated in 1978-79 without an adjustment to the rate structure. With operations at full capacity, only a minimal increase in revenue can be expected to be obtained through additional occupancy. Expenditures for 1978-79, with operations at full capacity, offer little prospect for reduction. Current built-in required increases in the minimum wage, FICA, Blue Cross and Blue Shield contributions and anticipated inflationary advances for food commodities, utilities and other operating expenses serve to push ever upward the operating expenditures.

The Board Office reported that the current university residence system report addressed itself to the past year and current year operations. The office expressed concern over the lack of planning of future operations. Current procedure allows for a very limited look, strictly from a financial standpoint, at the operations of the next year when rate adjustments are being requested. The three universities maintain and update annually enrollment reports for each of the respective institutions because this is a very basic aspect of the information required to prepare for future operations. This information is regularly brought to the board in the form of an annual enrollment report for a ten-year period. Similar planning should be done for residence and dining systems.

Residence system directors now do some future extrapolations and projections of occupancy trends and evaluate the various financial implications for the residence systems. This material should be brought forth as a part of the university residence system report. A five-year projection of occupancy and analysis of the financial implications should be included with the annual report. It was recommended by the Board Office that the board approve the inclusion of a five-year projection of university residence system operations for the next annual report. The residence system directors, in cooperation with the Board Office staff, will develop detailed methodology for preparing the five-year projection.

The board was presented supplemental information relating to the outstanding debt of the respective institutions. The following outstanding principal and principal plus interest as of June 30, 1977 were presented for information:

<u>Revenue Bonds</u>	<u>Principal</u>	<u>Principal</u>
		<u>Plus Interest</u>
University of Iowa	\$22,910,000	\$ 38,796,005
Iowa State University	28,810,000	47,537,811
University of Northern Iowa	13,450,000	22,100,510
Total	<u>\$65,170,000</u>	<u>\$108,434,326</u>
<u>Hawkeye Park Loan Agreement</u>		
University of Iowa	\$ 400,000	\$ 564,296

Mr. Richey reported that the board is indebted to the institutions for the extremely fine cooperation from the residence directors of the various universities for the annual residence system report. He stated that the three residence systems are in excellent financial condition at this time.

Mr. Richey commented that the universities' debt service stays pretty level for the next five years, declines some for the next five years, and then drops to a significantly lower rate for the ten years beyond. He reminded members of the board that in building most of its dormitories, the board financed them by 40-year bonds with level debt service. He noted that the enrollment projections for the next decade show a significant drop in the last half of the decade. He emphasized that board actions today needed to be taken with consideration of the likelihood of enrollment declines in the next five years. Mr. Richey stated that the reason the Board Office emphasized that reserve and surplus should not be reduced significantly during the next few years was so that there is no sudden or traumatic impact on rates.

Mr. Richey reported on the recommended rate increases for next year. He reported that for the past six to seven years the university residence and dining systems have had extraordinarily high cost growths. Those cost growths have been experienced in food, utilities, and particularly in salaries, which have grown at an average annual rate of more than 10% for the last four to five years. Mr. Richey called the board's specific attention to the very heavy inflation years, the biennium of 1973-1975. He noted that he has been amazed that the institutions have been able to handle the inflation as well as they have with the relatively nominal growth in rates. Mr. Richey said he felt the institutional recommendations with respect to housing rate increases in 1978-79 were very reasonable.

State University of Iowa

The Board Office recommended the board: 1) approve the residence hall rate increases proposed by the University of Iowa, to be effective for the summer session, 1978. The increase for a double occupancy room with full board for an unmarried student would be \$52, making the rate \$1,438 for the academic year. The proposed rate represents a 3.8% increase over the 1977-78 rate. 2) approve the rate schedule proposed by the University of Iowa for apartment housing for 1978-79, to be effective May 15, 1978.

The Board Office reported that the 1976-77 operations in the university's residence system report indicated that the university concluded a successful financial year, adding \$426,272 to the surplus fund. The 1977-78 budget indicates that approximately \$500,000 should be available after debt service to be added to the surplus funds. The rate changes for 1978-79 are necessary to fund the proposed 1978-79 budget, which estimates revenues to increase by 3.4% while expenditures are to go up by 8.0%. The proposed residence system rate increases will produce approximately \$389,682 in additional revenues. The estimated revenues are based on current residence hall occupancy of 4,657 with apartment occupancy to increase by 20, to 797.

The report on university residence system operations noted that the 1978-79 expenditures could be expected to increase because of uncontrollable factors (minimum wage increase, FICA increases, increased employer contribution to health insurance plans) and inflationary expectation, with respect to the

cost of goods and food sold, utilities and general expense. Also, salaries and wages will be increased by amounts comparable to increases granted other university employees. A significant number of these employees are under the terms of the blue collar bargaining unit contract, which the university has estimated will increase labor cost by 9.0% in 1978-79. The increases, as estimated by the State University of Iowa, will contribute to an overall 8.0% increase in the expenditures within the residence system. Projected revenues in 1978-79, based on the proposed rate increases, should cover the anticipated increase in expenditures and allow for approximately \$169,000 to be transferred to the surplus fund. If revenues were not increased in 1978-79, the residence system could absorb only a 5.4% increase in expenditures if sufficient funds were to be available to meet required debt service commitments. This would require a cutback of \$220,682 or 2.4% in estimated 1978-79 expenditures.

Mr. Philip Hubbard, Vice President for Student Services, University of Iowa, introduced the president and vice president of the university's Student Senate who were present for discussion: Doug Siglin, president, and Rjean Formanek, vice president. Mr. Hubbard reported that the student group called the Associated Residence Halls (ARH) that worked with the dormitory administration in developing the rates was elected by the students who live in the halls. Mr. Hubbard reported that that group also has a direct association and responsibility to the general university student government. Mr. Hubbard said there was close coordination between the Student Senate and the ARH and the president and vice president of the Student Senate were selected to represent the students who live in the residence halls as well as the general university student population.

Mr. Siglin began his remarks by stating that this was the last Board of Regents meeting he would be attending in an official capacity. He noted that he has been working closely with the university's administration for a year and, over that time span, has come to realize that there is a fine line between the interests of the students and the interests of the administration and of the state itself. He noted that there is still some attitude that there should be a conflict between the students and the administration. He reported, however, that there has been a lessening of that attitude over time, adding that the student government at the university is becoming much more professional. He expressed great satisfaction with the relations he's had with the university administration over the past year. He noted that the university administration was very helpful in providing information to the students regarding the dormitory rate increases.

Mr. Siglin reported that although we project enrollment decreases in the dormitories, the question is raised of how much students living in the residence halls today are going to be expected to pay into the surplus fund for that dormitory in the future. He said that question bothers a lot of people and merits some consideration.

Another point raised by Mr. Siglin centered around the fact that the relations he had with the university administration and the board were very acceptable; however, that was not the case throughout the university system. He noted that the president of the Associated Residence Halls and the president of the Married Student Housing Association at the university asked him to call that fact to the attention of the board. He said that the other housing groups did not feel that they were provided enough opportunity for input.

Mr. Siglin commented that how much the rates need to be raised is related to the amount to be put into the surplus fund. He noted that the surplus fund not only covers surplus for the future, but also goes for residence halls improvements. You have somewhat of a trade off between residence halls improvements and rate increases. He said student input in that area should be a critical element before a decision is made and that element was lacking in this particular instance.

Mr. Siglin reported that at the present time the residence hall rates at the university are lower than the average rental rates in Iowa City. He noted that if the university, in essence, has a policy which covers inflationary pressures every year with rate increases, then after a certain amount of years possibly at a 7% increase per year, combined with the parietal rule, residence hall rates will increase more than the private sector's rates. He said that if the university reaches the point where residence hall rates are going to be higher than what it would cost to live in the private sector, the board would be imposing a financial burden on freshmen and sophomore students that it wouldn't have any business imposing on them.

Lastly, Mr. Siglin said that if it becomes policy that the board keeps up with inflationary costs with dormitory rate increases, then the board has an ethical and perhaps a legal obligation to disclose that information to prospective students and the parents of those students. He emphasized that the parietal rule raises a lot of valid considerations in the matter of dormitory increases.

Regent Bailey, who assumed the chair in the absence of President Petersen for a few minutes, thanked Mr. Siglin for his presentation and for the type of attitude with which he presented his remarks. He agreed that the Student Senate has displayed a professional approach with respect to the proposed rate increases as well as other areas of mutual concern. He commended Mr. Siglin and the Student Senate for their efforts.

President Boyd responded to Mr. Siglin's remarks by stating that the university is very anxious at all stages to involve students. He said he and others in the university administration are very open and anxious to have the process be as sensitive to concerns as possible. He reported that the university will certainly make it a point to be more conscious of that consideration in the future. With respect to disclosure, President Boyd reported that that is a very important aspect, one which the university and the board has repeatedly emphasized. In summary, President Boyd commented that the university, as well as the students, want to keep dormitory rates as low as possible because the university does want to afford access to the university's dormitory system. He said the university is going to do everything it possibly can to keep its rates low, recognizing that if there are minimum wage changes, the residence system rates may need to change as well.

