

GENERAL

The following business pertaining to general or miscellaneous business was transacted on Wednesday, February 18, and Thursday, February 19, 1987.

APPROVAL OF MINUTES. The minutes of the December 17-18, 1986, meeting were approved by general consent of the board.

CONSENT DOCKET. The items on the consent docket appear in the appropriate sections of these minutes and were approved by general consent of the board.

LEGISLATIVE PROGRAM, 1987. The Board Office recommended that the board receive the report on legislative activities and approve the recommended positions on bills being followed, and direct the Interinstitutional Committee on Educational Coordination to develop a plan for coordinating the operation of the proposed Laser Laboratories and a plan for coordinating the operation of the proposed Molecular Biology facility.

Director True stated the legislative report summarizes the legislative hearings which have occurred, identifies critical bills being followed and summarizes the effect of the Governor's budget recommendations for the Board of Regents.

The Governor's budget recommendations were released on January 22, 1987. The recommended fiscal year 1988 operating appropriations for the Board of Regents were 0.4 percent above fiscal year 1987, exclusive of salary adjustment funds.

The increases recommended were for partial funding of mandatory staff annualization costs and \$250,000 for additional faculty at the University of Northern Iowa. The Governor's general university appropriation recommendations compared with Fiscal Year 1987 appropriations as follows: University of Iowa, less than 0.1 percent increase; Iowa State University, 0.8 percent increase and University of Northern Iowa, one percent increase. In addition, the Governor recommended \$3.5 million for the Academic Challenge Program for allocation to the universities to match internal reallocations to programs of academic excellence.

The Board of Regents has already made commitments that substantial internal reallocation will be used to improve the quality of the Regent institutions and in particular to help improve the competitiveness of faculty salaries. The effect of the Governor's recommendations would be to require additional reallocation. The additional reallocations that would be required are: to meet the full cost of salary annualization; to offset price inflation; to offset additional costs of opening new buildings and to make up federal funding losses at Iowa State University. The total reallocations required would be approximately \$15-18 million.

The Governor's recommendations on salary adjustment funds are not yet available. The Board Office has identified the cost of the state salary policy for Regent institutions and has apprised the Governor's Office and Department of Management of these salary fund needs. Underfunding of the Regent needs for salary adjustment would add to the reallocation dilemma described above. The principal elements of the recommendations for the Board of Regents are listed below.

Governor's Fiscal Year 1988 Budget Recommendations
Iowa State Board of Regents

- o Operating budget increase of 0.4%
- o Bonding for Laser Laboratories and Molecular Biology Building - \$62.7 million
- o No funding for price inflation, opening new buildings or to offset income losses at Iowa State University Cooperative Extension, Experiment Station and Veterinary Medicine College
- o Mandatory salary annualization costs funded from appropriations as follows: University of Iowa, 25%; Iowa State University, 90%; University of Northern Iowa, 42%
- o Utility budgets reduced from Regents request by \$500,000
- o Funding for a new program, the Academic Challenge Grant Program - \$3.5 million
- o Funding for new faculty at the University of Northern Iowa - \$250,000
- o Elimination of "Iowa Plan" Lottery appropriations for research and development including the 5-year commitment for agricultural biotechnology at Iowa State University
- o The Governor's alternative to the "Iowa Plan" Lottery Research and Development Fund includes \$8.25 million for three programs:

- o Agriculture Experiment Station - \$1 million
- o Research Challenge Grant Program - \$3.5 million
- o Eminent Scholar Program - \$3.75 million

The five year Lottery Research and Development Fund appropriation and the commitment of \$4.25 million per year for agricultural biotechnology are recommended for elimination. The Governor's proposed substitute consisted of \$1 million for two programs in the Agriculture and Home Economics Experiment Station, \$3.75 million for eminent scholar endowments to be matched by the universities and \$3.5 million for a research challenge grant matching program to be administered by the Department of Economic Development.

None of the Regent's Improving Educational Quality Requests for the general universities were recommended except \$250,000 for faculty at the University of Northern Iowa. None of the Regents inflation or opening new buildings requests were included in the Governor's recommendation and \$500,000 was reduced from the utilities budget request. None of the Board's request for additional state help to offset federal budget cuts in the Cooperative Extension Service and the Experiment Station was recommended. Funding needed to offset the loss of contract income in the College of Veterinary Medicine was not recommended.

In several instances the Governor's recommendations increased the Regent's estimate of receipts and thereby reduced appropriations. That is the case for the Cooperative Extension Service and Experiment Station mentioned above. At the University of Iowa and the University of Northern Iowa the Governor's recommendation assumed an additional \$928,000 and \$244,000, respectively, in federal indirect cost recoveries. This has been treated as a direct offset to appropriations for the two universities.

Governor Branstad recommended the use of academic building revenue bonds to finance the Laser Laboratories project at the University of Iowa and the Molecular Biology Building at Iowa State University. Other high priority capital projects requested by the Board of Regents such as the Home Economics addition at Iowa State University and Latham Hall remodeling at the University of Northern Iowa were not recommended.

The Board of Regents has been urged to accelerate construction of the laser and molecular biology projects through phased construction. With accelerated construction schedules, \$400,000 in additional tuition replacement appropriations are needed in Fiscal Year 1988. This information was communicated to the Department of Management and the Legislative Fiscal Bureau. A recommended solution of allowing any unused Fiscal Year 1987 tuition replacement funds to rollover for use in Fiscal Year 1988 was also conveyed. The recommendations did not include authorization to use Fiscal Year 1987 tuition replacement appropriations balances in Fiscal Year 1988.

Among the Governor's legislative programs was a proposal to fund minimum K-12 teacher salaries at \$18,000, adjust the salary scale for more experienced teachers and to introduce a merit based pay component into teacher salary increases. The Governor has recommended almost \$100 million in state funding to accomplish these intentions, exclusive of school aid formula funding. These policies directly affect the levels of and methods of determining faculty salary increases at the special schools. The Board Office has been in contact with the Governor's Office on this issue and has apprised them that the estimated cost of an \$18,000 minimum salary policy is \$335,200 at the Iowa School for the Deaf and \$131,400 at the Iowa Braille and Sight Saving School.

Legislative Budget Hearings

Approval of a \$25 million bonding resolution for the Laser Laboratories was approved by the Senate. The House is now considering that project and several others through a subcommittee chaired by Representative Hatch. Additional members of the committee are Poncy, Schrader, Maulsby and Harbor. The House subcommittee has met several times and has had presentations by Regent Tyler, representing the Board of Regents, and presidents Freedman, Eaton and Curris.

Following the subcommittee hearing at which the Regent's capital priorities were discussed, letters requesting additional information were sent from the Legislative Fiscal Bureau to the university presidents.

There was considerable discussion by the subcommittee of program duplication and coordination among Regent universities particularly with regard to the Laser Laboratories and Molecular Biology Building projects. Regent Tyler spoke with Representative Hatch following the meeting of February 4 and, in consultation with President McDonald and the Board Office, responded in writing to Representative Hatch. Regent Tyler indicated that designing a coordinating plan and overseeing its development is the responsibility of the Board of Regents.

Based upon Regent Tyler's communications and a later meeting on that subject among President McDonald, Regent Tyler, Mr. Richey and the university presidents, it was recommended that the Regent's Committee on Educational Coordination develop a conceptual outline for coordinating the operations of the Laser Laboratories and the Molecular Biology Facility.

At the next meeting of the Hatch subcommittee on February 11, 1987, a proposed capital bonding program of \$89 million in Regent projects was discussed. The Legislative Service Bureau was requested to draft bonding resolutions incorporating the following projects:

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ALL	Fire and Environmental Safety	\$ 1,450,000
ISU	Home Economics - Phase I	5,100,000
SUI	Laser Laboratories	25,100,000
ISU	Molecular Biology Building	37,500,000
UNI	Latham Hall Remodeling	3,360,000
UNI	Power Plant Addition	8,500,000
UNI	Wright Hall Remodeling	2,415,000
UNI	Library Addition	<u>5,800,000</u>
		\$89,225,000

Subcommittee chair Hatch requested that certain additional provisions be drafted into the bond resolution. Those provisions included payment of prevailing construction wages, Legislative Council approval of architectural plans and application of contingency funds in the project budgets, prohibition against classified or secret research, and a requirement that the Department of Economic Development and the Board of Regents must study promoting this research in Iowa and for Iowans. These provisions represent serious problems for the Board of Regents. The Board Office is discussing these provisions with the board's bond counsel and the university presidents and an oral update will be given to the board at the February meeting.

The Joint Education Appropriations subcommittee has held two hearings thus far. A hearing on February 3 focused on medical education and the University of Iowa Hospitals and Clinics whereas the second hearing on February 10 focused on faculty salaries and the Governor's budget recommendations for the Board of Regents. At the February 3 hearing Regent Harris represented the board and discussed the medical education needs of the University of Iowa. At the more recent budget hearing President McDonald identified for the subcommittee the inadequacies of budget recommendations made for the Board of Regents and the particularly acute need to act now to improve faculty salaries. Regents Tyler and Murphy also attended that meeting.

Prior to Regent Harris' remarks on February 3, the subcommittee heard Marvin Pomerantz, Chair of the Governor's Blue Ribbon Commission on Future Financing of Educationally Related Costs of the University of Iowa Hospitals and Clinics, describe and explain the recommendations of the commission. That report was completed and given to the Governor on January 7, 1987. The Governor has since endorsed the recommendations of the report. The complete reports have been mailed separately to board members.

A brief presentation on the University of Iowa Hospitals and Clinic's transplation program was given to the Joint Education Appropriations Subcommittee by Dr. Robert Corry and Ken Yerington from the hospital staff. Appropriation language for the University of Iowa Hospitals and Clinic's indigent patient care program limits spending on transplation to 0.9 percent of the appropriation amount. Through the first seven months of this fiscal year the hospital reports no indigent patient care appropriations

have been used for transplantation services. A written report on the transplantation program was given to the subcommittee.

Numerous requests for information were made by the Joint Education Appropriations Subcommittee at the February 10 hearing. Answers to those questions were being prepared. Questions involved internal reallocation processes, cooperative efforts among the universities, English language proficiency of foreign instructors, differences in Regent university roles and missions and tax consequences for research and teaching assistants under the new federal tax law.

Bills of Interest to the Board of Regents

A number of the legislative issues of concern to the Regents were addressed in a discussion on the Governor's budget recommendations and the legislative budget hearings. Other proposed bills of particular interest to the Regents were described as follows:

Senate File 162 (By Committee on State Government) Establishment of the Iowa Corporation for Public Telecommunications

The stated purpose of this bill is to plan, establish and operate educational radio and television facilities and other educational telecommunications systems and services to serve the educational and economic development needs of the state. This idea began with Senator Hultman and former IPTV director Larry Patten as a plan to bring educational services into Southwest Iowa as a pilot project and to eventually expand those services statewide. In accomplishing that goal this bill envelops the Iowa Public Television Division of the Department of Cultural Affairs and establishes a public corporation to operate under a board which would have among its membership a representative to be appointed collectively by the Regent university presidents and a Board of Regents member.

The universities and Board Office have discussed this bill and have concluded that as a minimum two changes are required. One change is needed to more properly balance the board membership. Of the thirteen board members, one is appointed by the Board of Regents and one is appointed by the Regent university presidents. In contrast, the merged area schools, area education agencies and Department of Education are each represented on the public corporation board. The Board Office has recommended that the Board of Regents be authorized to appoint three members of the public corporation board.

Another needed amendment to S.F. 162 involves an exclusion of certain facilities from the direct control of the public corporation. The present form of the bill excludes only existing Regent facilities. The proposed amendment would broaden that exclusion. The amendment is as follows:

Amend S.F. 162 by deleting Section 12 and inserting the following:

Sec. 12 New Section. 302A.9 OTHER FACILITIES.

This chapter does not prohibit institutions under the state board of regents and merged area schools under the department of education from establishing, acquiring, owning, operating, improving, and maintaining educational radio and television stations and other educational telecommunications systems and services including narrowcast and broadcast systems. The institutions and schools may enter into agreements with the board of directors for the lease and purchase of equipment and facilities.

Iowa State University has expressed some additional concerns about planning and coordinating provisions in this bill and language on competition with the private sector. These issues are being evaluated now. The board will be orally updated at the February meeting.

House File 16 (By Rosenberg and Hammond) Graduate Research Scholarships and Fellowships

Federal tax law changes have limited the exclusion from taxation of scholarships and fellowships and have eliminated the exclusion from taxation of stipends for graduate assistants. This bill provides that scholarships or fellowships received by a graduate assistant would be excluded from state taxation to the extent that they were previously excluded from federal taxation. The bill would be beneficial to graduate students. Support is recommended.

House File 124 (By Van Camp and Lundby) Establishment of Geriatric Medical Education Program

This bill would require the establishment and maintenance of a geriatric medical education program within the College of Medicine of the University of Iowa. The university reports that a number of activities are already underway in the geriatrics-gerontology area. These activities include a recently funded federal grant for a geriatric education program focusing primarily on continuing professional education. Thus, the program proposed in this bill is viewed primarily as an expansion of current educational activities. The university estimates that the additional cost of this expansion would be approximately \$482,000 in the first year and \$415,000 in the second year. No funds are appropriated by the bill.

House File 183 (By Rosenberg and 11 others) Student Financial Aid Programs

This bill would require that the portion of tuition income which is set aside for student aid for the Regent universities be used only for the work-study program. It also would provide that institutional work-study grants and tuition grants awarded by the College Aid Commission must include specified allocations to minorities and to displaced homemakers, displaced farmers or individuals whose employment has been terminated due to plant closure.

House File 212 (By Van Camp) English Language Proficiency

This bill would require that the Regents and the merged areas establish programs to assess and ensure the oral English language proficiency of all persons providing classroom instruction. The University of Iowa and Iowa State University presently have programs to evaluate oral proficiency and to train prospective teaching assistants who are not native speakers of English

House Study Bill 121 (Committee on Human Resources) Obstetrical and Newborn Indigent Patient Care

This bill would create a new chapter for obstetrical and newborn indigent patient care programs. The programs would be administered by the Department of Public Health. The bill calls for complete decentralization of obstetrical and newborn indigent patient care by July 1989. The Board of Regents has previously approved a proposal which provides the opportunity for substantial decentralization of indigent obstetrical care by July 1987, but excepts from the decentralization program a nine county area surrounding Iowa City.

In addition to the bills identified specifically within this report the Board Office and the institutions are monitoring a number of legislative proposals with potential impact on the Regent institutions. Listed below are the recommendations of the Board Office:

SF 9	Oppose	HF 16	Support	HF 87	Oppose
SF 82	Oppose	HF 19	Support	HF 149	Oppose
SF 124	Oppose	HF 36	Oppose	HF 202	Oppose
SCR 4	Support	HF 52	Oppose	HSB 47	Oppose
		HF 72	Support	HSB 121	Oppose

Director True stated that even though the Legislature had not yet approved funding for the Laser Laboratories, the Governor and legislature leaders have urged the board to move ahead with planning.

one project dropped was the Power Plant at the University of Northern Iowa. The resolution also contained a provision to the effect that the rate of wage for all persons employed by the contractors or subcontractors on the construction projects shall not be less than the prevailing rate of wages for work of a similar nature in the locality in which the work is performed.

Director True stated that another provision of the resolution required the State Board of Regents to submit to the legislative council for review the architectural plans and a final budget for the projects. This was stricken from the proposal. He stated the resolution also required the Board of Regents before receiving authorization for the projects to conduct a study relating to the appropriate disposition of the results of research conducted at the Regents institutions. Consideration would be given during the study as to whether the results of research should first be offered to Iowa-based companies. The study would recommend a policy on the obtaining of appropriate patents for tangible research results and a policy for conducting collaborative research between Iowa State University and the University of Iowa in the fields of laser technology, molecular biology and other common fields of scientific research. He stated this report along with recommendations should be submitted to the General Assembly prior to January 15, 1988.

Mr. Richey stated that with regard to the Power Plant at the University of Northern Iowa, members of the subcommittee received cost estimates that were different than those the request was based upon. He said this caused confusion. The Board Office will keep the board informed on this matter. He stated this project is badly needed and was a very high priority. He said it was a matter of getting the figures straightened out and the Board Office would keep the board informed on what should be and can be done.

Regent Tyler asked if the institutions were prepared to say how much the additional cost of the prevailing wage would entail for each project.

Director True said a little over a year ago the Board Office and institutions evaluated what the cost would be. He stated there would be a 20 percent increase in labor for the construction, and labor is generally 50 percent of the project cost. Director True stated another provision involved classified research. The provision does not allow classified research to be done in facilities that are incorporated in the resolution. He said the words "classified research" remain in the resolution. This was directed at the Laser Laboratories project.

President McDonald stated the concerns about restrictions on classified research were related in a meeting with legislative representatives, Board Office representatives, and the presidents of the universities. He stated it was an infringement of the rights of the universities.

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President Freedman stated the University of Iowa has a policy on classified research and it is up to the board to pass judgment whether they should have those policies. Now we have prohibition on classified research. He said a policy against classified research can be appealed but when it is put into a bond indenture it cannot be changed. If this country finds itself in war or a perilous situation they would like freedom to determine what they want to do. In a bond resolution it is particularly troublesome.

Regent Tyler stated that for the legislature to mandate an increase in cost is totally inappropriate. He said that is the effect when you put prevailing wage into the resolution. The cost would amount to several million dollars.

Vice President Ellis said in a meeting with the Appropriations Committee one of his concerns was how the term "classified" might be defined. He stated he was reassured that it was not the intent for this to go beyond the federal government system for secret information. There were a number of exceptions where there is reason to protect rights, especially with regard to the Laser facility as well as other facilities. If we are going to ask industrial and commercial firms to work with the universities they must be assured their rights will be protected. He stated he was assured in his meeting by the floor manager that the intent of the language was related solely to federal government imposed restrictions.

Regent Anderson asked to what extent is putting this kind of restriction on the universities realistically going to limit opportunity for grants and research, or in connection with working with private industry in working with grants. She questioned if the universities were selling themselves short in the state of Iowa.

President Freedman stated that once you undertake classified research only people approved by the federal government can participate. He said he felt that is inconsistent with the spirit of an open university. In the commercial sector there are short time periods for protecting information which they do respect. He said it was impossible to predict how the university's resources will be needed in the future and if the provision is attached to the bonding resolution it could not be repealed.

President McDonald asked if to temporarily withhold information would apply only to commercial firms.