Vice President Jennings commented with respect to the surplus fund issue raised by Mr. Siglin. He said that because of the bond covenants, there is some accounting that occasionally gets misleading. To clarify a matter, he said that the university added \$426,000 to its surplus fund last year. He noted that the university uses the surplus fund and the improvement fund for dormitory needs and that the improvement fund last year went down by \$412,000. What that basically means is that last year after maintenance repairs and building remodeling operations, the improvement fund utilized a little more than a million dollars, so there was a net addition to total reserves of \$13,000. The plan for this year is roughly the same, namely operations generating \$1,020,000 with improvements scheduled at \$1,097,000. There is a small decrease anticipated for 1978-79. Roughly the same policy is involved with respect to repairs, maintenance and remodeling in that about \$700,000 is generated.

Vice President Jennings emphasized the fact that inflation is a very critical problem at the University of Iowa and has been for the past several years. Next year, the university is facing an average wage increase of 9%, a 6% average increase in supplies, a 5.5% increase for food. He reported, however, that the university does attempt to balance the inflationary costs as much as possible with savings. In this year's budget, for example, the university anticipates some savings in the areas of food, fuel, and vending machine operations in the amount of approximately \$350,000. That savings is being applied to the cost increases that the university anticipates of approximately \$700,000 so that the university's rate will go up only roughly half of what the inflationary factor would indicate. He said the university is not always in a position to be able to do that, although the university continually attempts to keep costs down. He emphasized that the dormitory system is completely self-supporting and it must be operated on an even, fair basis.

Vice President Hubbard reported that there is actually no philosophical difference of opinion between the university administration and the students, as any time the university can figure out a way to minimize the dormitory rates, it will do so. He reiterated Vice President Jennings' remarks by stating that part of the reason the University of Iowa is able to keep its rates as low as they are is because there are other sources of revenue that the university utilizes for that purpose.

Iowa State University

The Board Office recommended the board: 1) approve the residence hall rate increases proposed by Iowa State University, to be effective June 1, 1978. The increase for a double occupancy room with full board for an unmarried student would be \$99, making the rate \$1,284 for the academic year. The proposed rate represents an 8.4% increase over the 1977-78 rate. 2) Approve the rate schedule proposed by Iowa State University for apartment housing for 1978-79, to be effective July 1, 1978.

The university's residence system report noted that Iowa State University's 1976-77 operation resulted in \$340,870 in excess of the amount required for debt service and available for transfer to the surplus fund. The 1977-78 budget indicates approximately \$297,735 should be available for transfer to

the surplus fund. The rate changes for 1978-79 are necessary to fund the proposed 1978-79 budget which is based on an increase of 7.5% in revenues and estimated expenditure increase of 9.1%. The proposed rate increase will produce approximately \$1,040,000 in additional revenues. The revenues are based on expanded full occupancy (use of temporary housing to handle emergency needs in excess of available facilities) for the fall quarter and an average occupancy (overall fiscal year occupancy which is less than peak fall occupancy) similar to that expected for 1977-78.

The university's residence system report stated that 1978-79 expenditures may be expected to increase because of uncontrollable factors (minimum wage increase, FICA increases, increased employer contribution for health insurance plans) and inflationary expectation with respect to the cost of goods and food sold, utilities and general expense. Also, salaries and wages will be increased under the terms of the blue collar unit contract, which covers a significant proportion of residence system employees. These increases, as estimated by the university, will contribute to an overall 9.1% increase in expenditures within the residence system. The increase in expenditures is estimated to be \$1,033,000. If revenues were not increased in 1978-79, the residence system could absorb only a 2.6% increase in expenditures if sufficient funds were to be available to meet required debt service commitments. This would equate with an increase in expenditures of \$297,735, or a reduction of \$980,265 or 7.9% in 1978-79 estimated expenditures.

President Parks introduced the vice president of the university's student body, Dave Fisher, who was present for discussion. Mr. Fisher expressed a similar concern for Iowa State University's student body as that expressed by the representatives of the Student Senate of the University of Iowa. Iowa State also has a very strong residence hall system, one that has been very successful in operation. He added that he feels the strength of Iowa State's residence hall system is evidenced when enrollments in residence halls have been dropping across the country. At Iowa State, enrollments have not dropped and have probably increased a bit during that time.

Mr. Fisher reported that Iowa State has been in a rather enviable position in the Big 8 Conference in that it is currently in the no. 7 position as far as rates in the residence halls are concerned. He said the students at Iowa State University are very proud of the university for maintaining that position. He reported that the proposed increase would move the university, however, to the sixth or fifth position which is still an enviable position, but may be a somewhat larger increase than some of the other institutions are proposing. He noted that since the residence halls do generate their own revenues, students pick up the burden of any increases out of their pockets. He reported he wasn't sure that the same increase in financial aid could be anticipated to offset the proposed increase in the residence halls rates.

Mr. Fisher commented that another concern of students at Iowa State University involves the fact that the proposed increases are due mostly to increases in utilities and food service and salaries. While the university is doing some extensive remodeling work in one of the residence halls in particular, improvements in other areas are not generally seen by students who, therefore, don't feel a direct benefit.

President Parks then introduced Vice President of Student Affairs, Thomas Thielen and Director of Residence Charles Frederiksen to the board who were present for discussion.

Vice President Thielen responded to Mr. Fisher's concern about an appropriate increase in student aid in comparison to the dormitory rate increase proposed. He said there will be a proportionate increase in aid according to what dormitory rate increase is approved.

Director Frederiksen reported that a couple of weeks ago, Iowa State University circulated an inquiry about the upcoming rate increase. He noted that one suggestion received was that information be shared with the students to get them to participate in discussion and dialogue regarding the proposal for the increase. He commented that next year the university will solicit input from the students even further in advance of any proposed increases.

University of Northern Iowa

The Board Office recommended that the board: 1) approve the residence hall rate increases proposed by the University of Northern Iowa to be effective the fall 1978-79 calendar year. Increase for a double occupancy room with full board for an unmarried student would be \$104, making the rate \$1,272 for the academic year. The proposed rate represents an 8.9% increase over that for 1977-78. 2) Approve the rate schedule proposed by the University of Northern Iowa for apartment housing for 1978-79 to be effective July 1, 1978.

The Board Office reported that the 1976-77 operations resulted in generating funds of \$25,965 in excess of the amount required for debt service. The revised budget for 1977-78 was based on a projection that approximately \$100,000 will be available beyond required debt service for addition to the surplus fund. The rate changes for 1978-79 are necessary to fund the proposed 1978-79 budget from which an additional \$200,000 should be available for transfer to the surplus fund. The addition of 40 units of married student housing during 1977-78 will reduce the \$2 million balance in surplus to just a little over \$1.1 million by the end of the year. The proposed rate increases will generate approximately \$493,000 of additional revenue from residence hall housing and \$95,000 from apartment housing after allowing for decommissioning 19 trailers and adding the 40 new units to Hillside Court. The remaining increase in revenues will be derived from an estimated additional 100 occupants housed within the residence system during 1978-79. The proposed rate increase, together with increased occupancy, will equate to a 10.6% increase in the 1978-79 revenues over the revised 1977-78 revenue.

The Board Office noted that the university will have to rely on the balance in the surplus fund as the source of funding for any future additions to the residence system. The 40-unit married housing addition will reduce the surplus fund by 50% in 1977-78. The university residence system budget for 1978-79 is based on producing revenue sufficient to meet debt service requirements and add \$200,000 to the surplus fund balance. The balance in the surplus fund must be increased before any future residence system expansions can be considered.

It was reported that 1978-79 expenditures may be expected to increase because of uncontrollable factors (minimum wage increase, FICA increases, increased employer contributions to health insurance plans) and inflationary expectations with respect to the cost of goods and food sold, utilities and general expense. Also, salaries and wages will be increased by amounts comparable to increases granted other than university employees. These increases, as estimated by the university, will contribute to an overall 11.0% increase in the expenditures within the residence system. Projected revenues in 1978-1979 should cover the anticipated increase in expenditures and allow for the transfer of \$200,000 to surplus after meeting debt service requirements. If revenues were not increased in 1978-1979, the residence system could absorb only a 1.8% increase in expenditures if sufficient funds were to be available to meet required debt service commitments.

President Kamerick introduced Vice President for Student Services Thomas Hansmeier, Director of Housing Clark Elmer, Miss Janet Callahan, president of the University of Northern Iowa's Student Association, and Miss Angel Naber, a colleague in student government.

Miss Callahan reported that the university's residence hall association governmental group was included in some of the preliminary discussion pertaining to dormitory increases. She indicated, however, that the Student Senate was not included in those discussions. She said she was unaware of the fact that the proposed increases were to be discussed at this month's board meeting until very recently. She said she would make it her concern in the future to include student representation in future rate increase discussions.

Miss Callahan expressed a concern that student employment may decrease due to the increase in the minimum wage. Therefore, with dormitory rates increasing, financial aid looking somewhat dismal, and the prospects of student employment possibly diminishing, the outlook is not too impressive.

Director Elmer said the university is also concerned about evaluating students' opinions with respect to proposals which directly affect them. He expressed sentiments that the university will make a more affirmative approach in involving students at an earlier stage in the future.

General Discussion

The following comparison of proposed residence system rates for 1978-79 was presented the board for information purposes:

	University of Iowa			Iowa State University			University of Northern Iowa			
	Dollar Increase		% Increase	Dollar Increase		% Increase	Dollar Increase		% Increase	
	1978-79 Rate	over 1977-78	over 1977-78	1978-79 Rate	over 1977-78	over 1977-78	1978-79 Rate	over 1977-78	over 1977-78	
<u>Annual</u>										
Triple Occupancy	\$1,308	\$ 44	3.5%	\$1,284	\$ 99	8.4%	\$1,112	\$104	10.3%	
Double Occupancy	1,438	52	3.8%	1,284	99	8.4%	1,272	104	8.9%	
Single Occupancy	1,710	74	4.5%	1,284	99	8.4%	1,472	104	7.6%	
<u>Monthly</u>										
Married Housing	from to	\$ 83 137.50	\$ 3 7.50	3.8% 5.8%	\$ 50 140	\$ 1 17	2.0% 13.8%	\$ 80 160	\$ 6 13	7.5% 8.1%

Regent Bailey commented that he didn't feel very much consideration was being given to the depreciation factor as far as the figuring of dormitory rates was concerned. He asked if his feelings were accurate and he said if they were, there needs to be some looking into that into the future. Regent Bailey also noted that students should realize that private housing costs will rise most likely in the same proportion as university housing. He specifically directed his comment to Mr. Siglin with reference to the housing costs in Iowa City.

Regent Wenstrand said he understood the comments made by the student government representatives with respect to having input into housing cost increases. He strongly agreed with their position. He added that it is very important for students at the board's institutions to realize, too, that this year there is an increase in minimum wage, increases in Social Security, and increases in employer contributions to the various employee insurance programs. He stressed that while the board would prefer not to raise dormitory rates, we are all subject to the inflationary factors which are present at this time. He encouraged the institutions to increase student input in decisions of this nature in the future.

Regent Shaw expressed pleasure with the overall residence report by the three universities. He said he feels the board is providing a good service at reasonable rates for its students through the dormitory system. Regent Shaw commented that he doesn't see any reason why the present generation of students couldn't stand on its own feet, financially speaking. In his opinion, present students are not doing more than they should be called upon to do with respect to dormitory costs. Another observation voiced by Regent Shaw was that outside investors invest money in the dormitory system and the board has an obligation to keep the books separate with respect to outside investors' and student input.

Regent Shaw reported that dormitory rates need to be viewed over time to prevent dormitory rates from becoming or being a major factor in the selection of a particular university by students.

Regent Shaw commented that the per student rates at Iowa State University are the same whether the student is in a triple, double or single room. He noted that at the University of Iowa the single occupant rate is as much as 30% higher than that charged per student in a triple room. Regent Shaw commented, having lived in both a single and triple room, that if the accommodations are suitable to the category, there should not be a rate difference. However, if three persons are housed in a space designed as a single room, there should be a difference.

In response to Regent Shaw's statement, Director Frederiksen reported that Iowa State University has a somewhat different philosophy on rates than the other two universities. A part of that difference evolves because of the university's continued increase in enrollment and high demand for housing. As a result, the university's primary objective is to offer a housing alternative to as many students as possible. Director Frederiksen noted that even though the university houses half of the university's

undergraduate students and can accommodate over 10,000, the university really doesn't have single rooms to offer its students. In the entire Iowa State system, there are 175 single rooms, 150 of which house residence advisers. The university has now come to the place where it feels that its occupancy does not allow the setting aside of an entire room for one person. In the future, as housing needs decline, the university will be coming back to the board requesting a rate somewhat higher for a single occupant to live in a single unit.

Director Frederiksen commented that the university's housing peak occurs in the fall of each academic year. In fact, the university typically houses students in temporary housing recognizing that in spring there will be several hundred vacancies when students will again be able to maximize the use of housing space without paying a premium. Director Frederiksen stated that the university has a very liberal room policy which allows students at any time other than the first or the last week of the quarter to move to the very best space the university has available without having to pay a penalty to do so. Director Frederiksen commented that if, in the spring, someone happens to be alone in a double room, the rate would be increased which would encourage that student to double with another student.

Director Frederiksen responded to a question raised by Regent Wenstrand by stating the only rate rebates provided are those given to a temporary occupant. A weekly rebate is provided to those students who are housed on a temporary arrangement.

President Kamerick made a statement in response to Regent Shaw's remarks about each generation of students "standing on its own feet" by stating that investments in the University of Northern Iowa's system generate about \$60 per year per student.

Mr. Siglin noted that students are not unreasonable or naive about inflationary factors involving dormitory increases. He suggested that the residence hall administration take time early in the process to sit down with students and explain the need for such increases. He said students would then be more willing to accept the rate changes with the feeling that working together would be the best method of gaining mutual satisfaction with an unpleasant task.

President Petersen summarized the board's discussion by saying the board needs to begin to deal in terms of the long-range aspect of dormitory systems. She said that it is difficult to deal in terms of long-range plans because it hinges on enrollment, inflation, and a number of unknowns. She encouraged the board's institutions to look ahead in order to best meet those changes. She also agreed that students must be involved as close to inception of a rate proposal as possible. President Parks added that the impression must not be left that the students have formerly been neglected with respect to such proposals. He said that Iowa State University involves its students in practically every decision.

MOTION:

Mr. Slife moved the board accept the annual report on university residence systems and that the board approve inclusion of a five-year projection of university residence system operation in future university residence system reports. Mr. Barber seconded the motion.

President Boyd commented that tuition and dormitory rates at the universities are kept as low as possible. President Boyd noted that when the institutional representatives are asked to talk about tuition before the legislature, the representatives make the point that the total cost of education to the students is not just the tuition, but the room and board, the books, etc. He said too often the fact that students are bearing a much greater cost than often assumed is not fully understood.

Regent Bailey noted that the board is most likely not going to be building any dormitory buildings for a few years. He asked for clarification with respect to the motion before the board due to that fact. Mr. Richey said the recommendation for a five-year projection basically involved dormitory operations and upkeep rather than actual building of dormitories. Given the possible changes in enrollments over the next several years, the board's institutions must look ahead to see where they are heading. That, in effect, will provide the context in which to make current decisions.

Mr. Richey stated that a five-year plan would prevent the board from having the problem of having to make very major and traumatic changes in rates or other aspects of the residence system. He noted that if the board were kept informed of the depreciation of the dormitories, how the universities are planning to keep them up, what they anticipate general policies to be, occupancy to be, "surprise" can be avoided. Mr. Richey reported that the universities now make their current decisions using projected information in terms of impact and the motion would require the institutions to provide such information to the board also.

President Parks noted that Iowa State University does evaluate current proposals on the basis of projected planning. He said that any five-year plan before the board needs to improve design. He commented that sometimes, however, projections can be wrong. He said that while the idea of presenting the board with a five-year plan was good, it could do people more harm than good if they accepted the information at face value. President Petersen emphasized that the projections would not be considered as fact.

Assistant Vice President Madden agreed that planning needs to be done but noted that Iowa State University already does such planning. He commented that the concern he had involved the amount of staff time a formal five-year report would take. He requested the respective universities have an opportunity to provide input and design into the kind of long-range planning report that would need to come before the board so there would not be an administrative burden placed on the universities.

President Boyd recommended that the five-year projection be more conceptual and narrative than statistical. He noted that when figures are brought into the picture, people tend to forget about the fundamental assumptions.

President Kamerick concurred with President Boyd by noting that he hoped the five-year projections would not involve rate projections. He said he hoped the projections would include dormitory occupancy and enrollments.

Mr. Richey noted that the motion did not specify what the five-year projection should include. He commented that the institutions had varying ideas of what should be included. He said he hoped that those different ideas could be worked out. President Petersen reported that the format and the details for inclusion in the five-year projection could be worked out inter-institutionally and with the Board Office.

VOTE ON MOTION:

The motion passed unanimously.

President Petersen reported that discussion would now center on the respective institutional reports. She asked board members and institutional representatives if there were specific concerns to be raised regarding Iowa State University's report.

Mr. Fisher indicated that the rate of increase proposed for Iowa State University was somewhat higher than the rate proposed by many of the other conference schools. He asked for clarification. In response, Director Frederiksen said each institution has its own debt service schedule and plan. Iowa State University happens to have the largest debt service not only with respect to the three Regents' universities, but also of all the Big 8 institutions. Therefore, Iowa State University's debt service is greater and the state also has a collective bargaining agreement that affects the university differently than other universities. He added that each state sets a different salary schedule for its employees.

Regent Bailey commented that he received a letter from an Iowa State University graduate student requesting information as to why the rates on the university's newer apartments have gone up almost 50% in two years. Director Frederiksen said that Schilletter Village, the two-bedroom apartments with full baths and water, were originally rented out at \$100 per month. In hindsight, the university now realizes that the initial rental charge was too low. He stated that it has been very difficult each year as the university has proposed new rates to provide equity adjustments between apartments. He reported that the university attempts to set its housing rates according to square footage, location, the maintenance costs, etc. He said the rate for Schilletter Village was established in comparison to University Village and Hawthorne Court. He indicated that the university still doesn't know if an appropriate differential in rates has been established between University Village and Schilletter Village. He noted that Schilletter Village is the only area with full basements. There may need to be a \$20 differential rather than a \$15 differential between the two in the future. Mr. Frederiksen noted that he discussed the university's reasoning behind the rate structure with the gentleman to whom Regent Bailey referred.