Vice President Remington stated not in so many words. He said in the case of the College of Pharmacy, they are licensed by the Food and Drug Administration and do a great deal of contract work with the government. He said they are interested in prototype development activities and research activities of faculty. The agreements often specify access within sixty days to this information. They are very time limited.

President Eaton stated with regard to the testing of boilers with a company who doesn't want to share their results, it is his feeling we are talking about something else. He expressed a need to examine all sides of this issue. The language in the bonding resolution is a political statement and the university system is being used. Iowa State University's policy is somewhat different.

President McDonald stated it bothers him to see prohibition come from outside the university. He said if there is academic freedom those decisions should be made at the academic level.

President Eaton stated if they are not allowed to publish results we should not impose limits on it. He said in the name of academic freedom those kinds of limitations should not be imposed. He stated faculty members should be free to pursue their interests.

Regent Greig stated this should not be a legislative decision and we should get that information back to the legislature.

Regent Anderson stated that this had been relayed to the legislature through Regent Tyler.

President McDonald stated that Regent Tyler had stated this very well on behalf of the Board of Regents.

Regent Tyler said he agrees with Regent Greig and the board should put this in writing and get it to the legislature.

President McDonald felt we should think about it overnight.

Regent VanGilst asked if this was in the original Senate resolution.

Mr. Richey stated no. The issue was discussed in the Senate and the language was left out and in turn was put in by the House.

President McDonald said if the board means what it says about academic freedom then this is not the way to go.

Vice President Madden stated the tax law amendments of 1986 would be applicable to the bonds. He said he interpreted federal government research to be private. He stated there will be some limitations to what we can do.

President McDonald stated the concerns of the Board need to be reinforced with regard to the prevailing wage issue.

President Eaton stated if they are going to greatly inflate the cost of the buildings they we have to go back and recalculate the cost. We should have an opportunity to reset the cost.

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Regent Harris stated he felt the board should think about this overnight and consider the possibility of going first to the drafters of the bill at the House, and if that fails then efforts would be directed to the Senate.

President McDonald stated it would be done as carefully as possible. He stated he would like to have the political aspect removed and leave it with the universities as it should be.

Regent Greig said that to close the door on the possibility of doing classified research is wrong, though little has been done in the past.

Regent Anderson asked with regard to Senate File 162 what was the understanding of the sentence "The Board Office has recommended that the Board of Regents be authorized to appoint three members of the public corporation board."

Mr. Richey stated that all three members would be appointed by the Board of Regents. He said this would give equitable leadership. Any prospective installation the board would wish to put into place would be under the control of this corporation and the bill is being substantially amended.

Regent Anderson asked if this meant taking the Regent installations out from under this corporation. She then stated that if we're going to be out from under this, isn't that defeating the purpose, to which Mr. Richey said it was leaving the institutions and the board free to develop.

Mr. Richey stated the position of the board would be to push for these two amendments. If these two amendments are included in the bill then we would not be opposed to it and it would be up to the legislature.

Vice President Ellis stated he was concerned about the bill. In its initial form it gave the power to control the universities by restricting the ability such as designing or remodeling classrooms from which educational programs could be originated. He stated they see more and more opportunities for the universities to serve the state and they are very reluctant to put this in the hands of the journalistic review committee created in the bill. This amendment will take care of that problem and the amendment to Senate File 162 has been accepted by proponents of the bill.

Regent Anderson stated this was a major issue and she was disturbed about the manner in which it has been handled.

Mr. Richey stated he was informed on January 5 by Senator Hultman of this bill. They talked about the general concept of the bill and the details of it but nothing about Iowa Public Television. There hadn't been an opportunity to discuss the matter until the bill came out. He said he is trying to keep everyone informed and did so as soon as the bill was available.

Regent Murphy stated she was not critical of the Board Office but of Iowa Public Television because they did not keep the board members informed as to what was going on.

Regent Greig stated he would like to see a copy of the bill.

President McDonald asked if there were any other questions or comments on this legislative docket.

Mr. Richey stated recommendation #2 is a significant one. He said the role of the Interinstitutional Committee would be to develop a plan for other aspects of cooperation.

Regent Anderson said she would much prefer to do something that is clearly coming as a directive from the Board of Regents and that it reflect the board's concerns over the past several years. She said she would support the second recommendation here rather than referring it back to the resolution committee.

Regent Tyler agreed with Regent Anderson. He stated those who have been to the meetings with the legislators have heard it in every meeting they have been to and this is one thing they should listen to.

President McDonald asked if the board was ready to adopt the Board Office recommendations with changes.

Regent Anderson stated she was not ready. She said on some of these bills the Board Office clearly specified that they recommended it, and yet on others nothing is said. She asked if as a procedure when the Board Office asks the board to take action on the report she believed it might be helpful in each explanation to state whether or not support was recommended, or if further study was recommended.

President McDonald stated the action on this item was to receive the report.

Regent Anderson asked what was being recommended in #167.

Mr. Richey stated it was now under study and the Board Office is monitoring it. Unless the Board Office specifically states support or oppose, they it means it is under study.

Regent Anderson asked if when the board takes action doesn't that mean they are approving. She stated they should be very clear on what those recommendations are.

Mr. Richey stated Exhibit F was probably buried too far back, but it gives an itemized list of the bills being followed by the Board Office.

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Regent Greig asked if as major changes are received the Board Office would update the list.

Mr. Richey stated that is done before every board meeting. He asked if there were some significant change did Regent Greig want to be notified.

Regent Greig stated that if the changes are significant then the board members should all know about it. The board members feel they should become more involved.

MOTION:

Regent Anderson moved that the board receive the report on legislative activities and approve the recommended positions on bills being followed. In addition, she moved that the board direct the Interinstitutional Committee on Educational Coordination to develop plans for coordinating the operation of the proposed Laser Laboratories and Molecular Biology facility, and report its recommendations to the board. Regent Murphy seconded the motion, and it passed unanimously.

EXECUTIVE SESSION. President McDonald requested that the board enter into executive session to discuss collective bargaining strategy pursuant to Chapter 20.17(3) of the Code of Iowa. Regent Harris moved that the board enter into executive session. Regent Tyler seconded the motion; and upon the roll being called, the following voted:

AYE: Anderson, Duchen, Greig, Harris, McDonald, Murphy, Tyler, VanEkeren, VanGilst.

NAY: None.

ABSENT: None.

The board having voted by at least two-thirds majority, resolved to meet in executive session beginning at 11:30 a.m. on February 18, and arose therefrom at 12:30 p.m. on that same date, at which time the board recessed for lunch.

STATEWIDE FAMILY PRACTICE TRAINING PROGRAM. The Board Office recommended that the board receive the report.

The Office of Community-Based Programs at the University of Iowa College of Medicine, which coordinates the Statewide Family Practice Training Program, had provided information about the program in a January 1987 publication.

President Freedman introduced Dr. Paul Seebohm, Consultant to the Dean of the College of Medicine, and Dr. John Eckstein, Dean of the College of Medicine.

Dr. Seebohm stated that legislation enabling a statewide network of community-based family practice training programs was enacted by the Iowa Legislature in 1973. Responsibility for administration of the program was assigned to the dean of the College of Medicine, University of Iowa. The college was asked to provide educational and technical support to training programs which are formally affiliated with the university.

Dr. Seebohm stated that 253 doctors started new practices in Iowa in 1985, compared with 267 who died, retired, relocated or became disabled. The net loss of 14 doctors followed 12 years with gains averaging 65 doctors per year. In 1985 Iowa had a net loss of 22 family physicians--66 new practices were opened, but 88 family physicians left Iowa practices. The report attributes the loss to a pattern of earlier retirement and to relocation of young doctors who are leaving because of the unfavorable medical liability environment. Another reason for the loss is that 25 percent of Iowa's family doctors are over 60, while only 15 percent of other physicians are past 60.

Dr. Seebohm said that today there are nine family practice residency programs in seven Iowa communities--Cedar Rapids, Davenport, Des Moines (3), Iowa City, Mason City, Sioux City, and Waterloo. Seven of the nine have formal affiliations with the University of Iowa. Each program has a model family practice clinic. Local hospitals and offices of private physicians are also used as training facilities. Eighteen Iowa hospitals participate in the program and fifteen of that number are residency sponsors.

Dr. Seebohm stated that approximately 25 percent of the medical graduates of the University of Iowa enter family practice training after graduation; the U.S. average is 13 percent. Iowa family practice residency programs had more than seven applications for each of the 55, first-year training positions they offered. Iowa residencies have also attracted physicians from 38 other medical colleges, a fact which is significant because studies have shown that the regional location of a physician's graduate training is a determinant in practice location.

Dr. Seebohm further stated that the current enrollment in the program is 170 (74 percent male and 26 percent female), with approximately equal numbers in each of the three training levels. Nineteen percent are obstetric physicians. The programs collectively graduate 55-60 physicians annually. Although the program graduates more than 50 family physicians annually, the 12-year average for retention of these physicians in Iowa is 60 percent. Nearly half of those selecting Iowa sites located in communities with populations under 10,000; one-fourth located in Iowa metropolitan areas. Dr. Seebohm said there are now 263 Iowa family practice residency graduates practicing in the state of Iowa today.

A family doctor seeking certification must successfully complete an accredited family practice program and pass a written examination. Currently, 98 percent of Iowa family practice residency graduates are board certified.

The Office of Community-Based Programs also coordinates several outreach services that satisfy goals of the statewide program. Among them are the Visiting Professors Program in which faculty from 18 College of Medicine departments support family practice residency programs and provide continuing medical education for physicians practicing in communities where these programs are located; the Medical Practice Development Program, which helps Iowa communities in their efforts to attract family doctors; and the Iowa Family Practice Opportunity Fair, which facilitates personal contact between family practice residents interested in locating in Iowa and communities seeking family physicians.

Dr. Seebohm stated the aggregate costs of the Statewide Family Practice Training Program in 1985-86 were \$16,634,863; the state appropriation for family practice education was \$1,383,031. From the appropriation, individual training programs received \$1,106,425 and the Visiting Professors Program received \$276,606.

Family doctors, who comprise one-third of Iowa's physician population, are the principal source of basic medical care for most Iowans. More than 150 Iowa communities are actively recruiting one or more family physicians and in combination, communities are offering practice opportunities for more than 200 doctors.

The report concluded that there is a continuing, perhaps increasing, need to train family doctors for Iowa communities. This need and demand for family physicians in Iowa makes the Statewide Family Practice Training Program a valuable resource for the state.

Dr. Seebohm said the impact of all this on health manpower in the state has been very good. The program has been monitored for the past ten years quite meticulously. He said they know where every doctor is in the state and how many leave and how many come into the state every year. They had a net gain over the past ten years until 1985. In 1985 the state lost 14 physicians. He said the number coming into the practice remains the same, but the number leaving has increased in the last three years. There is a large relocation in the younger age group. He said they looked into the reasons why they leave the state and believe that climate, Iowa's troubled economy, and personal reasons are factors. They are continuing to monitor this very closely.

President McDonald thanked Dr. Seebohm for his fine report. He stated that he felt this program was a valuable resource for the state of Iowa and hoped it would be continued. He asked Dr. Seebohm if they would be able to continue funding the program as in the past given funding and problems the state had.

Dr. Seebohm stated they would be if something serious didn't happen to the third party payor. The practice is quite successful with 150,000 patient visits each year. The state appropriation supported about \$7,000 per resident each year on a per capita basis. If these figures stay where they are, the program will be all right.

Regent Harris asked in terms of physicians leaving the state, is there any correlation with the lack of hospitals.

Dr. Seebohm said they checked this out specifically and haven't been able to link it to that. He stated that if the local hospital deteriorates, then there would be correlation.

Regent Anderson asked if liability insurance played a part in the loss of some physicians.

Dr. Seebohm stated there are 55 counties in rural Iowa where only family physicians exist. When obstetrics is practiced by family physicians, higher liability insurance results. He stated this might lead to those in obstetrics going to another area. Many are retiring at an earlier age. He stated that malpractice insurance costs influence the older age group.

Regent Harris stated that if the family practitioner is in a community where there is not the back-up of an obstetrician or gynecologist, he might be encouraged to move on to where he could get that.

Dr. Harris asked how many physicians are currently practicing in the state of Iowa. Dr. Seebohm replied approximately 3,500. Regent Harris asked where he got that figure.

Dr. Seebohm stated when the program began they found out they couldn't keep track of all the physicians on file cards so they set up a monitoring system that keeps track of all of them. He said they get some help from the state licensing division. Their final check is to call up doctors and see if they are still active. He stated that the 3,500 includes 450 doctors who are practicing at the University of Iowa. It does not include residents in training or MD's in basic sciences, but it does include those in the administrative category.

Regent Harris asked if it were not true that approximately 85 percent of the physicians practicing are concentrated in the metropolitan areas.

Dr. Seebohm said that 85 percent may be a little high. He stated that 65 percent of the practitioners are in rural Iowa. This figure does not include the dentists.

Regent Anderson asked if students were being prepared in the field of geriatrics without having a specialty in it.

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Dr. Seebohm replied that there is now a great interest in geriatrics. There are other social aspects to consider now that doctors should know about. He stated they recently received a grant that went across disciplinary lines to teach geriatrics to all health-type officials. The grant amounts to \$180,000 a year for the next three years.

Regent Anderson asked if there is a bill being prepared to have a specialty in geriatrics at the University of Iowa. If so, she wanted to know where Dr. Seebohm stood on this bill.

Dr. Eckstein stated people have become involved in the whole aspect and are concerned that subjects on geriatrics are taught in the curriculum. The people who are advocates for a stronger, more feasible geriatric department might ask the board for a separate department.

Regent Anderson asked if he thought this was necessary.

Dr. Eckstein stated he didn't think so. He stated there is quite a population of geriatric patients in the hospital in Iowa City and the hospital is receiving grants for these patients. He said if the College of Medicine added more departments they would have to "shoehorn them" into place.

Regent Anderson asked what other medical schools were doing and what was the pattern in the rest of the hospitals in the country.

Dr. Eckstein stated they don't really know.

Regent Harris stated that any well-trained physician who sets aside enough time for elderly patients can do a good job in taking care of them. It takes more time, and physicians must take the time to sit down and listen to them, and refer them to the agency where they can get help.

Dr. Eckstein stated that public interest in geriatrics is not a bad thing. It is positive unless you have to do too much to deliver.

Dr. Seebohm stated it had been a special pleasure to give the report to the board. He stated that Regent VanGilst was one of the people instrumental in getting this program off the ground.

President McDonald thanked Drs. Eckstein and Seebohm for the great service they are performing to this state.

MOTION:

Regent Greig moved that the board accept the report of the Statewide Family Practice Training Program. Regent Harris seconded the motion and it carried unanimously.

PRESENTATION BY REPRESENTATIVES OF THE IOWA SCHOOL FOR THE DEAF AND IOWA BRAILLE AND SIGHT SAVING SCHOOL ON FACULTY AND PROFESSIONAL SALARIES. The Board Office recommended the board receive the reports and recommendations on salaries by representatives from the Iowa School for the Deaf and the Iowa Braille and Sight Saving School.

Acting Superintendent Young introduced Theresa Juhl, representative of the Iowa Braille and Sight Saving School faculty.

Ms. Juhl stated the faculty of the Iowa Braille and Sight Saving School welcomed the opportunity to present information to the board regarding faculty salary schedule. She stated Iowa ranks 37th in the nation in pay for those in the teaching profession. She said Iowa Braille and Sight Saving School competes nationwide for a declining number of educators of the visually impaired. This places the school in competition with AEAs, as well as other state schools, for faculty to fill open positions. In addition, specific course work for teaching the visually impaired is not available in Iowa. She compared the Minnesota school with the Iowa Braille and Sight Saving School. Within the state of Iowa, public school salaries have increased an average of 5.6 percent as of January 20, 1987. She said for these reasons the faculty at Iowa Braille and Sight Saving School asked that the board give consideration to the following areas:

1. Due to similarities in educational requirements and cost of living, the faculty at Iowa Braille and Sight Saving School asked to stay on a comparable scale with the faculty at the Iowa School for the Deaf, with a minimum of a five percent increase in pay. The cost of a five percent increase would total \$33,000.
2. The Iowa Braille and Sight Saving School faculty proposed a career step of \$300 be included at the third, sixth, and ninth years following arrival at the top of levels II-VIII on the vertical scale. The number of faculty currently at the top of each level are as follows:

<u>Level</u>	<u>Number of Faculty</u>
II	1
III	5
IV	0
V	1
VI	0
VII	2
VIII	0

The nine faculty members enumerated above represent 40 percent of the faculty at B.A. plus 15 and above.

3. When employment is discontinued, the faculty requested cash payment for accumulated, unused sick leave in both the active and banked sick leave accounts.

4. The Iowa Braille and Sight Saving School faculty requested a review of the way faculty members are compensated for required duties during after-school hours. This included after-school athletics, music, orientation and mobility, class sponsors, and Student Council.

A Supplementary Teacher Salary Schedule was passed out to the board members as a suggested amendment to the Faculty Salary Schedule to be effective during the 1986-87 academic year.

Ms. Juhl stated the faculty of the Iowa Braille and Sight Saving School appreciated the chance to speak with regard to salaries.

Superintendent Giangreco introduced Steve Slater, faculty representative for the Iowa School for the Deaf.

Mr. Slater stated their salary proposal asked for a base of \$17,500 and he appreciated the opportunity to come before the board again. The Governor has proposed to fund minimum K-12 teacher salaries at \$18,000, adjust the salary scale for more experienced teachers and to introduce merit based pay component into teacher salary increases. He said the bill in its present form for teachers in the state of Iowa does not cover teachers at the special schools -- Iowa School for the Deaf and Iowa Braille and Sight Saving School. Therefore, he asked for consideration from the board in their appeal for minimum base pay.

Mr. Slater stated the teachers and the staffs at both the special schools are very special people. When considering salaries he asked that they consider the fact that these teachers have a minimum of 22 hours more college credit than a teacher in any other school for a total of 175 to 200 hours. He thanked the board for their time and gave special thanks to Superintendent Giangreco.

President McDonald stated the presentations of both schools were excellent. He said that given the proposed funding and enhanced base for public school teachers he wanted both schools to understand the board would seek equal treatment in that regard.

Regent VanGilst stated he felt both schools were very modest in their request that they have the same pay scale as the public schools. He said he believes they deserve more, but that didn't mean they would get more. He stated the board would do their best to see they are treated adequately.

Mr. Richey stated he estimated \$466,000 would be submitted to the Department of Management as money to be required for equity of the faculties.

Regent Anderson asked if there had ever been any attempt to get higher starting salaries for the two special schools.

Mr. Richey said yes, every year for many years they have taken every dollar appropriated by the state they can find. They looked into budgets and allocated every dollar to raise scale. He said they have come through some lean years. He stated the faculties at the two special schools although salaries are still lower than they should be have been treated quite well. It is always a decision whether to put it in for the beginning teacher or for the experienced teacher category. There is a difference of opinion as to where it should go. The board has tended to favor the more experienced teacher, not necessarily at the top of the scale, but those who have been there long enough to have loyalty to the school. Each year they try to establish a scale.

Mr. Slater asked the board to study the salary proposal from last fall at their leisure.

Mr. Richey stated that an \$18,000 minimum salary and the same dollar increase applied to the balance of the scale results in a 20 percent increase at the beginning, and 10 percent at the top.

Mr. Slater stated they still lag compared with other schools. He said if you go across the scale they are behind and he asked the board to reflect on that.

Superintendent Giangreco stated that something needs to be done in Iowa soon. There are 600 special education teachers with temporary certificates. These are classroom teachers who have been given special education teaching positions without certification.

Regent Anderson asked if that was an indication that people in special education are not being additionally compensated.

Superintendent Giangreco said they are leaving the state. Some teachers are not fully certified in special schools but at Iowa School for the Deaf they are all fully certified.

Regent Anderson asked if anything was being shown for certification.

Mr. Richey stated it was added on to the base scale.

ACTION:

President McDonald recommended that the board receive the reports and recommendations on salaries by representatives from the Iowa School for the Deaf and the Iowa Braille and Sight Saving School. The Board Office can continue to follow the Governor's proposal and can update the board as events occur.

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ESTABLISHMENT OF MASTER OF SCIENCE AND DOCTOR OF PHILOSOPHY DEGREE PROGRAMS IN BIOMEDICAL ENGINEERING AT THE UNIVERSITY OF IOWA. The Board Office recommended approval of the establishment of these programs.

In October, the board referred a request from the University of Iowa to establish Master of Science and Doctor of Philosophy Degree Programs in Biomedical Engineering to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation. The Interinstitutional Committee on Educational Coordination has completed its review and has recommended approval.

The program provides interdisciplinary approach to satisfy the need for engineering professionals educated at the MS and Ph.D. levels to pursue work of the medical profession. The program will also strengthen the Biomedical Engineering undergraduate program by facilitating the normal professional development of its faculty members. About two thirds of the undergraduate students choose to go to either a graduate college or professional schools (Medicine, Dentistry or Law) for further study. This program would accommodate the needs of many of these students. The university feels that it already has a core of well qualified student interested in entering this program. The need for graduates in this program seems to be especially strong and given Iowa's interest in this area as a focus for economic development there would appear to be considerable job potential for graduates.

The undergraduate Biomedical Engineering program at the University of Iowa was recently accredited by the Accreditation Board of Engineering and Technology (ABET). While there is no accrediting organization for graduate programs in Biomedical Engineering the university appears to have considerable strength in its faculty and resources to offer the proposed program of study leading to the MS and Ph.D. degrees.

The proposed program is central to the universities mission with its focus on medical concerns. The university has long had an approved engineering program.

The only issue raised by this program which might be questionable was the duplication with similar programs at Iowa State University. Iowa State currently offers a Biomedical Engineering Graduate Program through which students can obtain MS and Ph.D. degrees. It appears, however, that this does not represent "unnecessary" duplication. The proposed Biomedical Engineering Graduate Program at the University of Iowa while similar to that at Iowa State University in fundamental philosophy and concept is different with respect to major thrust and application. The University of Iowa's major emphasis will be placed on Engineering and Medicine and Engineering and Dentistry whereas Iowa State University's is place on Engineering and Veterinary Medicine. The University of Iowa felt that the proposed graduate program will strengthen opportunities for interinstitutional cooperation between Iowa State University and the University of Iowa. Hopefully this will be true.

The University of Iowa is estimated that the probable marginal increases in expenditures that will be necessary as a result of the adoption of this program over the next three years would amount to around \$126,000. It is indicated that the funds will be provided from a combination of university and external sources as needed. The program would draw from a mix of several research grants and contracts. Termination of any of these will be accompanied by shifting the burden to the remaining grants and contracts.

It was recommended that this program be approved in spite of the apparent duplication due to the unique thrust and application of the programs offered at Iowa State University compared with those proposed by the University of Iowa. The program otherwise meets the general criteria established by the Board of Regents.

Vice President Christensen stated that although he knows the board does not advocate duplication, he is asking for their approval of this program because the two programs will complement each other.

MOTION:

Regent Harris moved that the board approve the establishment of Master of Science and Doctor of Philosophy Degree Programs in Biomedical Engineering at the University of Iowa. Regent Greig seconded the motion, and it carried unanimously.

PROPOSED CHANGES IN THE DEPARTMENT OF PLANT PATHOLOGY, SEED AND WEED SCIENCES. The Board Office recommended the board approve the transfer of the Weed Science section of the Department of Plant Pathology, Seed and Weed Sciences to the Agronomy Department to create a Seed Science Center out of the Seed Science section; and the naming of the remaining portion of the department the Department of Plant Pathology.

In December, Iowa State University submitted a proposal to transfer the Weed Science section of the Department of Plant Pathology, Seed and Weed Sciences to the Agronomy Department. Also included in the proposal was a request to create a Seed Science Center out of the Seed Science section and to rename the remaining portion of the department as the Department of Plant Pathology. This was referred to the Interinstitutional Committee and the Board Office for review and recommendation. The Interinstitutional Committee has completed its review and recommended approval.

As noted in the Interinstitutional Committee's report, this reorganization should result in a more effective arrangement for both administrative and academic activities. The proposed changes are the result of a review by a United States governmental Cooperative State Research Service team and were recommended by the appropriate groups at Iowa State University. Given the functions and research interests involved, the proposal is a reasonable one.

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The creation of a Seed Science Center aspect of this proposal is covered by the board's policy on new centers and institutes. At the time that this was submitted to the Board of Regents the university had not completed the questions approved by the board for this purpose. The Board Office has since obtained answers to all of the questions regarding the development of new centers and institutes and believes that the establishment of this proposal is appropriate.

Vice President Martin stated that the recommendation should make for more effective coordination of academic programs. He recommended approval.

MOTION: Regent VanEkeren moved that the board approve the transfer of the Weed Science section of the Department of Plant Pathology, Seed and Weed Sciences to the Agronomy Department to create a Seed Science Center out of the Seed Science section; and to name the remaining portion of the department as the Department of Plant Pathology. Regent Murphy seconded the motion, and it passed unanimously.

IOWA STATE UNIVERSITY CATALOG REVISIONS. The Board Office recommended the board approve the proposed revisions for the Iowa State University 1987-89 General Catalog and require a report explaining the implications of dropping the minor in Business Administration.

There was a need to expedite consideration of this item by the Board of Regents in order to meet the schedule for timely printing and distribution of the catalog. Consequently, the revisions which normally would have been docketed in January were given directly to the Interinstitutional Committee on Educational Coordination and the Board Office prior to the board's review this month. The Interinstitutional Committee on Educational Coordination and the Board Office both recommended approval.

The catalog revisions proposed by Iowa State University include information on: (1) significant trends; (2) curricula, majors, minors or options added or dropped; (3) new courses; (4) courses dropped; (5) courses added for minor graduate credit; (6) courses dropped for minor graduate credit; (7) number, credit and title changes and (8) summary of changes. The programs requiring approval of the board have already been approved by the board and an analysis of new courses has yielded only a few new programmatic thrusts. Most of the revisions are administrative in nature. The new programmatic thrusts include:

1. The Department of Elementary Education has proposed Special education as a new area of specialization.

As a new "specialization", this revision is not technically subject to a review and approval by the board. The first level in which a review is currently required is the "minor" and a "specialization" is something less than a minor. This item was identified for the board because it represented a significant trend. Special Education majors are currently offered at the University of Northern Iowa and the University of Iowa. This curricular trend was not identified in the institution's last long-range planning report.

2. The College of Business had indicated that it dropped its minor in Business Administration. This minor offered a structured program in general business to students outside of the college (i.e., non-business majors). Completion of this minor would generally satisfy prerequisites for any accredited MBA program should these undergraduate students wish to pursue an MBA. The dropping of this minor means that students with other majors in which a minor in business would be a logical companion will be denied a structured minor and possible admission to an accredited MBA program.

While dropped "minors" are not required to be reported to the Board of Regents, this minor may be of significant interest and is reported here as a significant curricular trend. A report detailing the rationale and implications of this change should be prepared by Iowa State University and provided to the Board of Regents.

3. The College of Home Economics reported that the "Apparel Design and Patternmaking" curriculum name was changed to "Apparel Design".

While this did not appear to be a major curricular revision, such program name changes are generally approved by the Board of Regents and are reviewed for interinstitutional implications by the Inter-institutional Committee on Educational Coordination. This one should also have received this review.

Below is a summary of the revisions by collegiate unit.

College of Agriculture: Fifteen of the college's 41 proposed new courses represent a reorganization of course offerings, but not an additional staff commitment. Of those 15 courses, 8 are the result of splitting existing courses into separate lecture and laboratory courses, 5 represent a reorganization for record keeping purposes, 1 represents the splitting of a 4 credit course into separate 2 credit courses, and one is a "workshop listing". The college has dropped 15 courses.

College of Business Administration. Three of the five new courses in the college are in the management department and reflect a response to demands for courses in management information systems, one is in finance and one is the business management of veterinary practice.

College of Design: Out of the college's ten proposed new courses, one is an "internship" listing, one is the result of the splitting of an existing course into separate lecture and laboratory courses, and two are planned for alternate year offering. The college has dropped five courses.

College of Education: Two of the college's 14 proposed new courses are the result of breaking off laboratory components from existing courses and offering them under separate numbers. One is a "practicum" listing. The college has dropped 13 courses.

College of Engineering: One of the college's 32 proposed new courses is a creative component listing (599), one is a research listing (699), and three represent the reorganization of existing courses into separate lecture and laboratory courses. The college has dropped 30 courses.

College of Home Economics: One of the college's 16 proposed new courses is a special problems listing (290), one is an advanced topics listing (690), and one represents the splitting of an existing course into separate lecture and laboratory courses. The college has dropped 13 courses.

College of Sciences and Humanities: One of the college's 77 proposed new courses represents a workshop listing, two are internship listings, two are special topics listings, one is a new dual-listing, and three represent a reorganization of foreign language courses for intensive summer study programs. The college has dropped 52 courses.

College of Veterinary Medicine: One of the college's 14 proposed courses represents a creative component listing. The college has dropped 4 courses.

Interdisciplinary Programs: Two of the seven new courses are research listings and one is an internship listing. One course has been dropped.

Conclusion:

The Iowa State University catalog changes reflect normal changes in academic programs. The required approvals have already been given. No major new programmatic thrusts except those noted are being requested.

Regent VanEkeren asked if those students who are taking minors now in Business Administration will be able to complete their courses. She also asked how many students were involved.

Vice President Martin stated that he didn't know how many students were involved, but it was very few. He said he will be pleased to get a report as to what kind of effect it will have on the students.

Regent Anderson stated that the board frequently gets requests for approval of a name change, and she wanted to know when they were going to change the

name of the College of Home Economics because she believes the name is a disadvantage. She stated she has raised the question each of her six years on the board, but there has been no effort to do anything about it.

President Eaton stated he has met on six occasions with interested groups of the college and raised the issue repeatedly. He stated the emphasis should be on economic development rather than on cooking, sewing, etc. He said it is not an easy sell and the hardest people to convince are the alumni who are all most unwilling to yield. There is an inconsistency and when they recruit they never use the name of the program. He said he can't tell when they project an image that is inaccurate.

Regent Anderson stated the University of Illinois changed their name years ago. She stated that if she were going to be on the board next year, she would drop the department's request to the bottom of the list.

President McDonald stated that he feels as strongly as Regent Anderson about this name change and asked what the board could do to be of help. He said he believes it is an important issue, and it should be addressed.

President Eaton stated that they are about to appoint a dean of that college. They have a final list of three candidates and he felt they could make the name change a condition of appointment. He stated that of the three final candidates, two are men. He said one proposed name was Family and Consumer Science.

President McDonald stated he feels it would be appropriate to bring in a list of names for consideration at the April meeting.

President Eaton said he would welcome it because he is as frustrated as the board members over the delay.

MOTION: Regent Anderson moved that Iowa State University bring suggested name changes for the College of Home Economics to the April meeting. Regent Greig seconded the motion, and it carried unanimously.

Regent Greig stated that the professionals really want the name changed because they know it would help. He said he believed the state would welcome it as a whole.

MOTION: Regent Harris moved that the board approve the proposed revisions for the Iowa State University 1987-89 General Catalog and request a report explaining the implications of dropping the minor in Business Administration. Regent Greig seconded the motion, and it carried unanimously.

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STATUS ON LONG-RANGE PLANNING. The Board Office recommended that the board receive the status report on long-range planning.

At the December board meeting, the board requested that the Long-Range Planning Report prepared by the Board Office be deferred until the Interinstitutional Committee on Educational Coordination and the Board Office had an opportunity to meet and discuss the report and to develop appropriate recommendations. The Interinstitutional Committee had met with Dr. Barak and a detailed review of the planning report and recommendations were completed. At the meeting, considerable progress was made in terms of interpretation of the Board Office recommendations and the concerns of the institutions. A draft set of recommendations by the Interinstitutional Committee was prepared and is now being reviewed by the various parties involved.

Vice President Martin stated that the March docket will have the final report. He stated the report will be reasonable and practical.

ACTION: The status report on long-range planning was received by general consent of the board.

ACCREDITATION OF THE UNIVERSITY OF NORTHERN IOWA BACCALAUREATE PROGRAM IN RECREATION. The Board Office recommended the board receive the report.

In November, the University of Northern Iowa was notified by the Council on Accreditation of the National Recreation and Park Association that the university's baccalaureate program in Recreation had been granted accreditation for a period of five years. A summary of the baccalaureate programs' strengths, weaknesses and major concerns as identified in the accreditation visitation team's report are noted below.

Summary:

Strengths:

1. Strong administrative support at all levels for this program as well as the respect the administration has for the program faculty and what the faculty is attempting to accomplish with this curriculum.
2. The total commitment and concern the division faculty has for the program and the students enrolled in the program. This was reflected very strongly and consistently supported in discussions with division faculty, students, agency practicum supervisors and alumni.
3. The outstanding resources and instructional materials available to the students on and off campus. Of particular note was the number of practicum sites that employ certified therapeutic recreation specialists.

4. The extremely positive attitude practicum supervisors have about students regarding their knowledge and skills.
5. The apparent excellent reputation throughout the state the program of study and students enjoy at the present time is reflected by alumni. While this may indicate a bias, it is also supported by practicum supervisors.
6. The excellent financial support the university has given students to attend conferences and meetings through the use of the Intercollegiate Academic Fund.
7. The excellent Practicum Manual and Recreation Major's Handbook.
8. The availability of two therapeutic recreation faculty to instruct within the therapeutic recreation concentration.
9. The amount of release time given the coordinator and division faculty to further their professional development.

Major Concerns.

1. There are problems associated with some standards being partially met or not met. This is more the result of course outlines within the Self-study not reflecting what is being taught in the classroom.
2. In association with the above point that course objectives in some courses are not reflected in course content within course outlines and in other course outlines the reverse is found, i.e., there is course content but no matching course objectives.
3. In some course outlines, major areas or points which should be considered in various courses are not found, i.e., leisure counseling; mainstreaming; liability; schools, commercial and industrial recreation respectively; collective bargaining; political implications; contracts or use agreements; etc.
4. The retitling of the Community Recreation Concentration so as to incorporate the true meaning of the concentration - Community Recreation Management, Programs, and Leadership or just Community Recreation Management.

Secondary Concerns.

1. The academic rank of the division coordinator.
2. The appropriateness of the anatomy and kinesiology course as taught in the Division of Physical Education as compared to the anatomy and physiology course taught by the Biology Department.

3. The conversion of some one and two semester hour therapeutic recreation courses to three semester hours; likewise the conversion of some two semester hour courses to three semester hour courses in both the therapeutic recreation and community recreation concentration.
4. The matching of courses with Standards to be more inclusive.
5. Need for better sequencing of senior level therapeutic recreation courses. This could be accomplished by revising the present sequencing or spreading the courses out into the junior year.
6. The potential need for expansion of distance and travel time associated with practicum sites.

The university should be congratulated for having achieved this accreditation. A complete file on this accreditation action including the self-study and the site visitation report are available in the Board Office.

MOTION:

Regent Tyler moved that the board receive the report on the Baccalaureate Program in Recreation for the University of Northern Iowa. Regent Duchen seconded the motion and it carried unanimously.

ACCREDITATION OF THE STATE UNIVERSITY OF IOWA COLLEGE OF LAW BY THE AMERICAN BAR ASSOCIATION. The Board Office recommended that the board receive the report on accreditation.

In December, the University of Iowa was notified by the American Bar Association (ABA) and the Association of American Law Schools that the accreditation status of the University of Iowa College of Law will be continued. A law school that is provisionally or fully approved by the American Bar Association and Association of American Law Schools continues in that status unless its approval is withdrawn, thus the current action does not change its accreditation status.

This accreditation action was based on a report prepared by members of the American Bar Association's visitation team. Below is a quote from the summary of the visitation team's report that conveys the essence of the current accreditation action.

Resources, Organization, and Administration (Standards 201 through 213). Even with adjustments to reflect the differences in the size of faculties and student bodies, the Iowa Law School's instructional budget still lags significantly behind the top five public law schools in the country. (Iowa's Dean accepts the consensus that these five, listed alphabetically, are Berkeley, Michigan, Texas, UCLA, and Virginia.)