Ms. Tanna J. Abel, Chairperson, University Married Community Council, requested an opportunity to speak before the board. Ms. Abel read aloud a letter written to Mr. Frederiksen and Dr. Carlton Moen, Assistant Director of Residence at the university. She noted that the letter was signed by herself and Betty Quick, United Married Community Council Mayor. In summary, the letter expressed concern that the University Married Community Council was not informed with sufficient notice regarding the proposed rate increase. She requested that any plan for future action with respect to university student apartment complex increases be presented the university student population with more advanced notice.

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President Petersen responded to Ms. Abel by noting that the board discussed her concerns earlier in the meeting and that particular attention would be paid to more prompt involvement with the students in the future.

Mr. Jerry Lewis, graduate student at Iowa State University, reported that he was still somewhat disturbed at the differential rate increases that were being proposed for married student housing. He questioned whether the high percentage increases proposed were really justified. He commented that it is coming to the point where a student could better afford to buy a house outside of Ames. President Petersen responded by saying that while the board was not unmindful of individual problems that occur, graduate assistants have suffered no more, percentage-wise, in comparison to the rest of the students in the state.

There were no other questions or concerns raised with respect to the University of Northern Iowa's housing rates or those of the State University of Iowa.

MOTION:

Mr. Bailey moved the board approve the following actions according to university:

State University of Iowa

- 1) The residence hall rate increases proposed by the University of Iowa to be effective for the summer session 1978. The increase for a double occupancy room with full board for an unmarried student would be \$52, making the rate \$1,438 for the academic year. The proposed rate represents a 3.8% increase over the 1977-78 rate.
- 2) The rate schedule proposed by the University of Iowa for apartment housing for 1978-79 to be effective May 15, 1978.

Iowa State University

- 1) The residence hall rate increases proposed by Iowa State University to be effective June 1, 1978. The increase for a double occupancy room with full board for an unmarried student would be \$99, making the rate \$1,284 for the academic year. The proposed rate represents an 8.4% increase over the 1977-78 rates.
- 2) The rate schedule proposed by Iowa State University for apartment housing for 1978-79 to be effective July 1, 1978.

University of Northern Iowa

- 1) The residence hall rate increases proposed by the University of Northern Iowa to be effective fall 1978-79 academic year. Increase for a double occupancy room with

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full board for an unmarried student would be \$104, making the rate \$1,272 for the academic year. The proposed rate represents an 8.9% increase over that for 1977-78.

- 2) The rate schedule proposed by the University of Northern Iowa for apartment housing for 1978-79 to be effective July 1, 1978.

Mr. Barber seconded the motion and it passed unanimously.

NEXT MEETINGS.

March 16-17	Des Moines	Des Moines
April 20-21	University of Northern Iowa	Cedar Falls
	Iowa Braille and Sight Saving School	
May 18-19	Iowa State University	Vinton
June 15-16	Lakeside Laboratory	Ames
July 20-21	University of Northern Iowa	Milford Cedar Falls

President Petersen asked board members and institutional representatives if there were additional matters to be raised for discussion pertaining to general or miscellaneous items.

HIGHER EDUCATION FACILITIES COMMISSION. Regent Bailey orally reported that a report has been issued by the Governor's Task Force on Guaranteed Student Loans that Iowa should reactivate its State Government Student Loan Program. He also noted that the Higher Education Facilities Commission's name was recommended to be changed to the Postsecondary Education Assistance Commission. The task force also recommended that the commission enter into an agreement with a contract agency to provide supporting services rather than providing them itself.

Regent Bailey added that the task force also suggested that the state of Iowa should appropriate start-up costs but encourage the concept for the program to be self-supporting. Regent Bailey reported that possibly the program could be self-supporting within a two to three year period.

ANNOUNCEMENT REGARDING HEALTH INSURANCE. President Petersen reported to board members that she received word that an appointment with the chairman of the Executive Council will not be today, although communication is going on as to when an appointment can be arranged. In considering the insurance matter, she noted some willingness to explore separating the faculty and scientific professional personnel from the others who are in state-wide units. She noted that the board desires to explore differences in coverage with the institutions, the ad hoc insurance committee, and the Governor's Office. Assistant Vice President Madden noted that the separation of policies was suggested by Iowa State University. He noted that the other universities may also want to consider that.

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President Petersen said it appeared that the only time board members could meet with the chairman of the Executive Council would be at the Executive Council's meeting on Monday.

STATE UNIVERSITY OF IOWA

The following business pertaining to the State University of Iowa was transacted on Thursday, February 17, 1978.

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

FACULTY DEVELOPMENTAL ASSIGNMENT REPORTS, 1976-77. The board was requested to approve the report on faculty developmental assignments for the University of Iowa for 1976-77.

The Board Office reported at its February 1976 meeting the board approved 77 faculty development assignments at an estimated replacement cost of \$47,300. Four additional assignments were approved at the September 1976 board meeting due to special opportunities becoming available subsequent to the initial request. The Board Office noted that the additional leaves involved no net replacement costs.

Of the 81 leaves approved, 76 were taken. Two faculty members requested that their leaves be postponed until the 1977-78 academic year, and three faculty members declined their developmental assignments for various reasons. Actual net replacement cost was \$54,993.

MOTION: Mr. Bailey moved the board approve the University of Iowa's report on faculty developmental assignments for 1976-77. Mr. Slife seconded the motion and it passed unanimously.

RESIGNATION. The board was requested to accept the following resignation:

Donald L. Epley as Chairman of the Department of Computer Science, effective January 6, 1978. Mr. Epley will continue as a Professor in Computer Science.

MOTION: Mr. Slife moved the board accept the resignation of Donald L. Epley as Chairman of the Department of Computer Science, effective January 6, 1978. Mr. Bailey seconded the motion and it passed unanimously.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. Executive Secretary Richey reported the Register of Capital Improvement Business Transactions for the month of February 1978 had been received by him, was in order, and recommended approval.

The following construction contracts, having been approved by the executive secretary, were recommended for ratification:

University Hospitals - Business Office Remodeling
Awards to:

O. F. Paulson Construction Co., Cedar Rapids, Iowa (General)	<u>\$35,500.00</u>
Debrie Electric, Hills, Iowa (Electrical)	<u>\$ 5,120.00</u>
George Kondora Plumbing and Heating, Iowa City, Iowa (Mechanical)	<u>\$17,500.00</u>

University Hospitals - First Floor Psychiatric Hospital Refurbishing

Award to: Don Gannon Construction Co., Iowa City, Iowa	<u>\$82,091.00</u>
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Iowa Memorial Union Remodeling - Career Services and Placement Center
Awards to:

Burger Construction Co., Iowa City, Iowa (General)	<u>\$62,860.00</u>
Jones Plumbing and Heating, Inc., Iowa City, Iowa (Mechanical)	<u>\$22,800.00</u>
Shay Electric Service, Inc., Iowa City, Iowa (Electrical)	<u>\$13,200.00</u>

The following new projects were recommended for approval:

<u>Quadrangle Residence Hall - Renovate Fire Alarm System</u> Source of Funds: Dormitory Improvement Reserve	<u>\$34,300.00</u>
<u>Old Armory - Rewire TV Studio Lighting System</u> Source of Funds: University RR&A	<u>\$20,000.00</u>
<u>Halsey Gymnasium - Areaway Wall Repairs</u> Source of Funds: University RR&A	<u>\$55,300.00</u>
<u>North Hall Site Development - Phase II</u> Source of Funds: University RR&A	<u>\$78,400.00</u>
<u>Burge Residence Hall - Fire Escape Improvements</u> Source of Funds: Dormitory Improvement Reserve	<u>\$59,600.00</u>
<u>Law Center - Remodel Room 3 for Copy Center</u> Source of Funds: University RR&A	<u>\$54,000.00</u>
<u>Woolf Avenue Apartments - Roof Replacement</u> Source of Funds: Tenant Property Balances	<u>\$46,100.00</u>
<u>Medical Research Facilities - Fume Hood Replacement</u> Source of Funds: University RR&A	<u>\$201,500.00</u>

The Board Office reported that an architect's contract has been negotiated by the university with the firm of Hansen Lind Meyer, Iowa City, Iowa, to provide architectural services throughout the Roy J. Carver Pavilion - Phase B project. The agreement is in the standard form of the board. Compensation is on the basis of a fixed fee of \$545,000 for basic services and a limit of \$40,000 for reimbursable expenses. This translates to 5.8% of the estimated

cost of construction, including contingencies and 5.3% of the overall budget for the addition of \$11,135,000.

The Board Office reported that with the assistance of the board's bond consultant, Mr. Speer, a maturity schedule has been adopted for use on this issue. Present plans, dependent upon legislative action, has the bond resolution coming before the board for action at its April meeting and the bond sale taking place at the May meeting.

MOTION:

Mr. Bailey moved the board approve the Register of Capital Improvement Business Transactions for the month of February 1978; approve the architect's contract to provide architectural services for the Roy J. Carver Pavilion - Phase B project; ratify the award of contracts made by the executive secretary; approve the new projects and authorize the executive secretary to sign all necessary documents. Mr. Shaw seconded the motion and it passed unanimously.