Although we do not question that the Law School has sufficient resources to provide a sound legal education, the financial support currently provided by the University seems woefully inadequate to enable the Law School to fulfill its Dean's stated objective of breaking into the elite circle of five leading public law schools. Moreover, unless the last decade's nosedive in relative salary rankings is soon reversed, Iowa's vulnerability to the raiding of its better and more senior members by other institutions will inevitably lead to a loss of its capacity to maintain its educational program at the present high level of quality. Low, noncompetitive salaries for the middle and senior age groups of the Iowa law faculty constitute by far the single most serious deficiency disclosed by our visit. The organization and administration of the University and the Law School are generally excellent in both structure and personnel. Our only reservation is that the deeply dedicated Dean may be somewhat overburdened, and perhaps could profit, as the law faculty itself strongly favors (67.7 percent), by the appointment of another Associate Dean "to support faculty research, teaching, and curriculum development" (1985 Self-Study, p. IV-2). Personal relationships between the Dean and the faculty of the Law School are exemplary, and undoubtedly contribute to the consensus style of governance that prevails at the institution..

Educational Program (Standards 301 through 308). The curriculum is a rich mixture of traditional and nontraditional courses, with an unusually heavy emphasis upon research and writing and the inculcation of practical skills. Full opportunity is also provided for interdisciplinary work. The total program is ideally constructed to produce capable, well-rounded, and responsible members of the bar.

Faculty (Standards 401 through 405). The faculty is healthfully varied in age, experience, and interests; excellent in classroom performance; actively involved in worthwhile scholarship and important service to the University, the State of Iowa, and the nation; and deeply committed to the most effective development of students in all phases of their preparation for professional careers. The faculty participates fully in the governance of the Law School and an exceptional rapport and collegiality exist among faculty members and between the faculty and the student body. Measured by the stiffest standards of the top dozen or so law schools in the country, the scholarship of the Iowa faculty as a whole probably does not reach the very highest levels of quality. But that is necessarily a somewhat subjective judgment, and it may simply be asking too much to demand that any faculty excel in every possible respect. It is hard to imagine any law school doing a better job than Iowa in providing most undergraduate law students with exactly the sort of training they want and need to become the best of active practitioners.

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Admissions (Standards 501 through 506). The Iowa Law School admits only qualified applicants from accredited undergraduate schools and colleges. The admissions program operates under guidelines established by the faculty. Vigorous efforts are made to recruit a representative number of women and members of minority groups.

Library (Standards 601 through 605). Iowa's Law Library is truly outstanding in both size and selectivity. Its collection of half a million volumes and volume equivalents places it among the top dozen law school libraries in the country. The collection is now housed in a facility that will ensure its optimum utilization, as well as enable its growth to double the present size. The only drawback is that the library staff is not adequate in numbers, especially among nonprofessional personnel, to service so large and fine a collection.

Physical Plant (Standards 701 through 705). The new Iowa law building is one of the most handsome and utilitarian such structures in the country. It more than meets all reasonable demands for classrooms, offices, and library space for a school of some 600 students.

We conclude with the mild reproach that the Iowa College of Law may be hiding its light under a bushel. It remains primarily a school devoted to producing graduates from the State of Iowa and the immediately surrounding region. It deserves a much greater national reputation and a considerably more widespread student constituency. There are probably a number of the most prestigious law schools in the country, measured by the usual national rankings, which simply do not match Iowa in excellence of classroom teaching, intensity of writing and skills training, and warm personal relationships with students. Yet there is not the slightest sign of complacency, and instead an eager search for improvement constantly goes on. The Dean and the faculty can be justifiably proud of their achievement.

The university should be congratulated for having achieved the continuance of its accreditation in this field. A complete copy of the accreditation materials for this program are on file in the Board Office.

Vice President Remington stated they were very pleased with the accreditation report. He said the college is getting a whole lot more than they're paying for and they know it. He believes they are living on borrowed time, and welcomed the report. In spite of the excellent report, he felt something must be done to maintain the excellent quality.

President McDonald said the accreditation report was very positive and described the school a superior in all respects. He said it is a marvelous facility and the state should take a great deal of pride in something that will live for the ages.

Regent VanGilst said he believed the quality of the students there has something to do with it.

ACTION: The report on accreditation of the State University of Iowa College of Law was received by general consent of the board.

Regent Duchen asked if when young people are in law school, all courses were directed to just law. He was concerned about attitude.

President Freedman stated the school offers much more of a broad education than it did thirty years ago.

President McDonald stated that there are responsibilities lawyers should assume -- responsibilities with their position in society. He said he trusts that is going on every day in law school.

INTERIM ACCREDITATION OF THE ENTRY LEVEL MASTERS DEGREE IN PHYSICAL THERAPY EDUCATION AT THE UNIVERSITY OF IOWA. The Board Office recommended the board receive the report.

In December, the University of Iowa was notified that the Commission on Accreditation in Education of the American Physical Therapy Association granted interim accreditation status to the entry level Masters Degree Program in Physical Therapy Education at the University.

This accreditation status was granted without submission of the usual self-study or site visit because the university had just recently received re-accreditation of its "Certificate" program which previously served as the entry-level program in Physical Therapy. The board will recall that during the past year, the Board of Regents approved the university's proposal to change the "Certificate" program to one leading to the Masters Degree. As a result of this approval by the Regents the university applied to the American Physical Therapy Association for interim accreditation of the Masters Degree Program.

The accreditation of this program will continue until the next regularly scheduled site visit in 1988-89. At that time, the only program for which the university will be seeking accreditation will be the new Masters Degree Program, since the "Certificate" program will have been discontinued.

ACTION: The Interim Accreditation Report of the Entry Level Masters Degree in Physical Therapy Education at the University of Iowa was received by general consent of the board.

GENERAL
February 18-19, 1987

ACCREDITATION OF THE FORESTRY PROGRAM AT IOWA STATE UNIVERSITY. The Board Office recommended that the board receive the report on Accreditation of the Forestry Program at Iowa State University.

In December, Iowa State University was notified that its program in Forestry was granted continued accreditation through 1991 by the Society of American Foresters. This accreditation action was prepared on the basis of an interim status report prepared by Iowa State University Department of Forestry. Below is a summary of the findings as described in the report.

Objectives: The program objectives are closely stated in the "Interim Status Report", but it is not clear whether these are publicly stated. The SAF Standard is met.

Curriculum: Iowa State University requested continued accreditation for the entire Forestry Program which includes options in "Forest Products, Forest Resource Management, Special Programs as well as attendant areas of specialization." No curricular information for special programs or areas of specialization is presented, therefore, this issue cannot be addressed at this point. A concern expressed by the SAF Council about inadequate coverage of resources administration in the Forest Resource Management option is being addressed by the faculty now. The new curriculum, becoming effective Fall 1987, should address this concern.

It is not possible to determine from the "Interim Status Report" whether this standard is met by all options in the program.

Students: As at other forestry schools, enrollment at Iowa State University has declined. A recruitment effort is being made. The SAF Standard is met.

Program: The department is a distinct unit: The faculty controls the content of the Forestry curriculum and also has a voice in the promotion process. Within the constraints of the institution, the department is autonomous. The SAF Standard is met.

Parent Institution and Supporting Departments: Iowa State University is a land grant institution with historical strengths in resource economics, statistics, agronomy, botany, and biochemistry, all of which have close relationship to forestry. The Forestry Department is being funded equitably, even though forests are not of paramount importance to Iowa. The SAF Standard is met.

Physical Resources and Facilities: Classroom and office space for the department appear adequate. Undergraduate students have access to computing facilities. The SAF Standard is met.

Research: The department carries out an active research program which provides part-time employment to some undergraduate students and graduate students who can participate in teaching. The SAF Standard is met.

General Observations: The committee commends the department for the preparation of an excellent "Interim Status Report".

Recommendations: The committee accepts the "Interim Status Report" as adequate and recommends that the Council continue accreditation of the Forestry Program at Iowa State University until 1991.

The University should be congratulated for having received this continued accreditation. A complete copy of this accreditation action is on file in the Board Office including the self-study and visiting team report.

President Eaton stated that the program has graduated a number of students who have made a substantial contribution in this field.

Regent VanEkeren asked how much enrollment has declined and Dr. Barak said the decline is very modest.

ACTION: The report on Accreditation of the Forestry Program at Iowa State University was received by general consent of the board.

EXECUTIVE SESSION. President McDonald requested that the board enter into executive session to consider an employee performance review pursuant to Section 21.5(1)(i) of the Code of Iowa. Regent Tyler moved that the board enter into executive session. Regent VanEkeren seconded the motion; and upon the roll being called, the following voted:

AYE: Anderson, Duchon, Greig, Harris, McDonald, Murphy, Tyler, VanEkeren, VanGilst.

NAY: None.

ABSENT: None.

The board having voted by at least two-thirds majority, resolved to meet in executive session beginning at 3:30 p.m. on February 18, and arose therefrom at 5:25 p.m. on that same date.

GENERAL
February 18-19, 1987

IOWA COORDINATING COUNCIL MEETINGS. The Board Office recommended that the board receive the reports on the January and February meetings of the Iowa Coordinating Council.

The January meeting of the Iowa Coordinating Council for Post-High School Education took place on January 20th in the Board Room of the Department of Education in the Grimes Building in Des Moines. Below are some of the highlights from that meeting.

1. The Council approved five Summer Institute Grants for colleges and universities in Iowa and heard a report on the process used by a committee of the Coordinating Council to recommend these five for funding.
2. Each of the sectors gave a brief report on the status of legislative activities.
3. The Council accepted without reservation new program proposals from Hawkeye Institute of Technology, Northwest Iowa Technical College, and Iowa Western Community College.

The February meeting of the Coordinating Council was held at the Iowa Public Television Studios in Johnston. The two major activities at this meeting included:

1. A tour of the new Iowa Public Television facilities.
2. A discussion on federal student financial aid programs and the authorization of a letter to be sent to the Iowa Congressional Delegation with copies to all colleges and universities in Iowa.

None of the Board of Regent members were present at either of these two meetings. Presidents Freedman and Curris were present at the January meeting, as were Executive Vice President McCandless and Vice Presidents Christensen and Hubbard. Edward Voldseth and Fredrick Woodard were present at the February meeting.

A complete copy of the minutes of the Coordinating Council February meeting will be distributed to board members upon its receipt in the Board Office.

President Freedman stated the January meeting was a routine business meeting.

ACTION:

The reports on the January and February meetings of the Iowa Coordinating Council were received by general consent of the board.

NEBRASKA COMMISSION FOR SPECIAL EDUCATION DISCUSSIONS. The Board Office recommended the board receive the status report on the activities of the Nebraska Commission for Special Education and approve continuance of the study.

Last August, Governor Bob Kerrey announced the appointment of a Nebraska Commission for Special Education. The commission, an ad hoc committee, was created by LB 1049 earlier in the year in an action by the Nebraska legislature. The commission is charged with negotiating compacts with Iowa, Kansas and Wyoming for interstate residential special education programs. The Governor charged the commission to "consider residential programs in the context of Nebraska's responsibility to provide a quality education to all students with special needs."

Late last summer and early fall the commission met at the Iowa School for the Deaf and the Iowa Braille and Sight Saving School. Later in the fall it was agreed that a subcommittee would be established to conduct a study on the feasibility of some kind of reciprocal action with respect to the deaf schools in the two states. The subcommittee has been meeting regularly each month and at its most recent meeting in early February, developed a proposal for consideration by the parent groups. The Nebraska representatives are sharing the proposal with the Nebraska Department of Education and the Nebraska Commission for Special Education. Simultaneously this information is being shared with the Iowa Board of Regents.

During its deliberations the subcommittee discussed several alternatives that included:

1. The combining of the secondary level programs at the Iowa School for the Deaf and the elementary level programs at the Nebraska School for the Deaf;
2. The offering of the academic program at the Iowa School for the Deaf and the residential program at the Nebraska School for the Deaf; and,
3. The combining of both schools at the Iowa School for the Deaf location.

In reviewing these proposals, it became clear that the most feasible and the most attractive, both academically and financially, would be the proposal to combine both schools at the Iowa School for the Deaf campus. This would provide both schools with a critical mass of students necessary to support a full educational program and would constitute a financial savings for both states. Below is a description of this proposal.

Combining Both Schools at Iowa School for the Deaf:

The first step in assessing the financial feasibility of a consolidated school was to determine what budget would be necessary to adequately support the student population of a combined school. The Iowa School for the Deaf has 130 students whereas the Nebraska School for the Deaf has 89 students comprised of 49 residential and 40 non-residential.

Representatives from the Nebraska and Iowa schools evaluated what would be needed to satisfactorily accommodate the 89 additional students on the Iowa School for the Deaf campus. The budget shown below was projected starting from the fiscal year 1988 budget recently approved by the board. That budget was \$4,833,000. The consolidated budget is estimated to be \$5,428,000.

Projected Budget for Consolidated Day School

Iowa Budget for Fiscal Year 1988 (1)		\$4,833,000
Additional costs and program upgrades (2)		
o Food Service	\$ 71,000	
o 12 new faculty	\$360,000	
o 7 new houseparents & related costs (3)	\$114,000	
o New classroom computer equipment (4)	<u>\$ 50,000</u>	
	\$595,000	
		\$ 5,428,000
		=====

Possible capital projects required

o New recreation facilities	Cost
o Remodeled Boys Dormitory	Unknown

-
- (1) Exclusive of Fiscal Year 1988 salary increases.
 - (2) Assume approximately \$80,000 in annual transportation cost for Nebraska students home weekends would continue to be paid by Nebraska Local Area education Agencies.
 - (3) Continuing counseling services through Boys Town for Nebraska students would be an expense borne by Nebraska.
 - (4) Computer equipment costs would be non-recurring.

Variable costs which would automatically rise with additional students include transportation costs for home weekends and food. The Iowa School for the Deaf staff has estimated \$71,000 additional in food costs and \$80,000 in additional transportation costs. The Nebraska representatives have said that the Nebraska Local Area Education Agencies would continue to pay transportation costs for home weekends. Therefore, no additional

transportation charges are included in the projected operating budget for the consolidated school.

New classroom computer equipment was identified by the Nebraska representatives as essential. Iowa School for the Deaf administrators agree and are now working with the Board Office to acquire replacement classroom computer equipment during fiscal year 1987. This equipment replacement need exists now and is not dependent upon a consolidated school. Nebraska and Iowa representatives estimate that \$50,000 will be required to fulfill the schools need for new classroom computer equipment. The new units would replace older Commodore and PET computers and increase student access to microcomputers.

Nebraska representatives would like to see more emphasis on learning through the residential programs and would like to have more full-time houseparents in a consolidated school than are now employed at the Iowa School for the Deaf. Through adding seven new houseparents and providing related costs, Nebraska representatives believe the Iowa School for the Deaf program could adequately provide a pleasant and educational residential program for the combined student population of 219. In addition to seven new full-time houseparents budgeted at \$12,000 each the Nebraska representatives have recommended \$5,000 for houseparent training and \$25,000 for houseparent oversight and related administration.

An annual \$190,000 contract for counseling services with Boys Town is part of the dormitory costs at the Nebraska School for the Deaf. That is not continued in the consolidated school budget. Nebraska representatives have suggested that any Boys Town counseling services for Nebraska students be financed directly through either the Nebraska Local Area Education Agencies or the Nebraska Department of Education.

Nebraska representatives have reviewed the faculty mix at the Iowa School for the Deaf. They have indicated a need to increase faculty to have a consolidated school offer programs compatible with those now offered in Nebraska. The recommendation calls for 12 new faculty budgeted at \$30,000 each for a total annual cost of \$360,000. The subject matter specialty recommended for these 12 faculty additions are as follows:

	<u>Teachers Added</u>
English	1
Reading	2
Dormitory	1
Preschool	1
Outreach	2
Elementary	2
Multihandicapped	3
Total	<hr/> 12

After reviewing physical facilities at both schools it was determined that at least two areas of improvement were needed on the Iowa School for the Deaf campus for it to provide compatibility with Nebraska programs. The first improvements recognized were that the Boys Dormitory be remodeled and modernized. The remodeling could include a variety of major changes in addition to aesthetic improvements. Enlarged recreational and athletic facilities are also an issue. A larger swimming pool, indoor recreational space and locker rooms were some of the considerations cited by Nebraska representatives. These were also considerations when physical facilities were evaluated for a dual school for deaf and blind students.

A more detailed assessment must be made of physical facility requirements in order to complete the financial evaluation of a consolidated school. This can best be done collaboratively with representatives of the Nebraska School for the Deaf, Iowa School for the Deaf, the Board Office and future Superintendent Johnson. The assistance of architects familiar with the school is also essential. Preliminary cost estimates of physical facility changes could probably be accomplished within 60 to 90 days and with the expenditure of approximately \$10,000 in consultant fees. This is a critical step recommended by the Board Office to continue the evaluation of a consolidation. As some measure to give perspective to costs of additional recreational space, the dual school recreational space addition was estimated to cost \$1.3 million.

Revenue to support the estimated \$5,428,000 consolidated school budget would be from state appropriations, tuition paid by Nebraska for its students, federal funds, and several smaller income sources including interest income. For purposes of this analysis a tuition charge of \$13,000 was used for non-residential Nebraska students and \$22,000 for residential students.

The tuition rates used in this analysis were established empirically by assessing what would be a reasonably attractive cost for a state sending its students to the Iowa School for the Deaf and a rate which would fairly split financial savings between Nebraska and Iowa with the present mix of 89 Nebraska students. The tuition rates used in this analysis generate \$1.6 million per year assuming all Nebraska students attend the consolidated school. Because fluctuations in students from Nebraska could materially alter financial projections, a means of dampening this tuition income risk has been proposed. Nebraska could pay a fixed amount (e.g. \$1.6 million) for its students up to 89 total. Beyond 89 students a rate of \$13,000 for resident students and \$22,000 for non-resident students could be applied. The mechanisms of payment from Nebraska to the consolidated school will need to be evaluated in more depth with Nebraska representatives.

Federal funds and other revenues are estimated at \$154,000 at the Iowa School for the Deaf whereas the Nebraska School for the Deaf has \$45,000 in federal funds. Federal funds going to support Nebraska students are expected to be

available to offset consolidated school costs. An additional \$30,000 in interest and other income is also expected from the consolidation. The total federal and other revenues are projected to be \$229,000.

Tuition revenue, federal funds and other revenues would offset \$1.8 million in consolidated school costs. If the balance of the school budget was financed with state appropriations then the consolidated school appropriations need would be \$3.6 million. An outline of the various projected revenues and appropriations requirement calculation is shown below.