DEPARTMENT OF DEFENSE - RESOLUTION REQUIRED BY INDUSTRIAL SECURITY REGULATIONS. The university reported that at the present time it has no classified research on the campus. Furthermore, it has established procedures which prohibit the conduct of classified research except under unusual circumstances which must be approved by the Vice President for Educational Development and Research with the advice of the University Research Council. This resolution in no way modified those procedures. The university reported, however, that it was necessary for the board to adopt the resolution to allow the university to continue to keep its status as a "cleared facility" with the government. This facility clearance enables the university to receive and store classified material which faculty may have in connection with their consulting work for various government agencies. The status as a cleared facility also enables the university to expedite the clearance of faculty and students for admission to limited-access facilities involving federal agencies, such as the National Aeronautics and Space Administration, Department of Energy and Department of Defense, in the conduct of research and training.

It was noted that except for the changes in individual names, the resolution presented for adoption was similar with the one adopted January 8-9, 1976.

Regent Bailey asked about the wording of the resolution where it states:

WHEREAS, security regulations of the Department of Defense permit the governing board to affirm that they will not require, not have, and will be effectively denied, access to classified information in the possession of the institution, and do not occupy positions that would enable them to adversely affect the institutions' policies and practices in the performance of government contracts, the Board resolves that the following

He requested the university check into the wording where it stated that the positions not be occupied by those who would adversely affect the institutions' policies and practices in the performance of government contracts to insure that the basic governance function of the board wasn't involved. President Boyd responded that the university would come back with an answer to Regent Bailey's concern.

The following business pertaining to the State University of Iowa was transacted on Friday, February 17, 1978.

DEPARTMENT OF DEFENSE - RESOLUTION REQUIRED BY INDUSTRIAL SECURITY REGULATIONS (continued). President Boyd informed Regent Bailey that Ms. Mahon, Assistant to the President, looked into the matter of concern he raised yesterday and indicated that the matter had not been reviewed in detail for many years. She recommended that Regent Bailey's concern be discussed with the Department of Defense.

MOTION:

Mr. Bailey moved the board adopt the Department of Defense's resolution required by Industrial Security Regulations as presented. Mr. Barber seconded the motion and it passed unanimously.

PROPOSED RESIDENCE SYSTEM RATES FOR 1978-1979. Discussion and action relating to the proposed residence system rates for 1978-1979 is found in the general portion of these minutes under the title of "University Residence System Report."

DORMITORY FUND TRANSFER. The Board Office recommended the board approve a transfer of \$510,500 to the Dormitory Improvement Fund from the Dormitory Surplus Fund.

The Board Office reported that the proposed transfer of \$510,500 from the Dormitory Surplus Fund to the Dormitory Improvement Fund was in addition to a mandatory transfer in the amount of \$480,000 per year, as set forth in the 1963 bond resolution. The mandatory amount transferred was not sufficient to cover necessary expenditures for improvement for additional residence system facilities added since 1963. Furthermore, the mandatory transfer does not take into account the impact of inflation. The transfer was necessary to maintain the ongoing program of equipment replacement, renovation and major repairs for the residence system facilities in 1977-78 of \$1,097,218.

The Board Office stated that major repairs, replacements and renovations to be funded from the improvement fund in 1977-78 included \$137,000 of painting, plastering and wall washing, \$575,000 in other repairs of which \$100,000 is for Burge Lounge and Carnival Room remodeling, and \$300,000 was comprised of miscellaneous projects under \$25,000 each. Capital replacement was planned at \$79,500, and equipment replacement, including Currier furniture replacement 100 air conditioning units for Quadrangle, and vending equipment totaled \$307,000.

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The Board Office indicated that total expenditures of \$1,097,218 are planned for 1977-78 from the improvement fund. Resources in the improvement fund of \$1,799,290 for 1977-78 include a beginning balance of \$808,790, a mandatory transfer of \$480,000 and the proposed transfer of \$510,500. After deducting \$1,097,218 in planned expenditures, ending balance in the fund will be \$702,077.

MOTION:

Mr. Barber moved the board approve a transfer of \$510,500 to the Dormitory Improvement Fund from the Dormitory Surplus Fund. Mr. Slife seconded the motion and it passed unanimously.

President Petersen asked board members and institutional executives if there were additional matters to be raised for discussion pertaining to the State University of Iowa. There were no additional matters raised for discussion.

IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Friday, February 17, 1978.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the month of January 1978 were ratified by the board.

AMENDMENTS TO TRAFFIC RULES FOR 1978-1979. The university requested that the board approve the proposed amendments to the Iowa State University Traffic Rules. The changes and a summary of same were presented to the board members for information.

The Board Office reported that the summary of changes indicated that the major reasons for changing the parking regulations were for clarification of presently existing regulations to provide for sufficient administrative flexibility to more efficiently handle parking and traffic at Iowa State University.

MOTION:

Mr. Bailey moved the board approve the amendments proposed by Iowa State University to Traffic Rules for 1978-1979. Mrs. Belin seconded the motion.

Regent Wenstrand commented that he realized that there have been ample opportunities for comment on the traffic amendments over the past several months from students and staff members. Director Whitman reported that the rules are primarily the responsibility of the University Traffic Committee which has representation from all the campus citizens. He noted that one or two public hearings were also held on this matter for students to provide input.

VOTE ON MOTION:

The motion passed unanimously.

A copy of the amendments to the traffic rules is on file as Administrative Rules.

EASEMENT REQUEST OF DEPARTMENT OF TRANSPORTATION. The university recommended the board approve by roll call vote the granting of a permanent easement and an easement during construction to the Iowa Department of Transportation.

The university stated that in November of 1976 the board approved a steam purchase agreement with the Iowa Department of Transportation. The 1976 Legislature had appropriated \$1.3 million to permit the department to construct a steam line from its facilities to the Iowa State University steam line serving the College of Veterinary Medicine. The agreement provides that the university will sell steam to the Department of Transportation on an interruptible basis at a cost which will include fuel, labor, maintenance, depreciation and losses. The agreement also provides that the Department of Transportation will construct a connecting main from the university main to its facilities at no cost to the state.

The Department of Transportation has now requested an easement across university land in order to construct the connecting main. The easement is in the standard form with the exception of a change in the liability clause. This change limits Department of Transportation liability to negligent acts of the department or its employees. This change was made on the advice of the Attorney General's Office to place the language in the proper context for tort liability.

The Board Office noted that the easement stated that no cost of the facilities to be constructed within the easement would be assessed or charged to the Board of Regents except as may be authorized by the Board of Regents.

The Board Office reported that the easement has been approved by the Department of Transportation. After board approval, it would also need to be approved by the State Executive Council.

MOTION:

Mr. Barber moved the board approve the granting of a permanent easement and an easement during construction to the Iowa Department of Transportation. Mr. Bailey seconded the motion.

Regent Bailey noted a letter written by Robert W. Goodwin, Special Assistant to the Attorney General, to Mr. Henry, Assistant to the President, Iowa State University. The letter indicated two recommended changes, one of which changed the easement's original wording regarding liability. Regent Bailey reported that tort liability is all the board is entitled to ask for in the instance under consideration because the university does benefit from this easement but when an easement is provided wholly for the benefit of the person receiving the easement, then contractual liability protection is needed and is justified in order to protect the institution and the board. He said he wanted that difference pointed out.

VOTE ON MOTION:

On roll call, the following voted:

AYE: Bailey, Barber, Belin, Harris, Shaw,
Slife, Wenstrand, Petersen.

NAY: None.

ABSENT: Brownlee.

The motion carried.

AMENDED WATER PURCHASE AGREEMENT AND EXTENSION OF TEMPORARY PUMPING AGREEMENT BETWEEN THE CITY OF AMES AND IOWA STATE UNIVERSITY. The university requested the following be approved:

- 1) Amendment No. 1 to the Water Purchase Agreement dated June 22, 1976, between the city of Ames and Iowa State University.
- 2) Extension of the temporary pumping agreement with the city of Ames for the delivery of raw water from the university from April 30, 1978 to June 22, 1978.

The Board Office reported that the Water Purchase Agreement dated June 22, 1976 between the city of Ames and Iowa State University was to provide water from the city system because of lack of adequate storage capacity and treatment facilities to meet Department of Environmental Quality requirements.

In November of 1977 the board approved a temporary water pumping agreement between the city of Ames and Iowa State University which placed in operation a pipeline interconnection from the university well field to the city water treatment plant. As part of that agreement the university and city entered

into negotiations regarding long-term water relationship. The well fields for the university and the city of Ames draw water from aquifers that have only slight interaction. Consequently, the temporary water pumping agreement significantly expands the water supply for both the university and the city of Ames at times of water shortage.

The June 1976 water agreement does not permit its modification before June 22, 1978. The temporary pumping agreement terminates on April 30, 1978, and needs to be extended to June 22, 1978, when it may be incorporated into the June 22, 1976 agreement by means of the proposed amendment No. 1.

The Board Office noted that the proposed amendment incorporated the provisions of the temporary pumping agreement and made other changes which are on file at the Board Office.