Projected Revenues to Support
a Consolidated School

Proposed operating budget for consolidated school (1)		\$ 5,428,000
Less proposed revenue from Nebraska (2)		
\$13,000 per non-residential student @ 40		
22,000 per residential student @ 49		
	<u>89</u>	
	(\$1,598,000)	\$ 3,830,000
Less projected federal funds and other revenues		
Iowa	\$ 154,000	
Nebraska	<u>75,000</u>	
	(\$ 229,000)	
Projected Iowa Operating appropriations needed with consolidation (1)		\$ 3,601,000

(1) Exclusive of Fiscal Year 1988 salary increases.

(2) Tuition revenue could vary due to student population changes. If residential and non-residential student populations vary by 10 each from fall, 1986 levels, tuition revenue would vary from \$1,250,000 to \$1,950,000. One approach to minimize this risk of revenue fluctuations would be to have a fixed fee for up to 49 residential and 40 non-residential Nebraska students and a per student charge for additional Nebraska students.

Operating budget savings projected from the foregoing analysis show a recurring appropriations savings of \$1,078,000. The calculation of appropriations savings is shown below.

Iowa Projected Savings

Fiscal Year-1988 Iowa appropriations request (1)	\$4,679,055
Less consolidated school appropriations need	<u>3,601,000</u>
Iowa Appropriations Savings	\$ 1,078,055

Nebraska also has substantial savings potential. Based upon an assessment of certain continuing cost and tuition payments to Iowa, Nebraska is projected to have recurring savings of \$1,099,000. That savings projection is exclusive of home weekend transportation costs, contracted counseling services through Boys Town and adjustments for \$300,000 in Local Area Education Agency tuition which is now supporting the Nebraska School for the Deaf. An accounting of the \$1 million in projected Nebraska savings is shown below. Unemployment costs have not been projected, although it would undoubtedly be a first year expense for Nebraska if the two schools were to consolidate.

Nebraska Projected Savings

Nebraska Appropriations	\$ 2,602,000	
Nebraska Local Area Education Agency Tuition	<u>300,000</u>	
		\$ 2,902,000
Less tuition paid to Iowa	(1,598,000)	1,304,000
Less continuing building maintenance and utility costs at Nebraska campus (1)	(120,000)	1,184,000
Less administrative transition costs	(85,000)	1,099,000
Less non-recurring unemployment expenses	(unknown)	
Total Nebraska Savings		<u>\$ 1,099,000</u>
Less Local Area Education Agency Tuition	(300,000)	
Nebraska appropriations savings		<u>799,000</u>

(1) Annual utility and maintenance costs now \$479,000.

Director True stated he spoke in behalf of Director Barak who was attending the scheduled Screening Committee meeting for interviewing superintendent candidates for Iowa Braille and Sight Saving School.

Director True said following the review of the draft proposal by the respective state organizations, the subcommittee would meet to discuss its next activities. If there is agreement to proceed on the part of the parent organizations, the subcommittee will move forward with developing a more detailed proposal including a proposal for capital projects. It is anticipated that a final proposal will be made sometime this spring.

Mr. Richey stated if there were any instructions or suggestions of anything in particular for which the board wished specific consideration the Board Office would appreciate knowing it.

President McDonald stated the proposal seemed to have some promise. He said if there were no objections on the part of the board it would be well to continue with the study and prepare a more detailed report.

Regent Murphy stated that the Nebraska representatives wanted more emphasis on learning through the residential programs and would like to have more full-time houseparents. She asked if that was a different emphasis from that at the Iowa School for the Deaf.

Mr. Richey said we were going to give specific attention to this area. Each of the Iowa School for the Deaf superintendent candidates had indicated in the interviewing process that the dormitory was an area where improvements would be sought. If it works out with the State of Iowa to educate Nebraska students, we would probably take care of it when the consolidation occurs. Some of the savings could be put into dormitory improvements.

Regent VanGilst asked if the new superintendent at the Iowa School for the Deaf had any input on this matter.

Mr. Richey stated the new superintendent would be attending the next meeting at the request of the Board Office.

MOTION:

Regent Tyler moved that the board receive the status report on the activities of the Nebraska Commission for Special Education and approve continuance of the study. Regent Greig seconded the motion and it passed unanimously.

GOVERNOR'S BLUE RIBBON COMMISSION ON FUTURE FINANCING OF EDUCATIONAL RELATED COSTS OF THE UNIVERSITY OF IOWA HOSPITALS AND CLINICS. The Board Office recommended that the board receive the report.

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On January 7, 1987, the Commission co-chaired by Marvin Pomerantz and Charles Johnson submitted its report to the Governor. The Governor has subsequently endorsed the recommendations of the Commission. A full copy of the Commission's report was mailed separately to board members.

Governor Branstad gave the Commission its charge in August, 1986. The first part of the Governor's charge was evaluation of how to finance the educationally-related costs of the University of Iowa Hospitals and Clinics beyond basic patient care. That issue was to be examined with the background of public and private financing programs cutting back or eliminating commitments to these programs through traditional payment processes. The second part of the Governor's charge was to evaluate whether total decentralization of the obstetrical indigent patient program will be damaging to the state's obstetrical and pediatric educational programs at the University of Iowa. If damage to the University of Iowa educational programs was identified, the Commission was to identify what modifications were needed to the present phased decentralization plan.

The Commission valued at \$42 million the graduate medical education and allied societal programs at the University of Iowa Hospitals and Clinics. It recommended that present appropriations to the University of Iowa Hospitals and Clinics be continued at the current level to be applied to indigent patient care, graduate medical education and allied societal expenses. The Commission further recommended that the Board of Regents review the amount and distribution of appropriated funds between indigent patient care and educationally related costs at the University of Iowa Hospital and Clinics. It was suggested that this could be done as a part of the annual budget process.

The Commission recommended that a minimum of 2000-2600 obstetrical deliveries must be maintained at the University of Iowa Hospitals and Clinics and that several actions be taken to meet that objective and the objective of maintaining an excellent statewide health-care system. Those actions include having several counties in Eastern Iowa continue to rely upon the University of Iowa Hospitals and Clinics for indigent obstetrical care as well as obtaining a federal waiver to allow alignment under Medicaid of obstetrics patients from certain counties with the University of Iowa Hospitals and Clinics. Additional recommendations are to allow more choice by patients and their physicians not directly aligned with the University of Iowa Hospitals and Clinics and to allow programs for continuing education, complicated care, and emergency care to be continued and, when appropriate, strengthened.

The Commission recommended that expansion and modification of the community-based obstetrics care program should be initiated by the legislature without withdrawal of additional funds from the University of Iowa Hospitals and Clinics.

President McDonald stated that Regent Anderson was a member of the Commission.

Regent Anderson stated the report had been submitted to the Governor in January after five meetings. She reported she had participated in all of the meetings and was very pleased with the report. She stated the summary concisely expressed conclusions of the Committee. She said they worked very hard to get the wording they wanted. There are two separate issues which the Governor expressed in six different ways. Because of the change in the way medical expenses were being handled by the government there would be substantial cutbacks by the public and private financing programs through traditional payment processes. The problem she said was how do we cover those costs which over the next few years are expected to be cut back by insurance companies and federal government. The costs came to \$42 million.

Regent Anderson said the second issue had to do with the indigent patient care program, particularly obstetrical care. She stated they are inter-related because of dollars but are separate. In dealing with this matter she said there were three concerns. The first was patient care and continued accessibility, and the quality of patient care; the second was the educational needs of the hospital, mainly to have patient base for first rate quality education to residents, medical students, nurses, and students in affiliated fields. A strong OB/Pediatrics program at the hospital is essential to the overall effectiveness of the Regent's health education responsibility to the State. She said there was a concern for the need of obstetricians in family practice, as well as pediatricians, internists and medical students. The third item of concern was for financial resources and how to maintain them. In conclusion she said the Blue Ribbon Commission recommended that the state continue the grant appropriation of \$25,250,000 which currently is for the indigent patient care program. She stated that regardless of what happens to this program the appropriation should be continued and in the years ahead continued to cover educational costs. She said in terms of the indigent patient obstetrical program, it was essential to maintain a patient base of 2,000 to 2,600 patients, that a nine county area be reserved, and the rest of the state be decentralized. It should be managed in such a way that patients for all other parts of the state can go to the hospital if necessary. In the future there should be an attempt to allow Medicaid patients to go to the hospital to maintain the minimum patient base of 2600. She said there is a very responsible balance of concern for patients and maintaining quality of the hospital. She said this is essential to the state for the future. The Governor has accepted the report and she said she was hopeful the legislature would also.

President McDonald thanked Regent Anderson for her report. He said it was a big undertaking for the committee and he appreciated the efforts taken by Regent Anderson.

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Regent Duchen stated he was not sure what happened regarding the funding cutback.

Regent Anderson stated the figure is \$42 million and is currently recognized as being educational and social services component. She said it is not all being cut back right away, at least not in the immediate future.

Regent Harris stated Mrs. Anderson did a very excellent job of wrapping up a long document. He had a question about an article he read in the paper dealing with the legislature's reaction to hearings. He stated they are going to dismantle the program.

Mr. Richey said that was not what he'd been hearing. Everything he had heard had been very positive. Possibly Regent Harris was hearing the attitude of one group only.

Regent Harris stated several legislators were quoted -- the Lieutenant Governor and two other persons -- that while they had heard the presentations they had not been persuaded to change their minds and were going to proceed along the lines of decentralization.

Mr. Richey stated that may not reflect the majority viewpoint.

Regent VanGilst said these same people have been fighting this for several years. They are the same people who appeared before the board.

Regent Harris said he hopes we have some strategic plan to deal with this problem. He asked who are to be the recipients of this Blue Ribbon Report.

Regent Anderson stated it is sent to the Governor and the legislative leadership.

Regent Harris asked if the board had the authority to see that this excellent document would be distributed beyond the legislature. He asked if the county directors were included in the distribution.

Mr. Richey stated he didn't know at that level.

Regent Harris asked if the Iowa State Medical Society was included. He said we should make sure that the Hospital Association gets a copy.

Regent Anderson said this has to be conveyed to the Governor as it is his report.

Regent Harris asked for the support of the board to ask the President to use his influence to see that those entities receive copies of the study.

President McDonald said he would take care of it.

MOTION: Regent Harris moved that the board endorse the Governor's Report on Blue Ribbon Commission on Future Financing of Educationally Related Costs of the University of Iowa Hospitals and Clinics. Regent VanGilst seconded the motion, and it carried unanimously.

CLASSIFIED RESEARCH. President McDonald stated that yesterday the board discussed the position of the Board of Regents with respect to classified research and agreed to give it a little more thought and develop a statement which would reflect the board's position. He stated he asked Presidents Freedman and Eaton to develop a statement. He believes the statement is a fair and accurate position for the board to take. The statement reads as follows:

1. It is unwise and undesirable to include restrictions on research in bonding indentures that have a life of 25 years because, unlike a statute, indentures cannot be changed by legislation alone. No one can foresee the needs and exigencies that this nation may face over such a prolonged period of time.
2. The determination of academic research policy falls properly within the governance authority of the Board of Regents, working in concert with the academic institutions. It is the Board of Regents that has the fundamental responsibility to consider the issues of academic freedom that any research policy implies.

Regent Harris asked if this was to go to the legislature, to which President McDonald answered yes, so that they understand the view of the board.

Regent Duchen asked if this was going to them in writing.

Regent Harris stated he would substitute some other word for "unwise". He stated that he felt politically this was not a good word.

Regent Anderson stated that she liked it.

President McDonald stated that he preferred the board leave the statement as it is now written.

Regent Greig said that he understood that at the present there is no classified research going on at the universities.

President Eaton said that right now there is none but it could be coming down the road.

Regent Harris said he feels this is an excellent position for the board to take. He said, however, when you refer to another group you should try to stay away from using the word "unwise" as it is a negative word and it could hurt some of the legislators. He asked the board to try to think of another word that would encompass, possibly "it is not to our benefit", then we're not saying to the people who drafted this law that this is unwise.

Regent Murphy asked if there was any objection to the word "undesirable".

Regent Anderson said she feels the word "unwise" really says it most correctly.

President McDonald said they have to get across the fact that it is unwise.

Regent Greig said the board wanted a strong statement.

Regent Anderson stated it does seem that it might be wise to add a third paragraph that in some way sums up the current policies even though they may have differed, so that they indicate as a board that they have taken some responsibility in setting the policy on classified research. She said it says they have responsibility but she would like to call attention to the fact they have exercised their responsibility.

Regent VanGilst asked who this would go to, and President McDonald replied all those who have a position on this article. He said the board's legislative liaisons would distribute this.

Regent VanGilst stated they would use their judgment as to who should receive it.

MOTION: Regent Tyler moved the board adopt the statement on classified research as a policy. Regent VanGilst seconded the motion, and it passed unanimously.

Regent Harris stated he voted for it but feels "unwise" is a putdown word when directed to a body of people.

Vice President Ellis said he read this as saying the individuals are not unwise, but it is the policy that is unwise.

President Eaton asked if it would offend too much if they said "we believe it is unwise".

President McDonald assured the board members that if they would give him a little license, he would take care of this.

The resolution as adopted by the Board of Regents is as follows:

1. We believe it is unwise and undesirable to include restrictions on research in bonding indentures that have a life of 25 years because, unlike a statute, indentures cannot be changed by legislation alone. No one can foresee the needs and exigencies that this nation may face over such a prolonged period of time.
2. The determination of academic research policy falls properly within the governance authority of the Board of Regents, working in concert with the academic institutions. It is the Board of Regents that has the fundamental responsibility to consider the issues of academic freedom that any research policy implies.
3. Current policies at both the University of Iowa and Iowa State University restrict classified research by university personnel. At the University of Iowa, no faculty or staff member may use university facilities for the purpose of engaging in classified research. At Iowa State University no classified research is being done. Iowa State University policy provides that any research which requires restricted disclosure must have university review and the prior approval of the Vice President for Research.

ANNUAL REPORTS OF UNIVERSITY RADIO STATIONS. The Board Office recommended that the board receive the annual reports on the three university public radio stations for 1986.

The Public Telecommunications Financing Act of 1978 (Public Law 95-567) required that public broadcasting stations establish a community advisory board. The stations were to undertake good faith efforts to assure that the composition of their advisory boards reasonably reflected the diverse needs and interest of the community served by the station. The advisory board was to advise the governing board of the station with respect to whether the programming and other educational and cultural needs of the community were served by the station.

More recently, the 1981 Amendments to Public Law 95-567 exempted public broadcast stations which are owned and operated by a state, political, or special purpose subdivision of a state or public agency from the requirement of establishment of a community advisory board.

Community advisory committees for public radio stations at each of the Regent universities previously reported to the board concerning the areas of responsibility noted above. In April 1982, when the last reports were presented to the Board of Regents, the board requested that future annual reports from each of the public radio stations be presented to the board beginning in December 1983. This request was initiated because the advisory council reports were no longer required by federal law and the advisory councils were under review at each of the universities.

SUMMARY BACKGROUND INFORMATION
CONCERNING UNIVERSITY RADIO STATIONS

	SUI	ISU	UNI	
Active Advisory Board	no	no	yes	
AM Station	yes	yes	no	
Frequency	910	640		
Watts	5000	5000/1000*		
Location of transmitter	Iowa City, IA	1.5 mi.S.W.of Ames airport		
Approx. service radius	Eastern half of IA	Statewide/day Cent.IA/night		
FM Station	yes	yes	yes (2)	
Frequency	91.7	90.1	91.9	89.5
Watts	100,000	100,000	100,000	10,000
Height of tower	1,350 ft.	1,485 ft.	2,000 ft.	400 ft.
Location of transmitter	3.5 mi.W.of West Branch	Alleman	Walker**	7mi.S.of Waterloo
Approx. service radius	85 mi.	60 mi.	90 mi.	50 mi.**

* 5000 watts during day; 1000 watts at night

** Relay translators at Davenport, Eldridge, and Dubuque

Summary of Individual Annual Reports

WSUI/KSUI Annual Report

Programming. During fiscal year 1986, the Broadcasting Service provided 6,942 hours of programming on KSUI-FM and 6,812 on WSUI. Of the 13,754 programming hours on WSUI/KSUI, approximately 38 percent originated locally, 26 percent came from National Public Radio (NPR), and 36 percent was acquired from other sources. Fifty-five percent of the programming on the stations was classified as cultural; 45 percent, as informational/instructional.

More than 300 University of Iowa faculty and staff appeared on WSUI/KSUI programs as participants in discussion programs, commentators, lecturers, and news resource persons. In cooperation with the School of Music, performances by 40 faculty members were carried on "University Concert." Other highlights included broadcasts of "Iowa Center for the Arts" (accenting activities of the visual & performing arts departments), "The World of Letters" (faculty commentaries), "University of Iowa Forum," and coverage of nine sessions of the "1986 Reunion of The University of Iowa Writers' Workshop."

WSUI/KSUI production also included coverage of the "Iowa City Foreign Relations Council Luncheons," election night specials, "Iowa Sunday Morning," and the continued production and national distribution of "Communications Watch," with Nicholas Johnson. WSUI received the "Best Documentary" award in the Northwest Broadcast News Association's annual six-state competition for a program produced by student assistant Jeff Stein about the start-up of the Iowa Lottery.

Listenership. Arbitron Ratings Company estimated that the number of WSUI/KSUI listeners declined from 50,000 in spring 1985 to 44,000 in spring 1986. The 12 percent decrease was attributed to a decline in listenership in counties where the Arbitron methodology produced the least reliable data. The stations reported that in Linn County, where Arbitron's figures were considered most reliable, the audience increased 18 percent in the past year.

Training Opportunities. In addition to the 17 full-time professional and technical employees, the staff includes two university students holding assistantships in professional positions and 33 student assistants employed on a part-time hourly basis.

Funding. In Fiscal Year 1986, state appropriations accounted for 55 percent of Broadcasting Service expenditures, grants accounted for 13 percent, and earned income, 32 percent. Below is a comparison of Broadcasting Service income in Fiscal Years 1985 and 1986:

WSUI/KSUI Fiscal Year 1985 and Fiscal Year 1986 Funding

<u>Source</u>	<u>FY 1985</u>	<u>FY 1986</u>
Corporation for Public Broadcasting	\$ 97,830	\$139,927
State appropriations	568,960	521,214
Other	<u>37,995</u>	<u>25,112</u>
	\$704,785	\$686,253

Other Broadcasting Service Activities. During Fiscal Year 1986, the Broadcasting Service provided 2,884 hours of programming on Heritage Cablevision's Channel 28. This represented a 27 percent increase over the 1985 hours. Channel 28 also continued its relationship with Student Video Producers, providing material and technical support for "Student Production Showcase," a program featuring the work of Communications Studies student.

The Broadcasting Service continued to operate the Regents Telebridge System and to provide repair services for conveners for the Center for Credit Programs. The bridge operated approximately 540 hours (329 conferences) in Fiscal Year 1986.

The Broadcasting Service continued to provide video downlinking services for University Hospitals & Clinics, the Department of Anesthesia, and the Department of Computer Service.

WOI-AM/FM Annual Report

Programming. WOI-FM continued to serve Central Iowa with arts and performance programs. Nearly 90 percent of its schedule was devoted to classical music, jazz, and drama. News and public affairs programs, such as "The Morning Report," NPR's "Morning Edition," and "All Things Considered," completed the schedule.

Because WOI-AM began operating 24 hours a day in April 1986, the program schedule was different from that of previous years. New to the schedule this year were NPR's "Morning Edition," as well as "Business Update," a 2 1/2 hour summary and analysis of each day's business activity. Also added were five BBC World Service newscasts each weekday. Carried over from past schedules was "Iowa Morning Edition," which explores issues that have an impact on Iowa. WOI-AM continued to offer the most complete and timely livestock and commodity market coverage of any station in Iowa, if not the world.

Listenership

The Arbitron Ratings Company indicated that the number of WOI-FM listeners has increased from 33,800 in spring 1983 to 48,500 in spring 1986. Conversely, the number of WOI-AM listeners has declined, as the national trend toward FM dominance was registered in Iowa. The audience which was estimated by Arbitron at 51,400 in spring 1983 declined to 42,800 in spring 1986. However, the station anticipated a positive impact to result from WOI-AM's new nighttime and early morning services in the next rating service report.

Training Opportunities. The stations continue to be important training and employment assets for ISU students preparing for broadcasting careers. WOI-AM/FM employ about 25 students each semester, most of whom are studying telecommunicative arts or journalism.

Funding. Iowa State University continues to be the main source of WOI-AM/FM funding. In 1987, ISU support increased by \$7,418, or 1 percent. A substantial increase in funding from the Corporation for Public Broadcasting (CPB) resulted from direct distribution by CPB of funds to stations for their use in acquiring programming from NPR or other sources. (In past years, CPB provided the funds to NPR as a direct operating grant.) NPR, lacking grant support, now charges membership fees of stations desiring NPR programming. Although CPB support increased by \$96,000, NPR assessments increased by almost \$60,000. Thus, the increase available for non-NPR spending increased by only \$35,500.

Revenue from Market Information, Inc. (MII), of Omaha for lease of a WOI-FM subsidiary communications channel increased by 10 percent mandated by ISU's contract with that company. Revenue from satellite uplink transmissions remained at approximately \$13,000. Below is a comparison of funding for the past three years:

WOI-AM/FM FY 1985, FY 1986, FY 1987 Funding

<u>Source</u>	<u>FY 1985</u>	<u>FY 1986</u>	<u>FY 1987</u>
Corporation for Public Broadcasting	\$149,841	\$148,313	\$245,000
Iowa State University	599,981	623,823	631,241
Market Information, Inc.	19,350	21,285	23,413
NPR (satellite transmissions)	<u>13,591</u>	<u>13,108</u>	<u>13,200</u>
	\$782,763	\$805,529	\$912,854

KUNI-KHKE Annual Report

Programming. KUNI programming highlights during the past year included live broadcasts from Cedar Rapids of "Live from Studio One" and "Iowa PM," a KUNI concert by Roger Miller, and the world premiere of "Penelope Popocatepetl and the Three Babirusas," a children's production by Peter Hamlin. KUNI also aired digitally-mastered performances by the Waterloo-Cedar Falls Symphony, The Chamber Orchestra of Iowa, the Cedar Rapids Symphony, and the Cedar Rapids Chamber Orchestra.

KHKE highlights included live broadcasts of UNI concerts, the Waterloo-Cedar Falls Symphony Youth Competition, and live coverage of the annual Women Composer's Concert, which was produced and distributed to other public stations across the country.

The stations reported that they anticipated further progress in reorganizing of the news operations and improving the overall quality of news broadcasts. They have streamlined their promotion, positioning, and station-identification efforts to provide a clearer image of the stations, reduce on-air clutter, and increase the time listeners stay tuned in.

The local production staff received awards in the Associated Press Iowa Broadcasters Competition, from the Northeast Chapter of Women in Communications, and the "Parent's Choice" award, one of only three such radio awards given nationwide.

Listenership. Spring 1986 Arbitron data indicated that KUNI reached an audience of 40,600 in 1986. Although this number was lower than that of 1985 when it attained its highest audience figures ever, KUNI remained well-ranked among other public radio stations in Iowa and nationwide. KHKE's figures slipped back to 1984 levels. The station attributed the decline in

listenership primarily to external influences. Most of the stations with whom they compete have large advertising and promotion budgets, more staff members, and contracts with research firms to help mold program schedules to attract and hold listeners. The stations realigned KUNI's evening and morning programming and instituted a new approach for KHKE's daytime schedule to halt downward trends in audience statistics.

Funding. The stations reported that 45.6 percent of income was derived from the university; 20.8 percent was donated time; 13.5 percent was received in pledges; 12.8 percent was received from the Corporation for Public Broadcasting. Business and industry contributed 5.6 percent and investment income provided 1.2 percent. According to a Valuation of Services Scale developed by CPB, 718 volunteers and 566 musicians contributed \$49,413 in 3,100 hours of service to the stations during 1985-86. The number of volunteers in that period was 28 percent greater than in the previous year. Below is a comparison of funding for the past two years:

KUNI/KHKE FY 1985, FY 1986 Funding

<u>Source</u>	<u>FY 1985</u>	<u>FY 1986</u>
Corporation for Public Broadcasting	\$162,926	\$166,298
University of Northern Iowa	602,380	590,870
National Public Radio	379	-
Other grants	17,679	1,150
Business & Industry	67,305	73,213
Donated support (services, programs, etc.)	191,957	268,920
Pledges	169,410	174,372
Investment income	15,670	15,787
Other		5,349
	<u>\$1,227,706</u>	<u>\$1,295,959</u>

Friends of KUNI-KHKE. Membership in the 13-year-old fund raising organization was reported to be approximately 4,150. In 1986, the organization contributed \$213,674, a 9 percent increase over 1985 contributions.

The KUNI/KHKE Advisory Council. The Council, which met in December, reviewed operational policies, heard reports from the stations' major divisions, and passed the following resolution by unanimous vote: "The KUNI/KHKE Advisory Council represents to the governing body of the stations that the programming and other policies of the stations are meeting the specialized educational and cultural needs of the communities served by the station."

Mason City Project. A large amount of administrative time was devoted to developing KUNY, an 8,000 watt translator facility at Mason City projected for completion in July 1987. Public Telecommunication Facilities Program

contributed \$166,559 for the project which was matched by \$61,605 in local contributions.

Other. With a staff of 2 engineers, the station maintained 5 transmitters (soon to be 6), 8 control rooms, a remote van and a program microwave link to Cedar Rapids, as well as the Communication Department's radio training labs. The report notes that consideration should be given to replacement of the 15-year-old main KUNI transmitter, the 15-year-old antenna of the KHKE transmitter, and the 20-year-old control boards.

The reports provided by each station indicate that they have been successful during the past year in carrying out their unique missions for the universities.

Mr. Richey stated this is an annual report. He said \$1,700,000 was spent for radio operations, which is almost \$600,000 each. All spent about the same identical amounts. He stated the amounts have declined during the last few years.

ACTION: President McDonald stated the Annual Reports of University Radio Stations were received by general consent of the board.

REPORT ON STATEWIDE COLLECTIVE BARGAINING AGREEMENT COVERING REGENTS MERIT SYSTEM EMPLOYEES. The Board Office recommended that the board receive the report.

On February 4, 1987, the State of Iowa and the American Federation of State, County and Municipal Employees reached agreement on a master contract for 1987-89 covering approximately 20,000 state employees including 8,000 non-supervisory blue collar, technical, security and clerical employees under the Board of Regents Merit System. University and Board Office representatives participated on the state's bargaining team. Regent employees were also represented on the union's team. The agreement is now undergoing a ratification process by the full union membership.

The basic economic provisions of the agreement provide for a 2% across the board increase effective July 1, 1987, and a 4% increase effective July 1, 1988. (The wage increases of 2% and 4% provided in the agreement with AFSCME are the same as agreed to in negotiations between the State of Iowa and the State Police Officers Council.) Normal step increases will be granted each year in addition to across the board adjustments. The agreement also provides for July 1, 1987 implementation of pay grade changes resulting from comparable worth appeals on a step-to-step basis, and for the restoration of one pay step on July 1, 1987 for employees who received comparable worth pay adjustments effective March 8, 1985 on a step-to-step minus one basis.

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Negotiated improvements in group dental insurance will provide payment for major restorative work (not presently covered) at 50% of usual, customary and reasonable charges, with a \$750 maximum annual payment per person for all dental benefits. In addition the state agrees to provide twelve months of employer contributions for group insurance plans for nine month school year employees who elect continued coverage during summer recesses.

Other new language in articles characterized as non-economic include agreement that where practical and feasible the employer will maintain standards for computers and word processing equipment and develop, in consultation with the union, guidelines relating to screen positioning, keyboards, screen and character type, and accessories. Such guidelines will be used as a factor in the purchase of VDT equipment. The employer also agrees that for every hour of straight VDT work, an employee will be given a five minute pause during which management may assign other work.

In another new provision, the parties agree to study the subject of performance appraisal and its use. Two joint committees (one for the state and one for the Regents) with equal management and labor representation will be appointed by the Director of the Iowa Department of Personnel and the Executive Secretary of the Board of Regents respectively, and by the President of AFSCME/Iowa Council 61. Implementation of the findings and recommendations of the committees will be negotiated but will not be subject to arbitration.

Numerous other changes were made to clarify language, effect consistency in interpretation, or to resolve specific problems. It is anticipated that those changes will not have major impact on Regent institutions and they will not be reported here. Full text of the agreement is available in the Board Office.

During the course of the biennial contract negotiations, Regents management and union representatives met to discuss the disposition of comparable worth appeals by Regents Merit System employees in job classifications covered by collective bargaining contracts. It was agreed that the union may select one employee in an appealed classification to make a presentation before a review panel that will consist of five union and five management representatives and the Regent Merit Director who will serve as chair of the panel. Following those hearings the panel will conduct a cross comparison review of factor ratings. Recommended changes in pay grade assignments resulting from the appeal process will be presented to the Board for approval and subsequent implementation effective July 1, 1987.

Director Wright stated that an approved settlement had been reached which also included the final phase of comparable worth adjustments. He said a cap has been put on contributions for health insurance for Plan II, which is the most frequently used plan. If there is a 30 percent increase in rates as some believe, the state will pick up the cost. He stated the settlement was reached voluntarily.

ACTION: President McDonald stated the report was received by general consent of the board.

VEHICLE FLEET LIABILITY SELF-INSURANCE: FISCAL YEAR 1987. The Board Office recommended the board receive the report.

At the May, 1986 board meeting, it was reported that the Regents' vehicle insurer gave notice May 1 that it would not renew its policy for Fiscal Year 1987. Regent vehicle fleet insurance rates had increased 111 percent in Fiscal Year 1986 compared to Fiscal Year 1985, moving from \$113,000 to \$238,000 under the same insurer. In an effort to obtain lower rates, Regent vehicle insurance was re-bid, but no bids were received.

At the July 1986 board meeting, the Regents' received a report on a proposed self-insurance program for Regent vehicles and approved that program. The approved plan called for sharing of automobile liability exposure among all Regent vehicles. Standard per-vehicle premiums would be collected for payment of approved claims up to \$250,000 and associated overhead costs. It was reported that approved claims greater than \$250,000 would be paid from the standing, unlimited appropriation of the State Appeal Board. That understanding was accepted by the Attorney General's Office and the State Appeal Board.

The University of Northern Iowa is the self-insurance account manager. Premiums of \$18 per vehicle per month were approved. Overhead costs for the first year were projected at \$40,000. Overhead costs are divided among the Attorney General's Office for legal and investigative services, the Department of General Services State Risk Manager's Division for claims processing and reporting and outside professional claims adjusting services. Professional claims adjusting services are used with the more serious accidents involving bodily injury or accidents at remote locations.

At the time this self-insurance plan was approved by the board, it was requested that a report be made to the board after six months of operations. The first six months of this new Regent vehicle self-insurance program are now completed and a progress report is shown below.

Six Months of Operation

The Regent vehicle self-insurance program has had good financial results over the first six months. Revenues exceeded expenses by \$86,648.

Premiums paid monthly vary with the number of vehicles rated. The number of rated vehicles in July were 1,040, while premiums were paid on 1,027 vehicles in December. Total premiums collected for the first six months amounted to \$112,000.

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Expenses for the first six months included administration overhead charges and claims paid. Overhead costs for the Attorney General's Office, the Department of General Services, outside claims adjusters, and administrative service charges from the University of Northern Iowa amounted to \$16,932. Paid claims for the six months were an additional \$8,668, for a total expense of \$25,600 over six months.

The State Risk Management Division claims advisor recommended that \$21,172 of the \$86,648 fund balance be reserved for bodily injury and property damage cases pending.

The Regent vehicle self-insurance program covers personal injury and property damage liability only.

The Regent vehicle self-insurance program has produced an increased awareness on the part of Regent institutions concerning responsible driving and claims costs. Experience through the first six months shows favorable claims paid and claims reserve experience. Additionally, the cooperative efforts of the Attorney General's Office, the State Risk Management Division, and Board of Regents institutions have resulted in effective administration.

Director True stated the State Appeal Board is prepared to pay all claims in excess of \$250,000. He said this report deals with claims of lesser amounts.

Regent VanGijst asked if these were all state owned vehicles, to which Mr. True replied yes.

Regent Tyler asked about the \$45,000 in vehicle damage costs described in the Board Office memorandum. Mr. True responded that those costs did not involve the vehicle liability self-insurance program and were paid by the institutions directly.

ACTION: President McDonald stated the report on Vehicle Fleet Liability Self-Insurance for Fiscal Year 1987 was received by general consent of the board.

RESIDENCE APPEAL: MARTHA JANE RAYNER. The Board Office recommended that the non-resident classification of Martha Jane Rayner for tuition purposes as established by the University of Northern Iowa be upheld.

In December Martha Jane Rayner, a senior at the University of Northern Iowa, requested an appeal of the residency decision by the University of Northern Iowa regarding her residency status for tuition purposes. In order to expedite her appeal her request for a residency appeal was referred to the Regent's Registrar's Committee on Coordination by the Board Office. The Registrar's Committee on Coordination met January 14, 1987 and reviewed the residence appeal of Martha Jane Rayner. The committee unanimously voted to

uphold the non-resident classification as established by the University of Northern Iowa and is so recommending to the Board of Regents.

It was the Registrar's Committee on Coordination's conclusion that Ms. Rayner did not meet the Regent's requirements for residency status. It was recommended that the Registrar's Committee recommendation be accepted.

MOTION: Regent Duchen moved that the board uphold the non-resident classification for tuition purposes of Martha Jane Rayner. Regent Tyler seconded the motion, and it was approved unanimously.

NOTICE OF MEETING OF BIG TEN GOVERNING BOARDS. The Board Office recommended that the board receive the report.

The Big Ten Governing Boards Conference is scheduled for May 31-June 1 in Minneapolis. Iowa is responsible for a keynote speech on Hospital Issues at 8:45 a.m. on Monday, June 1, 1987. A possible list of issues that will be discussed at the conference include curriculum review, downsizing, quality of teaching, tenure, mandatory retirement, foreign teaching assistants, open meeting laws, and quality vs. access.

ACTION: President McDonald stated the notice of the Big Ten Governing Boards meeting had been received by general consent of the board.

REPORT OF THE BANKING COMMITTEE MEETING. The Board Office recommended that the report of the Banking Committee be received.

Director True stated that the Regents Banking Committee quarterly meeting had been held prior to reconvening of the full board on Thursday, February 19. He stated there were three areas of discussion: (1) quarterly report on investments for each institution, (2) variable rate bond issues, and (3) upcoming bond financings for the remainder of 1987. He said sale of bonds for Gilman Hall at Iowa State University was expected to take place in March, and in April for the University of Iowa's remodeling of the Chemistry-Botany building. He stated the meeting included a discussion of rates and performance of variable bonds and reported they were very favorable. He said the special school treasury functions are being studied for possible incorporation into one of the universities and the Banking Committee requested after discussion with special schools they should come back to the board in March or April with specific recommendations in that regard.

ACTION: President McDonald stated the report on the Banking Committee had been received by general consent of the board.

BOARD OFFICE PERSONNEL REGISTER. The Board Office recommended the board approve the Board Office personnel transactions.

Salary adjustments for state employees on the central payroll were made in mid-fiscal year. The salary policy for such employees for this year was to provide a merit step increase plus an average of 4.0 percent for general salary increases. In the case of the professional staff in the Board Office, all of the increase is based on performance. None of it was automatic. The adjustments for the professional staff averaged six percent. The detailed salaries were sent out earlier to each member of the board.

ACTION: President McDonald stated the Board Office Personnel Register had been received by general consent of the board.

SCHEDULE OF NEXT MEETINGS.

It was suggested by Regent Harris that the December 1987 meeting be held earlier to avoid the holiday season. Although it would leave very little time between the November and December meetings, it could be done. The meetings in October and November could be scheduled one week earlier, which would allow a more convenient interval between the November and December meetings.

March 11-12	Iowa State University	Ames
April 22	University of Iowa	Iowa City
April 23	Iowa Braille and Sight Saving	Vinton
May 20-21	Iowa School for the Deaf	Council Bluffs
June 17-18	University of Northern Iowa	Cedar Falls
July 8-9	Iowa State University	Ames
August	NO MEETING	
September 16-17	University of Iowa	Iowa City
October 21-22	Iowa State University	Ames
November 18-19	Iowa School for the Deaf	Council Bluffs
December 16-17	University of Iowa	Iowa City

President McDonald stated that in addition to the above schedule a meeting was scheduled for March 10 at the Marriott Hotel in Des Moines with regard to the superintendent search for Iowa Braille and Sight Saving School.

Regent VanEkeren asked if there was any reason for having the board meetings during the third week of the month. She stated she would prefer the second week. She expressed concern with students during the third week of the month.