The Board Office reported that according to the original agreement the university pays water rates based on unit operating costs plus a unit capital improvement cost for the city. Current rates amount to 45¢ per 100 cubic feet, which consists of 35¢ for operating costs and 10¢ for capital improvement costs, according to the university. Costs of water furnished to the city by the university amount to approximately 5¢ per 100 cubic feet.

Regent Bailey asked for clarification as to why the university appears to be paying 30¢ for purchased water but receives 5¢ for water it sells. Director of Physical Plant Whitman responded to Regent Bailey's query by stating that five cents per 100 cubic feet would be paid for raw well water which is neither filtered nor treated. Mr. Whitman added that the five cents rate is not the appropriate rate. He said that rate will be adjusted to actually reflect the cost with maintenance factors incorporated.

Assistant Vice President Madden reported that another reason for the difference in water rates was the fact that delivery costs, etc. were included in the 30¢ rate. That rate includes the delivery cost back to the university from the treatment plant. Mr. Madden commented that while he didn't realize those costs, initially, would be involved, it does enable the university to save money from otherwise building a treatment plant of its own.

The Board Office reported that the amendment to provide the university with complete freedom and responsibility to apportion its water ration among its facilities should facilitate administration of water allocation during the shortages. Most of the dormitory system, the Iowa State Center, Memorial Union, and the new football stadium are to be included with the central campus and subject to university administration of water allocations.

The agreement to furnish the city of Ames with raw well water at the university production cost is a continuation of the temporary pumping agreement. In addition, the city agrees to pay the maintenance cost of wells No. 7 and No. 8 which otherwise would be removed from operation if the university did not furnish raw well water to the city. The university will incur no cost obligation for the use of these two wells.

The Board Office reported that the term of the agreement is for a period of 20 years with option to renew for periods of five years thereafter.

MOTION:

Mr. Bailey moved the board approve Amendment No. 1 to the Water Purchase Agreement dated June 22, 1976 between the city of Ames and Iowa State University and approve the extension of the temporary pumping agreement with the city of Ames for the delivery of raw water from the university from April 30, 1978 to June 22, 1978. Mr. Slife seconded the motion and it passed unanimously.

PROPOSED RESIDENCE SYSTEM RATES FOR 1978-1979. Action and discussion pertaining to the university's proposed residence system rates for 1978-1979 is found in the general portion of these minutes under "University Residence System Report."

UTILITIES - CHILLED WATER SYSTEM ADDITIONS, 1977 - DIVISION 6 - RESOLUTION PROVIDING FOR NOTICE OF HEARING. The board was requested to adopt a resolution for a public hearing on the Division 6 - Underground Chilled Water Extension - on the Chilled Water System Additions, 1977 project for 11:00 a.m., Thursday, March 16, 1978, at the designated meeting place in Des Moines, Iowa. The Board Office reported that a public hearing was necessary on this project because the source of funds is academic revenue bond proceeds.

MOTION:

Member Bailey introduced and caused to be read the resolution hereinafter set out entitled, "Resolution providing for a notice of hearing on proposed plans, specifications and form of contract for Utilities - Chilled Water System Additions - 1977 Division 6 on the campus of Iowa State University and for a notice to contractors of bidding thereon." Member Bailey moved that said resolution be adopted, seconded by Member Wenstrand, and after due consideration thereof by the board, the president put the question and, upon roll being called, the following voted:
AYE: Bailey, Barber, Belin, Harris, Shaw, Slife, Wenstrand, Petersen.
ABSENT: Brownlee.
Whereupon the president declared the resolution duly adopted.

EASEMENT REQUEST OF THE CITY OF AMES FOR CONSTRUCTION OF A WATER MAIN AND WELL FIELD. The Board Office recommended the board approve the granting of an easement to the city of Ames for the construction and operation of water mains and wells within an area owned by the state of Iowa.

The Board Office reported that the easement recommendation was part of the plan of the city of Ames to expand its well field in order to reduce the drawdown on the existing fields.

The Board Office noted that the easement was in standard form, except there were some modifications made to the uniform liability clause of the board.

The Board Office indicated that this water main and well easement has already been approved by the Ames City Council. The city is most anxious for the granting of this easement. Unless the board directed otherwise, the Board Office expressed no objection to the deviation in the liability clause in the single instance noted in Section 7 of the agreement.

The Board Office noted a consideration in the easement in that the water main and well facilities to be constructed will be part of the total water supply system serving the facilities of both the city of Ames and Iowa State University. No cost of the facilities to be constructed within the easement agreement shall be assessed or charged to the state, except as may be authorized by the state.

The Board Office stated that after board approval, the easement would be submitted to the State Executive Council for approval.

MOTION:

Mr. Shaw moved the board approve the granting of an easement to the city of Ames for the construction and operation of water mains and wells within an area owned by the state of Iowa. Mr. Slife seconded the motion and on roll call, the following voted:
AYE: Bailey, Barber, Belin, Harris, Shaw,
Slife, Wenstrand, Petersen.
NAY: None.
ABSENT: Brownlee.
The motion carried.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. Executive Secretary Richey reported the Register of Capital Improvement Business Transactions for the period of January 21 through February 17, 1978 had been received by him, was in order, and recommended approval.

The following actions were recommended by the Board Office:

- 1) Approve the register.
- 2) Approve an agreement for architectural and engineering services on Hilton Coliseum Capital Improvements project with Brooks, Borg and Skiles, Architects and Engineers, Des Moines, Iowa.
- 3) Authorize Iowa State University to negotiate agreements with both the Agricultural Research Service of the U.S. Department of Agriculture and the North Central Region Agriculture Experiment Stations for the planning, design and construction of the Plant Introduction Station Improvements project.
- 4) Authorize Iowa State University to negotiate and enter into an engineering services agreement with Ames Engineering and Testing Co. of Ames for the Design Center Parking Lot. The board was also requested to authorize the

executive secretary to approve the negotiated contract, subject to following normal guidelines and to board ratification at the March meeting.

The following construction contract was recommended for ratification, having been awarded by the board's executive secretary:

Accessibility Modifications for Orthopedically Handicapped - Phase II - Marston Hall Elevator

Award to: Story Construction Company, Ames, Iowa \$95,350.00

The following construction contracts were recommended for approval:

Utilities - Chilled Water System Additions, 1977 - Division 12 - Chilled Water Pump

Award Recommended to: Peerless Pump, St. Louis, Missouri \$19,361.00

Utilities - Chilled Water System Additions, 1977 - Division 13 - Hot Well Pumps

Award Recommended to: Layne-Western Co., Inc., Ames, Iowa \$11,158.00

The Board Office reported that in both instances the award was not made to the low base bidder on the construction contracts recommended for approval. The specifications provided that the determination of the low bidder would be based not only on the price bid, but also on the ten-year operating costs, which is a standard method of determining the low bidder for this type of equipment. The recommendation above was to the low-evaluated bid in each instance.

The following revised or amended budgets were recommended for approval:

Accessibility Modifications for Orthopedically Handicapped - Phase II - Marston Hall Elevator

Source of Funds: 67th G.A. Capital Appropriation \$400,000.00

Utilities - Chilled Water System Additions - 1977

Source of Funds: 67th G.A. Academic Revenue Bonds \$2,655,000.00

The following new projects were recommended for approval:

Ag 450 Farm - Swine Nursery

Source of Funds: Ag 450 Farm Account \$30,000.00

Design Center - Parking Lot

Source of Funds: Parking System Funds \$50,000.00

The Board Office reported that in the Design Center project the university seeks authorization to negotiate a contract for engineering design services with Ames Engineering and Testing Co. of Ames. Because it is important that engineering design services for this parking lot commence in the very near future because of this project's relationship to the institutional road project, the university sought authorization to have the executive secretary approve the contract, subject to the board's ratification at the March meeting. It was expected that the contract would utilize the Standard Agreement between Owner and Engineer and that the fees would be negotiated within board guidelines.

The following special items were called to the board's attention:

Special Items

1. In July of 1977 the board authorized the university to negotiate a contract for architectural and engineering services with Brooks, Borg and Skiles, Des Moines, Iowa for Hilton Coliseum Improvements. This firm was involved in the original design of the facility. The university reported at that time that there was no dollar cost assumed for the project, although approximately \$800,000 remains in the construction fund on the project.

The Board Office reported that the university has now negotiated a contract utilizing the standard agreement form of the board. Compensation is computed on the basis of a multiple of direct personnel expense with a fixed maximum of \$40,000. This would translate to 5% of an estimated funds available of \$800,000.

The principal major changes in the facility include additional doors to increase exiting capacity, rearrangement of public restroom areas, increased locker room space, addition of a new underground storage room at the east end of the building, and construction of a new exterior ticket booth.

2. The university requested authorization to negotiate agreements with the Agricultural Research Service of the United States Department of Agriculture and with the North Central Region Agricultural Experiment Stations for the planning, design and construction of a project at the Plant Introduction Station. The intent would be to gain a commitment of capital funds from those agencies to improve the station's physical facilities in support of the research effort. Similar agreements have been negotiated on other projects. Those agreements basically obligate the university to maintain a facility built with construction funds furnished by the supporting agency.

Improvements contemplated for the Plant Introduction Station include a shop and machinery storage building and a field headquarters and seed processing laboratory. Both buildings would be pre-engineered metal buildings with an estimated cost of approximately \$475,000. A more detailed project description and project budget, as well as formal agreements, will be before the board at a later date.

MOTION:

Mrs. Belin moved the board: 1) approve the Register of Capital Improvement Business Transactions for the period of January 21 through February 17, 1978; 2) approve an agreement for architectural and engineering services on Hilton Coliseum Capital Improvements project with Brooks, Borg and Skiles, Architects and Engineers, Des Moines, Iowa; 3) authorize Iowa State University to negotiate agreements with both the Agricultural Research Service of the United States Department of Agriculture and the North Central Region Agriculture Experiment Stations for the planning, design and construction of the Plant Introduction Station Improvements project; 4) authorize Iowa State University to negotiate and enter

into an engineering services agreement with Ames Engineering and Testing Co. of Ames for the Design Center Parking Lot. Mrs. Belin also moved the board authorize the executive secretary to approve the negotiated contract, subject to following normal guidelines and to board ratification at the March meeting; 5) ratify the award of contract made by the executive secretary as shown above; 6) approve the construction contracts recommended above; 7) approve the revised or amended project budgets as shown above; 8) approve the new projects; and 9) authorize the executive secretary to sign all necessary documents. Mr. Bailey seconded the motion and it passed unanimously.

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

EMISSION REDUCTION PROGRAM. Mr. McMurray reported that in July of 1976 the board entered into an emission reduction program with the Iowa Department of Environmental Quality on the Iowa State University heating plant. Shortly thereafter, the federal government through the Environmental Protection Agency issued an order covering the same ground. Mr. McMurray stated that the university has been making every effort to comply with all the requirements of both the emission reduction program and the federal order. Recently, however, it has come to the Board Office's attention that the university is not able to comply with the final date in the federal order on the emission reduction program. The final date in those programs was that by March 30, 1978 the university would have all testing completed and be in compliance.

Mr. McMurray reported that because of delays in the contractor's schedule primarily due to the construction strike that occurred last spring and because of certain additions that have been made to the project, the final date will not be met. He stated that there have been meetings held with the Iowa Department of Environmental Quality officials and agreement reached on extension of that March 30 date to June 30, 1978 for completion of the project. Mr. McMurray noted that he was bringing this matter to the attention of the board in order to gain official extension of the final date. That approval of an extension, then, would be transmitted by letter to the Department of Environmental Quality which would then consider it at its Air Quality Commission meeting to be held next month.

MOTION:

Mr. Bailey moved the board approve an extension of the final date for testing and compliance from March 30, 1978 to June 30, 1978. Mrs. Belin seconded the motion and it passed unanimously.

UNIVERSITY OF NORTHERN IOWA

The following business pertaining to the University of Northern Iowa was transacted on Friday, February 17, 1978.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the month of January 1978 were ratified by the board.

PROFESSIONAL DEVELOPMENT LEAVES, 1978-1979. The board was requested to approve the faculty development leaves for the 1978-79 academic year as proposed by the University of Northern Iowa.

The Board Office reported that the university was requesting approval of faculty development leaves for 16 faculty members for the 1978-1979 academic year. It was estimated that the net replacement costs will be \$92,000. Last year, leaves for 15 faculty members were requested at an estimated replacement cost of \$101,000.

MOTION:

Mr. Bailey moved the board approve the faculty development leaves for the 1978-79 academic year as proposed by the University of Northern Iowa. Mr. Wenstrand seconded the motion and it passed unanimously.

FACULTY DEVELOPMENT LEAVE REPORT, 1976-77. The board was requested to accept the report on professional development leaves for the University of Northern Iowa for 1976-77.

The Board Office stated that 15 leaves were originally requested and all 15 were taken. The estimated net replacement cost was \$55,000; the actual cost was \$56,732.

MOTION:

Mr. Bailey moved the board accept the report on the University of Northern Iowa's professional development leaves for 1976-77. Mr. Slife seconded the motion.

President Petersen commented that she noticed in the long-range documents which were forwarded to the board in this regard that there was some concern as to the utilization and success historically of the developmental leaves at the University of Northern Iowa. There was some comment as to whether the faculty development leaves actually keep the faculties vital. Vice President Martin reported that there are two components in terms of expanding the faculty development program in terms of the leaves granted. One would be the development of a person who has completed the terminal training in his or her particular field and secondly, the assistants who haven't completed the normal training in the field. At the present time, the University of Northern Iowa provides a vehicle for both purposes.

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Vice President Martin reported that the university is currently making an effort to make arrangements with the University of Minnesota for completion of terminal leaves for some faculty who have not yet completed those degrees.

Vice President Martin reported that some university staff members who came to the university in the early 1960s now have tenure and the university is attempting to provide more opportunities for those persons' development. He said the university is particularly sensitive to that type of situation.

VOTE ON MOTION: The motion passed unanimously.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. Executive Secretary Richey reported the Register of Capital Improvement Business Transactions for the period of January 7 to February 3, 1978 had been received by him, was in order, and recommended approval.

The following new projects were recommended for approval:

Bartlett Hall - Elevator Replacement
Source of Funds: Dormitory Improvement Fund \$32,000

Rider Hall - Interior Alterations
Source of Funds: Dormitory Improvement Fund \$32,000

The Rider Hall project will convert basement space into eight double-student rooms.

MOTION: Mrs. Belin moved the board approve the Register of Capital Improvement Business Transactions for the period of January 7 to February 3, 1978; approve the two new projects as shown above; and authorize the executive secretary to sign all necessary documents. Mr. Bailey seconded the motion and it passed unanimously.

PROPOSED RESIDENCE SYSTEM RATES FOR 1978-1979. Discussion and action pertaining to the University of Northern Iowa's proposed residence system rates for 1978-1979 is found in the general portion of these minutes under "University Residence System Report."

REAL ESTATE CONTRACT. The Board Office recommended the board approve a proposed real estate contract which is more fully explained below:

The Board Office reported that at its January meeting the board gave tentative approval to a real estate contract and interagency transfer of jurisdiction between the board and the Iowa Department of Transportation. This agreement involves the acquisition by the Department of Transportation of a strip of land totalling 1.5 acres for right-of-way on Hudson Road from the University of Northern Iowa and the State Board of Regents. In exchange, the Department of Transportation will transfer jurisdiction over a .6 acre parcel called the Wilfang property. In addition, the Department of Transportation agrees to pay the board actual and reasonable costs for removing and replacing all water lines lying within the proposed right-of-way limits for Hudson Road. The cost of removal and replacement was estimated to be \$4,000.

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After the January board meeting, Mr. Douglas, Director of Business and Personnel Services at the University of Northern Iowa, and Mr. McMurray visited with Mr. Sweitzer, Right-of-Way Director of the Department of Transportation. The purpose of the visit was to determine the value of the Wilfang property. The appraised values on this .69 acre parcel, which has a 214 foot frontage on Hudson Road, were \$105,000 in a staff appraisal dated October 11, 1976, and \$85,600 in an appraisal done by an outside appraiser under contract to the Department of Transportation dated November 30, 1976. It was understood that the Department of Transportation paid the low-appraised value for this piece of land. The appraisal was based upon the use of this land as a commercial site. The appraiser based his estimate on like sales in the Cedar Falls area. The appraised value of the university land, which totaled 1.5 acres, was \$32,000. This appraisal was done by the Department of Transportation staff. About half of the appraised value involved severance damages.

The Board Office stated that during the meeting with Mr. Sweitzer, it was emphasized that the board reserved its right to directly approach the Department of Transportation to pay for any cost overruns on the pedestrian overpass and underpass on the Hudson Road project. This assumes funding of the \$170,000 requested of the 1978 Legislature for this purpose. This matter of appropriation is being discussed extensively in at least two legislative budget subcommittees at this time.

Mr. McMurray reported that in negotiations it was decided that the board would take jurisdiction of the Wilfang property at the conclusion of construction. This would ensure that the liability for that property stayed with the Department of Transportation during construction. Also, it was agreed by the Department of Transportation that prior to transfer of jurisdiction of the Wilfang property, that the Department of Transportation would completely remove all structures now on the property and will also grade the property in a manner to permit it to be easily maintained by the board.

MOTION:

Mr. Slife moved the board approve the real estate contract as described above between the Board of Regents and the Department of Transportation. Mr. Barber seconded the motion and on roll call the following voted:
AYE: Bailey, Barber, Belin, Harris, Shaw, Slife, Wenstrand, Petersen.
NAY: None.
ABSENT: Brownlee.
The motion carried.

President Petersen asked board members and institutional executives if there were additional matters to be raised for discussion pertaining to the University of Northern Iowa. There were no additional matters raised for discussion.

IOWA SCHOOL FOR THE DEAF

The following business pertaining to the Iowa School for the Deaf was transacted on Friday, February 17, 1978.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the month of January 1978 were ratified by the board.

APPROVAL OF 1978-1979 SCHOOL CALENDAR. The board was requested to approve the Iowa School for the Deaf's 1978-79 school calendar.

The Board Office stated that the proposed calendar appeared quite similar to the current school calendar except that the school year appeared to end one week earlier. Also, while the school indicated that the calendar provides for 180 school days, the Board Office calculated 178 days. It was noted that the Department of Public Instruction requires 180 school days be provided.