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Mr. Richey stated the board set the dates for the convenience of the members. He said the meetings previously were held the second Thursday and Friday of the month and were changed to the third Wednesday and Thursday by choice of the board. He said the schedule would be whatever the board wanted.

Regent Murphy said that other boards plan their meetings around the Board of Regents meetings and they didn't want any conflicts.

Regent VanEkeren said she would appreciate it if the board would make an attempt to not hold meetings around finals.

Mr. Richey stated they would change the date of the December meeting and possibly move up the November meeting. He said he would let the board know of the dates as soon as possible.

President McDonald then asked board members and institutional executives if there were additional miscellaneous or general items to be raised for discussion.

Regent Tyler referred to House File 212 regarding English language proficiency. This bill would require the Regents to establish programs to assess and ensure the oral English language proficiency of all persons providing classroom instruction. He requested that a discussion of this item be on the March docket.

There were no other items of discussion.

STATE UNIVERSITY OF IOWA

The following business was transacted on Thursday, February 19, 1987.

REGISTER OF PERSONNEL CHANGES. The registers for December 1986 and January 1987 were approved as part of the consent docket.

APPOINTMENTS. The board was requested to approve the appointments of Dr. Carla M. Cooper as Assistant to the President and Director of University Relations, effective April 6, 1987, at an annual salary of \$65,000; Charles W. Davidson as Acting Director of the Museum of Art at an annual salary of \$54,000, effective January 1, 1987; and Cosmo Catalano as Acting Chair of the Department of Theatre Arts at an academic-year salary of \$41,000 effective January 16, 1987.

President Freedman stated they were very excited about the possibility of Dr. Cooper joining the university, as well as Dr. Davidson and Professor Catalano.

MOTION:

Regent Anderson moved that the appointments of Carla M. Cooper, Charles W. Davidson, and Cosmo Catalano be approved by the board. Regent Murphy seconded the motion, and it passed unanimously.

REPORTS OF FACULTY DEVELOPMENT ASSIGNMENTS DURING 1985-86 AT THE UNIVERSITY OF IOWA. The Board Office recommended that the board receive the report on faculty developmental assignments during 1985-86 at the University of Iowa.

As required by the Regents Procedural Guide, the University of Iowa reported on its faculty developmental assignments for 1985-86. Reports were presented from 106 faculty members on developmental assignments during 1985-86. Each faculty member was on leave with pay for one semester. The university reported that the actual net replacement cost was \$149,007, compared with the original estimated replacement of \$140,000. It should be noted that out of the original number of leaves requested for 1985-86, eleven faculty members deferred the 1985-86 developmental assignments until 1986-87. In addition, eight faculty members deferred their developmental assignments from 1984-85

to the 1985-86 academic year. Descriptions of these seven faculty members developmental assignments are included in the 1985-86 report. There were also five faculty members who declined their 1985-86 developmental assignments for various reasons (one is now deceased).

The report provided a description of the accomplishments and activities completed during the leave, in addition to the faculty member's title, department and period of leave. The activities included research, study and the development of new techniques in a variety of academic areas, such as the preparation of books, chapters, papers, poems, composition and other scholarly works.

ACTION: President McDonald stated the report was approved by general consent of the board.

REQUEST FOR FACULTY DEVELOPMENT ASSIGNMENTS FOR 1987-88 ACADEMIC YEAR FOR THE UNIVERSITY OF IOWA. The Board Office recommended approval of the faculty developmental assignments for the University of Iowa for the 1987-88 academic year.

In accordance with the requirements of the Regent Procedural Guide, Section 4.09, the University of Iowa submitted its request for faculty developmental assignments for the 1987-88 academic year. These assignments are intended to provide opportunities for faculty to undertake approved programs of study, research or other professional activities which, in the judgment of the board, would contribute to the improvement of the university.

The university requested approval of developmental assignments for 100 faculty members. All of the assignments are for one semester. The total number of developmental assignments requested this year increased from previous years (the previous average for the twelve year period was 91.5). This total included six new faculty scholars and eleven continuing faculty scholars. The faculty scholars program provides for faculty developmental assignments in each of three consecutive years and is intended to provide opportunities for faculty in relatively early stages in their careers.

It should be noted that because of internal circumstances, the University of Iowa has returned to the board with supplemental requests for each of the past seven years and it is likely that some additional requests for developmental leaves may be coming to the board at a later date. As in past years, it is anticipated that not all of the leaves will be taken due to the inability of faculty to take their leaves for various reasons.

Regent Tyler stated that in comparing Iowa and Iowa State replacement costs, Iowa has 100 replacements at a net replacement cost of \$148,150 while Iowa State has 57 replacements at an estimated cost of \$380,000 and asked the reason.

Vice President Christensen stated there was a difference in the type of leaves. He said the University of Iowa has shorter periods of time because faculty members cannot substitute for longer periods of time.

MOTION: Regent Greig moved that the board approve the faculty development assignments for 1987-88 for the University of Iowa. Regent VanEkeren seconded the motion, and it passed unanimously.

PROFESSIONAL AND SCIENTIFIC CLASSIFICATION SYSTEM. The Board Office recommended that the board approve the addition of a new classification, Organ and Tissue Retrieval Specialist II, in Pay Grade 09 (\$22,870--\$36,245).

The proposed second level of Organ and Tissue Retrieval Specialist was needed to recognize additional skills and responsibilities required as a result of continued expansion of the University Hospital's transplant programs. The university reported that in addition to the knowledge and ability to function at the level of the Organ and Tissue Retrieval Specialist I (in grade 07), the individual in this position would be involved in a determination of appropriate donor management regimens to insure organ viability, give instructions concerning donor medical maintenance and organ systems resuscitation, be responsible for perfusion and surgical preparation, coordinate all facets of organ retrieval, and direct operations in the absence of the Manager. The proposed pay grade has been determined by point count evaluation of the position and funds are available to support the new class.

MOTION: Regent Greig moved that the board approve the addition of a new classification, Organ and Tissue Retrieval Specialist II, in Pay Grade 09. Regent VanEkeren seconded the motion, and it passed unanimously.

SPECIAL SECURITY OFFICER. The Board Office recommended that the board approve the commissioning of David M. Brucher as permanent Special Security Officer. This appointment was approved as a part of the consent docket.

FACILITY NAME. The University of Iowa requested the board approve the naming of the tennis courts directly south of Kinnick Stadium as the Donald D. Klotz Tennis Courts.

Members of the Advisory Committee on the Naming of Buildings and Campus Planning Committee concurred with the recommendation. Dr. Klotz was a professor in the Department of Physical Education at the University of Iowa and also served as the varsity men's tennis coach from 1948 until 1968. The 1958 team is the only men's tennis team in the history of the University to win a Big Ten Championship.

Vice President Ellis stated the proposal to name the tennis courts for Dr. Klotz was in recognition of his many years of service and leadership.

MOTION: Regent Murphy moved that the tennis courts directly south of Kinnick Stadium be named the Donald D. Klotz Tennis Courts. Regent Harris seconded the motion, and the motion was approved unanimously.

PHASED RETIREMENT REQUESTS. The Board Office recommended that the board approve the phased retirement requests for Janet B. Wilcox, Staff Physician, effective January 1, 1987; and for Pauline Lynch, Clerk III, effective April 1, 1987.

Dr. Wilcox proposed to reduce her appointment to 50% time immediately and planned to retire fully on June 1, 1987. Ms. Lynch will reduce her appointment to 80% from April 1, 1987 until anticipated full retirement on April 30, 1989. Funds released through the end of this fiscal year totaling \$12,880 will revert to the regular operating budget or will be used as necessary to provide full staffing. The university reports that Dr. Wilcox and Ms. Lynch meet the eligibility requirements for phased retirement and approval of their requests is recommended.

ACTION: The phased retirement requests were approved as a part of the consent docket.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS FOR PERIOD OF DECEMBER 8 TO FEBRUARY 5, 1987. The Board Office recommended that the board approve the capital register.

The final register for the University of Iowa was reviewed by the Board Office and was in order. Discussion of the highlights of the attached register follows:

PERMISSION TO PROCEED WITH PROJECT PLANNING

The University of Iowa requested authorization to begin planning on two new projects. Subject to obtaining the board's approval, the university would proceed with actual planning of the project, develop more accurate cost figures, and prepare a more detailed project description.

Water Treatment Plant Expansion

This project involved constructing additional production capacity of the university's water treatment facility. The current facility has a capacity of 4 million gallons per day. Because of increasing demand, the plant's daily output frequently exceeds design capacity. The expansion would

increase the capacity to 6 million gallons per day. The existing plant was constructed in 1963.

The university examined several alternatives to construction of additional capacity, including purchase of water from Iowa City. However, the city's water treatment plant does not have adequate capacity to supply the university's needs. In addition, any water purchased from the city must undergo additional softening treatment before it can be used by the university.

The university indicated that preliminary costs for both phases of expansion of the University Water Plant would be \$2.9 million. The initial phase is estimated at \$1.7 million and Phase II is estimated at \$1.2 million. The source of funds identified by the university are state capital request funds supplemented as necessary from Treasurer's Temporary Investments. A more definitive source of funds should be identified by the university before the project proceeds beyond preliminary designs.

The university requested permission to negotiate an engineering contract with Stanley Consultants, Inc., Muscatine, Iowa. The firm would provide professional engineering services on the project through completion of construction documents. The university recommended appointment of the firm because of their expertise and familiarity with the University Water Plant. Stanley Consultants was involved in preparing a 1983 report identifying the needed improvements to the plant.

Laser Laboratory Building

The university requested permission to initiate planning on the Laser Laboratory facility. The 137,000 square foot structure would house laboratory and office space for faculty involved in laser research from the Departments of Chemistry, Physics, Astronomy and the College of Engineering. The facility would be the location for the three endowed professors in Laser Science. The university indicated a preliminary location for the facility was the corner of Iowa Avenue and Dubuque Street. The final location for the structure has not been determined.

After the Governor endorsed the project and the use of Academic Building Revenue Bonds to finance it, the Board President authorized the university to initiate planning and to select an architect. On this month's register the university requested ratification of the board president's actions. The requests are in anticipation of the General Assembly's approval of resolutions authorizing issuance of Academic Building Revenue Bonds.

Based on the board president's approval, public notices have been distributed regarding the university's intention to obtain the services of an architect to design the Laser Laboratory facility. A screening committee will review the proposals received from architects and identify a short list of firms to

be interviewed. The university is to return to the board with a recommendation for appointment upon completion of the interview process.

PROJECT DESCRIPTIONS AND BUDGETS

This section of the register presented descriptions of new projects or adjustments to budgets on existing projects. This month the university presented four new projects for approval.

1. University Hospital School--Third Floor Inpatient Remodeling--Phase III \$421,750

This project involved remodeling approximately 3,000 square feet of the third floor of the north wing of the University Hospital School. The remodeling would create four inpatient rooms, nursing station, treatment and utility rooms. This project was a continuation of a multi-phased program to remodel the patient areas of the University Hospital School.

Newmann Monson, Architects and Engineers, Iowa City, Iowa, would provide design services and project inspection.

2. Hawkeye Drive Apartments--Domestic Water Piping Replacement--Phase III \$399,500

This project involved replacement of domestic water piping in several buildings of the Hawkeye Drive Apartments. The project was the third and final phase of a project initiated in 1985. Gene Gessner, Inc., Consulting Engineer, Iowa City, Iowa, would provide design services on the project. The piping and other materials would be purchased by purchase order and the construction would be accomplished through public bidding.

3. Storage Buildings--Oakdale Campus \$408,000

This project involved construction of four metal pole-framed buildings to store university materials and equipment. Construction of the buildings would provide low-cost storage space and enable other university space to be released for academic and administrative uses. The project included construction of service drives for access to the buildings. Each of the four unheated buildings would be 40' x 130'.

The university requested permission to demolish three small buildings to provide a site for the new storage buildings. Two of the existing buildings were not on the university's capital inventory. The third small building that would be demolished is building #335 which is called agriculture storage building #2. Demolition of the three buildings would provide a clear space for access to the storage complex.

The design and inspection of the project would be handled by Architectural/Engineering Services. The construction of the building foundations and structure would be awarded through public bidding.

4. Biology Greenhouse--Oakdale Campus \$407,600

This project involved construction of a research greenhouse and headhouse. The greenhouse would be of aluminum frame construction with a concrete masonry foundation. Pierce King Architects and Associates has been appointed architect on the project. The university indicated that the Physical Plant would do the electrical utility work, which is estimated at \$13,000. The remainder of the construction work would be accomplished through public bidding.

Included in Section C-2 of the capital register were projects of less than \$250,000 that the university is initiating. Information provided on these projects was presented in this section of the register for ratification by the board. This month the university presented nine new projects that would be initiated in the coming months and reported a revised budget on one project previously approved.

CONSULTANT AGREEMENTS

1. Approvals Requested:

The university presented four consultant agreements for approval by the board:

Medical Laboratories Building--Remodel
Lecture Room No. 1 \$51,000
Award to: Robert Burns & Associates, Riverside, Iowa

The university requested approval of Robert Burns & Associates, Riverside, Iowa, to provide architectural services for remodeling Lecture Room No. 1 in the Medical Laboratories Building. The firm would prepare construction documents and provide construction administration.

University Hospital School--Third Floor Inpatient Room
Remodeling, Phase III \$23,291
Award to: Newmann Monson, P.C., Iowa City, Iowa

The university requested approval of Newmann Monson, P.C., Iowa City, to provide design services on this project.

University Hospitals and Clinics--Staff Dining and
Patient Solarium Facility \$50,050
Award to: Hansen Lind Meyer, Inc., Iowa City, Iowa

The university requested approval of Hansen Lind Meyer, Inc., Iowa City, to provide design services on this project.

The Staff Dining and Patient Solarium Facility project was approved by the board in September 1986. The preliminary budget for the project was \$897,050. In September of last year, the board authorized the university to enter into negotiations for architectural services on the project.

West Roadway Reconstruction--Hospital \$7,800

The university requested approval of Shive-Hattery Engineers to provide design and construction management services on the project.

The project involved removal of the existing roadway and construction of new paving between Parking Ramp #1 and the University Hospital Building. The work included some underground utility realignments.

The university requested approval of the project and preliminary budget. The \$66,000 road reconstruction work was funded by 1987 Institutional Road Funds. Shive-Hattery Engineers would prepare the necessary design documents in accordance with Iowa Department of Transportation standards. The university requests that the Executive Secretary be authorized to sign an agreement with Shive-Hattery after completion of negotiations. The agreement would be subject to approval of the Iowa Department of Transportation.

The university requested approval of an agreement with the Iowa Department of Transportation authorizing the design, construction and construction management of the project. The agreement was in the standard form, and was the usual agreement between the Iowa Board of Regents and the Department of Transportation road projects undertaken with Institutional Road funds.

After the board had taken action on the agreement with the Iowa Department of Transportation, the agreement would be forwarded to the department for their approval.

2. Amendments

Diagnostic Radiology Completion Phase Increase \$65,670
Award to: Hansen Lind Meyer, Inc., Iowa City, Iowa

The university requested approval of Amendment #2 to the architectural agreement on this project. The amendment was for additional project management services by Hansen Lind Meyer as a result of the university accepting nine construction bid alternates. The alternates, totaling \$1,300,000, were approved in December by the board.

CONSTRUCTION CONTRACTS

The following construction contracts were referred to the board for action:

Westlawn Counseling Service Remodeling--
Third Floor South
Rejection of all bids

This contract was referred to the board because all bids received exceeded the available construction budget. The low bid was \$248,300. However, only \$216,000 was available in the construction budget. Because the four bids exceeded the available budget, the university recommended rejection of the bids. The university will re-evaluate the project and re-bid the project at a later date.

University Hospitals and Clinics--First and Second Floor
East Wing HVAC System
Rejection of all bids

This contract was referred to the board because the two bids received exceeded the available construction budget. The estimated construction budget was \$297,500. The low bidder, McComas-Lacina Construction Company, submitted a bid of \$389,973.

Because the bids exceeded the available construction budget, the university recommended rejection of the bids. The university will re-evaluate the project and re-bid the project at a later date.

The following contracts were awarded by the Executive Secretary on behalf of the board:

Bowen Science Building--Pathological Waste Incinerator \$75,072
Award to: TRICON, Iowa City, Iowa
(4 bids received)

The project involved the replacement incinerator for removal of pathological waste. The incinerator was purchased by purchase order. This contract was for the installation work. The project was approved in July 1986.

Parklawn Apartments Renovation \$431,593
Award to: McComas-Lacina Construction Co., Inc.,
Iowa City, Iowa
(3 bids received)

This project involved renovating the interior of Parklawn Apartments. The renovation included correction of fire code deficiencies, replacement of piping and upgrading of the electrical and ventilation services. A budget of

\$620,000 was approved by the board in October 1986. Pierce King Architects and Associates, Iowa City, is the project architect.

CHANGE ORDERS TO CONSTRUCTION CONTRACTS

The following change order was presented to the board for action:

<u>University Hospitals and Clinics--Telecommunications System Project</u>	Deduct <u>\$265,725</u>
Universal Communications Systems, Inc., Roanoke, VA	

This change order provided for a reduction in cost of the telecommunications project resulting from a reconciliation in the amount of phone cable and telephone equipment actually installed. The contract documents with Universal Communications Systems, Inc., the installer of the university's new telecommunications system, included specific unit costs for pieces of equipment, like telephone cabling. The unit prices are determined at the time of bidding so the university can be ensured that fair price is established. Differences above or below the amount included in the bid will be reconciled at the end of the project. That is the purpose of the change order.

The change order reduced the contract amount with Universal Communications by \$265,725. With this change order, the amount of the contract with Universal Communications would be \$15,005,387.61.

ACCEPTANCE OF COMPLETED CONSTRUCTION PROJECTS

The university reported acceptance of construction contracts on one completed project. Inspection found that the contractor complied with the plans and specifications. The university recommended that the work be accepted as complete. The capital register identified the project and the contractor.

FINAL REPORTS

The university submitted a final report on one completed project.

<u>University Hospitals and Clinics--Center for Digestive Diseases Procedure Unit</u>	<u>\$952,365.83</u>
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The \$952,000 budget was identified as the final expenditures on the project. The final report was in order and its acceptance was recommended.

The institution reported no additional transactions in the other sections of the capital register during the reporting period.

Regent Duchen asked with regard to the hospital east wing heating, ventilating, and air conditioning project, how would the university develop the budget.

Assistant to Vice President Davis stated the project needed to be re-evaluated. The university would refigure the project and rebid it at a later date.