Superintendent Giangreco indicated that he would check into the detail as to whether the school will provide 180 days of instruction in the 1978-79 school year. He said if the school is two days short, one day will be taken from Christmas vacation and one other weekend will be shortened by a day in order that 180 days of instruction are provided.

MOTION:

Mr. Bailey moved the board approve the proposed school calendar for 1978-79 for the Iowa School for the Deaf subject to the calendar having 180 days of instruction. Mr. Barber seconded the motion and it passed unanimously.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. Executive Secretary Richey reported the Register of Capital Improvement Business Transactions for the period of January 1978 had been received by him, was in order, and recommended approval.

The register contained two change orders on the Renovations and Improvements Project which involves the Girls' Dressing Room Addition, the Fire Safety Project, and the Moisture Repair Project. All three projects are lumped under one contract. Project completion date is scheduled for March 16, 1978.

MOTION:

Mr. Slife moved the board approve the Register of Capital Improvement Business Transactions for the month of January 1978 and authorize the executive secretary to sign all necessary documents. Mr. Bailey seconded the motion and it passed unanimously.

President Petersen asked board members and institutional executives if there were additional matters to be raised for discussion pertaining to the Iowa School for the Deaf. There were no additional matters raised for discussion.

IOWA BRAILLE AND SIGHT SAVING SCHOOL

The following business pertaining to the Iowa Braille and Sight Saving School was transacted on Friday, February 17, 1978.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the month of January 1978 were ratified by the board.

ESTABLISHMENT OF POSITION OF ASSISTANT DIRECTOR OF EDUCATION/RECRUITMENT FOR DIRECTOR OF EDUCATION. The Board Office recommended the board approve establishment of the position of Assistant Director of Education for one year only, including approval to begin immediate recruitment for a Director of Education.

The Board Office reported that Mrs. Dorothy Petrucci, present Director of Education, has indicated her desire to retire from the Iowa Braille and Sight Saving School at the end of the 1978-79 school year. The school indicated a desire to support Mrs. Petrucci in this request and to provide continuity in transition. For this reason, the school requested the establishment of a temporary one-year position of Assistant Director of Education so that this person may have one year to become familiar with the school's program, policies and procedures, and become acquainted with the staff. During this year, the person would serve as assistant director and would succeed the director at the end of the 1978-79 school year upon the approval of the board.

It was reported that the school will employ the assistant director using existing or anticipated salary savings. Therefore, no additional budgetary request was needed.

The Board Office suggested the school consider making the position of Director of Education a twelve-month appointment as there is some consideration of the school providing a year-round program in the future.

MOTION:

Mr. Barber moved the board approve establishment of the position of Assistant Director of Education for one year only, including approval to begin immediate recruitment for a Director of Education. Mrs. Belin seconded the motion and it passed unanimously.

SCHOOL CALENDAR, 1978-1979. The board was requested to approve the proposed 1978-79 school calendar for the Iowa Braille and Sight Saving School with the understanding that the July summer program is contingent upon the securing of funding from the Department of Public Instruction.

The Board Office noted that the school calendar proposed was virtually identical to the calendar which currently is in effect at the Iowa Braille and Sight Saving School except that the summer sessions will be for the deaf-blind program only. The June program will be conducted with funds approved last August. This session runs June 12 through June 30.

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MOTION:

Mrs. Belin moved the board approve the proposed 1978-79 school calendar for the Iowa Braille and Sight Saving School with the understanding that the July summer program is contingent upon the securing of funding from the Department of Public Instruction. Mr. Slife seconded the motion and it passed unanimously.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS/ARCHITECTURAL CONTRACTS FOR CAPITAL PROJECTS. Mr. McMurray reported that two contracts for architectural services were recommended for approval:

Fire Safety Renovation Project

Mr. McMurray reported that the approximate total budget on this project is \$250,000. The Board Office has negotiated a contract amendment with Brown, Healey Bock of Cedar Rapids making total compensation to the firm under the contract \$20,000 which figures out to about 8%.

Remodeling/Renovation

Mr. McMurray reported that the board was requested to approve a contract to gain architectural services on the \$240,000 capital appropriation made by the 1977 Session for remodeling/renovation at the school. He said that the Board Office has utilized the Standard Agreement between Owner and Architect and negotiated the contract which provides overall compensation to the architect of \$25,000. Mr. McMurray reported that this project has been divided into phase one and phase two. He noted that the tentative budget provides \$236,000 of the \$240,000 for phase one of the project which would be bid sometime in the spring. On that portion of the contract, the Board Office negotiated an hourly rate contract with maximum fee of \$21,000 which comes out to slightly over 8%, well within guidelines on this type of renovation work.

Mr. McMurray noted that he was not certain that phase two would have any funds remaining to carry out construction. He said the Board Office has entered into a contract, however, on a fixed fee basis for \$4,000 to provide the necessary plans and specifications and cost estimates to put into the capital process (the 1979 Session) these projects that are a part of the school's Master Plan Study which was conducted a few years ago.

Mr. McMurray recommended the board approve both architect's contracts as set out above.

MOTION:

Mrs. Belin moved the board approve the Register of Capital Improvement Business Transactions for the month of January 1978; approve the architectural contracts for the two projects named above; and authorize the executive secretary to sign all necessary documents. Mr. Slife seconded the motion.

Regent Bailey commented he felt 8% rates seemed a bit high but noted that the projects are relatively small and there are a lot of different involvements to consider. Mr. McMurray responded by stating that during negotiations it was noted that for projects in the private sector for the same type of

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projects the rate of 11% to 11.5% is being charged. He commented that on that basis, then, the contracts appear to be reasonable.

VOTE ON MOTION: The motion passed unanimously.

AGREEMENT FOR PRACTICUM ASSIGNMENTS WITH ELLSWORTH COMMUNITY COLLEGE. The Board Office recommended the board approve the request of the Iowa Braille and Sight Saving School to enter into an agreement with Ellsworth Community College to provide practicum experience for its students as specified in material presented the board.

The Board Office reported that Ellsworth Community College has requested the placement of Human Services Program students for practicum experience periods of approximately nine weeks for each student assigned during the academic year. No more than two students would be assigned during any nine-week practicum period. No monetary consideration is involved. The practicums would be in a variety of areas, such as recreation and houseparent, as assigned by the director of student services.

The agreement, which is on file at the Board Office, provided the board with detail regarding the scope of the agreement, placement of students, determination or change of assignment provisions, the supervision of students, and compensation. It was noted that the supervision of students will be carried out in cooperation between supervisors at the Iowa Braille and Sight Saving School and the coordinator of practicum experience from the college. In regard to the matter of insurance, the Iowa Braille and Sight Saving School has been advised that insurance needs may be met if the individual student is supervised and if the supervisor is covered.

Mr. Richey asked if there was monetary consideration involved with the practicum assignments as the board does pay the local school districts for student teachers. He asked if the consideration of the board involved the expansion of a potential market or that the school gains other than monetarily in having a student from Ellsworth Community College obtain practicum experience. In response, Superintendent DeMott reported that the school was dealing here with undergraduate students. The practicum experience serves to give these students exposure to the field rather than pre-professional practice.

Regent Belin asked if the Iowa Braille and Sight Saving School's faculty is willing to donate its services to make the agreement work. Superintendent DeMott commented that the faculty initiated this request and its members are very interested in making this work regardless of an additional monetary amount.

Regent Bailey noted that the agreement stated that insurance needs may be met "if" the individual student is supervised and "if" the supervisor is covered. He said he would like to see the motion passed, subject to clarification of the insurance matter. Mr. Richey said the Board Office will explore the insurance matter further. He noted, however, that he felt the staff would be covered under the State Tort Claims Act.

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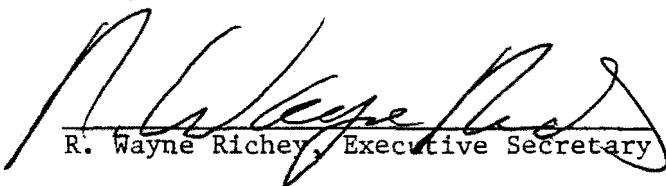
MOTION:

Mrs. Belin moved the board approve the request of the Iowa Braille and Sight Saving School to enter into agreement with Ellsworth Community College to provide practicum experience for its students as specified in material presented the board subject to clarification of the insurance provisions. Mr. Wenstrand seconded the motion and it passed unanimously.

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

SALARY POLICY FOR FACULTY AND PROFESSIONAL EMPLOYEES, IOWA SCHOOL FOR THE DEAF AND IOWA BRAILLE AND SIGHT SAVING SCHOOL. Mr. Richey reported briefly on the fact that meetings have been held with the superintendents of the two special schools with respect to the development of salary policy for faculty and professional employees of those institutions for next year. He said that when all the alternatives have been explored and a feasible joint agreement is reached, the superintendents will be discussing this with their faculties and this matter may well be on the March agenda of the Board of Regents as the board knows what the appropriation for next year is and what basic funds are available for the two special schools.

ADJOURNMENT. The meeting of the State Board of Regents adjourned at 12:00 noon, Friday, February 17, 1978.



R. Wayne Richey