Regent Duchen asked who would help her, to which she replied the staff.

Regent Tyler stated with reference to the University Hospital School--Third Floor Inpatient Remodeling--Phase III, the \$170 per square foot for remodeling seemed to be a lot of money. He said they could build a new hospital for that.

Assistant to Vice President Davis stated they would check into the reason for the high cost per square foot and get back to the board with an answer.

Vice President Ellis stated the fact that these bids came in over budget and were rejected is important. He said too frequently the bids come in below budget. He stated it could be suggested that perhaps the university is deliberately figuring over budget. This case, however, shows differently. He said the bid price will depend on how much work is out there, how hungry the contractors are, and how many are qualified. He said there are times they underestimate and bids come in over the budget.

MOTION:

Regent Harris moved the board approve the Register of Capital Improvement Business Transactions for the period of December 8 to February 5, 1987. Regent Tyler seconded the motion, and it carried unanimously.

APPROVAL OF LEASE. The Board Office recommended that the board approve leases with tenants as follows:

CORCORAN COMMUNICATIONS for their use of approximately 550 square feet of space (Rooms 223, 225) in the Technology Innovation Center at the Oakdale Campus for a period of one year commencing February 1, 1987, and ending January 31, 1988, at a rate for the period of \$3,300 (renewal); and

BIO-RESEARCH PRODUCTS, INC. for their use of approximately 800 square feet of space (Rooms 13, 13B, 13B-1, 13B-2) in the Physiology Research Building at the Oakdale Campus for a period of one year commencing March 1, 1987, and ending February 29, 1988, at a rate for the period of \$8,000 (new).

At its meeting of October 1984, the board approved the establishment of a Technology Innovation Center (TIC) at the university's Oakdale Campus for the

purpose of making the university's technological and intellectual resources available to new business and for new projects of existing business and for providing advice on management and capital acquisition. These two leases are with businesses which meet the requirements for assistance. The university reports that the tenants will use the space for offices, applied research, product development, and new business marketing.

The rental rate for CORCORAN is calculated at \$6.00 per square foot per year, the standard rate for space in the TIC. The rental rate for BIO-RESEARCH is calculated at \$10.00 per square foot per year and is higher than the standard rate as the space is in the Oakdale Campus' Physiology Research Building as opposed to the Technology Innovations Center building. The space in the Physiology Research Building is considered to be more valuable than equivalent square footage in the TIC. The rental rates include utilities and services.

The tenants meet the university's programmatic requirements for the TIC.

MOTION:

Regent VanGilst moved that the board approve leases with CORCORAN COMMUNICATIONS for their use of approximately 550 square feet of space (Rooms 223, 225) in the Technology Innovation Center at the Oakdale Campus for a period of one year commencing February 1, 1987, and ending January 31, 1988, at a rate for the period of \$3,300; and BIO-RESEARCH PRODUCTS, INC. for their use of approximately 800 square feet of space (Rooms 13, 13B, 13B-1, 13B-2) in the Physiology Research Building at the Oakdale Campus for a period of one year commencing March 1, 1987, and ending February 29, 1988, at a rate for the period of \$8,000. Regent Harris seconded the motion, and upon the roll being called, the following voted:
AYE: Anderson, Duchen, Greig, Harris, McDonald, Murphy, Tyler, VanEkeren, VanGilst.
NAY: None.
ABSENT: None.

UNIVERSITY OF IOWA TUITION AND FEE SCHEDULES FOR 1987-88. The Board Office recommended the board approve the University of Iowa's tuition and fee schedule and miscellaneous service fees for 1987-88 effective with the 1987 Summer Session; and approve the University of Iowa's miscellaneous tuition charges for special programs except the proposed fee for correspondence study.

The Board approved the following 1987-88 annual tuition rates for the University of Iowa at its December, 1986 meeting:

	<u>RESIDENT</u>	<u>NONRESIDENT</u>
Undergraduate	\$1,564	\$ 4,900
Graduate	1,852	5,106
Law	2,014	6,060
Dentistry	3,550	9,448
Medicine	4,932	12,088
Pharmacy	2,014	6,060

Based on these annual rates, the University of Iowa requested approval of hourly tuition rates, effective Summer Session, 1987. The proposed tuition schedule is consistent with the annual rates previously approved and with the provisions of the Board of Regents Procedural Guide requirements concerning tuition for part-time students. The Regents' policy for part-time students for undergraduates requires a fixed amount for 0 through 2 credits per term, an additional amount for each credit per term through 11 credits per term and a fixed amount for 12 credits per term and over. For graduate students a similar pattern is followed, but a fixed amount is charged for over 9 credits per term. Non-resident rates are identical to resident rates for up to 4 credits per term.

The university also requested approval of its schedules of miscellaneous tuition charges for special programs and miscellaneous service fees. The Board requested in December 1985 that the universities report annually on all institutional or college-wide fees over one dollar per semester and all department fees over ten dollars per semester. The Board also requested that the universities secure Board approval prior to the initiation of new student fees or increases in the amount of existing fees. These provisions do not apply to course fees for payment for materials used, fees that represent returnable deposits, fees assessed for damage or breakage by individual students and fees assessed to pay for services external to the university.

No new fees were proposed but an increase in the admissions application fee from ten dollars to twenty dollars was recommended by each of the universities. Few other changes were requested in the University of Iowa's miscellaneous fees for non-tuition items. The increases proposed in tuition charges for special programs are generally comparable to those approved for annual tuition rates (12.5 percent for residents and 20 percent for non-residents). Unusually large increases were requested for graduate extension courses (43.1 percent), and correspondence study (57.1 percent).

All three institutions recommended that fees for graduate extension courses per credit hour be identical to the on-campus cost of graduate courses per credit hour. In previous years the University of Iowa and the University of

Northern Iowa have charged the same rate for extension courses, whether undergraduate or graduate. Iowa State University differentiated between the undergraduate and graduate levels. The proposed change results in a significant increase in the fee for graduate extension courses at the University of Iowa for 1987-88. However, future increases would be expected to be identical to those approved for on-campus tuitions. Linking of the graduate extension course fee to on-campus tuition will result in differentials between the University of Iowa and Iowa State University graduate extension course fees and those of the University of Northern Iowa.

The University of Iowa requested a large increase in fees for correspondence study. In 1986-87 the correspondence study fee was \$42 per semester hour plus a \$10 per course registration fee. In 1987-88 a fee of \$66 per semester hour is proposed with no course registration fee. For a three semester hour course the increase would be from \$136 to \$198, a change of 45.6 percent. The proposed fee of \$66 per semester hour is identical to that charged for undergraduate on-campus courses.

It has been standard practice, affirmed by the Board in April 1980, that consistent rates would be charged by the three institutions for off-campus and correspondence study. The University of Northern Iowa recommended a fee of \$47 per semester hour for correspondence study as compared to the University of Iowa's proposed fee of \$66 per semester hour. Iowa State University does not offer correspondence study.

Approval of the university's tuition and fee schedule, miscellaneous tuition charges and miscellaneous service fees for 1987-88 was recommended, except the proposed fee for correspondence study.

Vice President Remington stated regarding the proposed fee schedule for correspondence study, the University of Iowa is higher than the University of Northern Iowa. He asked that this be changed and he recommended that the fee be the same as that proposed by the University of Northern Iowa, or \$47 per semester hour (plus a per course registration fee).

MOTION:

Regent VanEkeren moved that the board approve the University of Iowa Tuition and Fee Schedule for 1987-88 including a \$47 per semester hour fee for correspondence study. Regent Greig seconded the motion, and it passed unanimously as amended.

President McDonald then asked board members and institutional executives if there were other items to be discussed concerning the State University of Iowa. There were none.

IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Thursday, February 19, 1987.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS FOR PERIOD OF DECEMBER 19, 1986, THROUGH FEBRUARY 19, 1987. The Board Office recommended the board approve the capital register.

PERMISSION TO PROCEED WITH PROJECT PLANNING

Molecular Biology Building

Source of Funds: Anticipated 72nd General Assembly
Academic Building Revenue Bonds

\$37,500,000

The university requested permission to initiate planning on the Molecular Biology Building. Because there was no board meeting in January, the Board President and the Executive Secretary authorized the university to proceed with planning on the project after the Governor endorsed the project and the use of Academic Building Revenue Bonds to finance it. In addition, the Executive Secretary authorized the university to proceed with the selection of a project architect.

The 240,000 gross square foot Molecular Biology Building would house the Departments of Biochemistry and Biophysics and the Department of Genetics. The building would contain badly needed research laboratories and would enable the departments to conduct interdisciplinary research.

The university requested ratification of the Executive Secretary's action to proceed with project planning. This request is in anticipation that the General Assembly will authorize issuance of Academic Building Revenue Bonds.

In addition, the university requested ratification of the Executive Secretary's action in authorizing the university to proceed with selection of an architect. Public notices have been distributed to members of the Iowa American Institute of Architects and published in the Des Moines Register. A screening committee will review the proposals from architects and identify a

short list of firms to be interviewed. The university will return to the board with a recommendation for appointment upon completion of the interview process.

PROJECT DESCRIPTIONS AND BUDGETS

This section of the register presented descriptions of new projects or adjustments to budgets on existing projects. This month, the university presented budget actions on six current projects and presented one new project for approval.

The university requested approval of a project budget and description on the following project:

ISU Research Park--Phase I

Source of Funds: Iowa Department of Transportation RISE Funds (Revitalize Iowa's Sound Economy)	\$1,448,755
Dept. of Housing and Urban Development Community Development Block Grant	1,000,000
ISU Achievement Foundation	1,400,000
72nd General Assembly Capital Request	1,400,000
Income from Treasurer's Temporary Investments	<u>198,140</u>
	<u>\$5,446,895</u>

This project involved the initial development phase of a research park. As a result of preliminary studies, the selected site is the southeast corner of the intersection of Elwood Drive and U.S. Highway 30. The entire 204 acres will ultimately be developed as the research park.

One source of funds for the project was a 72nd General Assembly capital request for \$1.4 million. The capital request is part of the \$2.5 million requested in the Regents' 1987 capital program. However, the Governor did not include funding for the Research Park in his capital recommendation and it has not been included in bonding resolutions being considered by the House or Senate.

Another source of funds is RISE Funds from the Iowa Department of Transportation. These funds are road use tax funds that are allocated for economic development purposes.

Two of the identified fund sources have not been finalized. They were the State Capital request funds and the Community Development Block Grant. The

university will provide the board additional information concerning funding for this project before receiving approval of the budget.

In March 1986, the board approved the selection of Stanley Consultants, Inc., of Muscatine, for master planning of the project and evaluating alternative sites. The university requested approval of two amendments to the original agreement with Stanley Consultants. One amendment involves additional engineering services to develop drawings that will be submitted to the city of Ames for approval and used to obtain financing. The maximum fee for this amendment is \$19,500.

The other amendment involved additional engineering services in developing final plans and specifications and providing construction supervision for Phase I. The original agreement with Stanley Consultants involved development of approximately 10 acres. The university now anticipates developing approximately 70 acres at this time. The consultant amendment also included the necessary site planning for development of the final 134 acres. Compensation is on an hourly basis, with a fixed maximum of \$294,930.

The Phase I construction consists of site preparation, road construction, installation of utilities, street lighting, and acquisition of the entire 204 acre parcel.

Revised budgets were presented on the following two projects:

1. <u>Hamilton Hall--Partial Remodeling</u>	Original Budget	<u>\$510,000</u>
Source of Funds: Income from Treasurer's		
Temporary Investments	\$472,500	
Iowa State Daily	<u>47,500</u>	
	Revised Budget	<u>\$520,000</u>

The project budget was increased to cover additional remodeling work.

In addition to revising the budget, the university requested approval of a change in the scope of the project. The work now to be included in the project is a modification of a teaching laboratory to accommodate computer facilities. This additional work was estimated at \$10,000. The additional funds would be from Income from Treasurer's Temporary Investments.

2. <u>Coover Auditorium Renovation</u>	Revised Budget	<u>\$333,675</u>
Source of Funds: Building Repair Fund		

This project involved renovation of the auditorium in Coover Hall. Improvements included upgrading the heating, ventilating and air conditioning systems, lighting, acoustics, audio-visual, seating, and traffic circulation.

In February 1985, the board approved the project with an estimated budget of \$200,000. Based on the results of a preliminary study conducted by Brooks, Borg & Skiles, Des Moines, Iowa, a more refined cost estimate has been developed.

The university anticipated that the project would be completed in two phases over the next two summers. The university reported an architectural agreement with Brooks, Borg & Skiles for design services. The fee is not to exceed \$24,500.

Amended budgets were presented on the following three projects to reflect recent award of construction contracts. An amended budget is when the internal allocation of funds changes, but the overall budget amount does not change.

1. Agronomy Addition and Remodeling
Source of Funds: 70th General Assembly
Academic Revenue Bonds \$25,825,000
Alumni Achievement Foundation 650,000
Income from Treasurer's Temporary Investments 1,175,000
Amended Budget \$27,650,000

2. Friley Hall Renovation--Phase 5
Source of Funds: Dormitory System Surplus
Amended Budget \$1,243,700

3. Utilities--Boiler No. 2--Asbestos Removal and Demolition
Source of Funds: Utility Repairs
Amended Budget \$180,000

Each of these project budgets was amended as a result of the award of construction contracts during December and January.

Included in Section C-2 of the capital register are projects of less than \$250,000 that the university is initiating. Information provided on these projects was presented in this section of the register for ratification by the board. This month, the university presented four new projects that will be initiated in the coming months and reported a revised budget on one project previously approved.

CONSULTANT AGREEMENTS

Agreements Reported:

The university reported two consultant agreements for ratification by the board:

Gilman Hall Renovation--Phase II
Des Moines Health Associates, Ltd., Des Moines, Iowa \$15,225
(Asbestos Consulting Services)

This agreement involved preparation of contract documents for the abatement of asbestos material in the southwest wing of Gilman Hall. The asbestos consulting services were part of the larger ongoing renovation project in Gilman Hall. Source of funds for the consultant agreement was 71st General Assembly Academic Revenue Bonds.

Coover Auditorium Renovation
Brooks, Borg & Skiles, Des Moines, Iowa \$24,500
(Architectural/Engineering Services)

This agreement involved preparation of contract documents for the renovation of the auditorium in Coover Hall.

Amendments:

ISU Research Park
Stanley Consultants, Inc., Muscatine, Iowa
Increase \$314,430

The university requested approval of an amendment to the agreement with Stanley Consultants to provide additional engineering services on the project. The additional services resulted from expansion of the project's first phase and included preparation of necessary documents to obtain approval of the city and project financing.

CONSTRUCTION CONTRACTS

Approvals Requested:

The following project was referred to the board for action because the project was funded by Academic Building Revenue Bond proceeds:

Agronomy Addition and Remodeling Equipment
(Variable Air Volume Boxes)
Award to: R. J. O'Hara, West Des Moines, Iowa \$31,287

Provisions of the Academic Revenue Bonding Statute in Section 262A of the Code of Iowa require that equipment purchases over \$25,000 funded with proceeds from Academic Revenue Bonds be awarded by the Board of Regents.

The equipment was obtained by competitive quotations. The university requested award of this contract to R. J. O'Hara.

The following project was referred to the board for action because of a bidding irregularity:

Utilities--Replace Boiler No. 1 & 2--Asbestos
Removal and Demolition

Award to: Mossman Consulting Services, Inc., St. Francis, MN \$121,248
(3 bids received)

On February 3, 1987, the university received bids for the removal and demolition of asbestos as part of the Utilities--Boiler No. 2 Replacement. Three bids were received with a low bid of \$121,248. All three bids received were from out-of-state companies.

During review of each contractor's bid documents, an irregularity in the low bid regarding Targeted Small Business documentation was discovered. The low bidder, Mossman Consulting Services, Inc., of St. Francis, Minnesota, responded to the 2 percent Targeted Small Business participation requirement by specifying two Minnesota firms. The Regents' Targeted Small Business program requires that participation goals be met with Iowa Targeted Small Business firms.

Representatives of Mossman Consulting indicated that it had been their intention to comply with the Targeted Small Business participation and they would be willing to comply with the requirement by obtaining the necessary 2 percent participation using Iowa Targeted Small Business firms.

The next low bid of \$174,950 complied with the Targeted Small Business requirement. However, the second low bid was substantially above the project's construction budget of \$125,000.

The university indicated that to accept the second low bid would cause an increase of \$53,702 in the project cost. The university further noted that Mossman's error was in using Minnesota firms to satisfy the Targeted Small Business requirement. The Mossman firm did clearly attempt to carry out the intent of the program in obtaining the services of firms to satisfy the 2 percent participation requirement. The contractor indicated its willingness to obtain the participation of Iowa Targeted Small Business firms to meet the requirement.

The university noted that because the Regents' Targeted Small Business program was still in the initial stages of implementation, occasional bidding irregularities were to be expected. Contractors and subcontractors are still learning about the program.

The Board Office reviewed the bidding irregularity identified by the university. The Administrative Rules adopted by the board stipulate that "bidders not complying with these provisions may be considered nonresponsive". The Board Office noted that the low bidder made an effort to comply with the Targeted Small Business participation requirement, and the penalty that would be paid by the university in rejecting the low bid would increase the construction budget by 45 percent.

Presented with the set of circumstances as described by the university and because the Targeted Small Business program is in a transition period, the Board Office recommended that the board waive the irregularity and award the contract to the low bidder, Mossman Consulting Services, Inc., of St. Francis, Minnesota. This recommendation was with the stipulation that the Mossman firm promptly obtain the participation of Iowa Certified Targeted Small Business firms in a sufficient amount to meet or exceed the 2 percent goal.

Two construction awards were made by the Executive Secretary on behalf of the board:

Agronomy Addition and Remodeling--Additional
Asbestos Removal

Award to: ARC Contractors, Inc., Brooklyn Park, MN \$68,649
(5 bids received)

This project involved abatement of asbestos in the Agronomy Building. The work on this contract must be completed in order for the remaining remodeling work in the Agronomy Building to take place. Source of funds would be Academic Building Revenue Bonds.

Friley Hall Renovation--Phase V, Painting and Finishing

Award to: B. J. Decorating, Inc., Des Moines, Iowa \$58,952
(2 bids received)

This contract, originally bid in October, was limited to Certified Targeted Small Businesses. Three firms bid but none were Targeted Small Business firms certified by the Iowa Department of Economic Development. The bids were rejected and the university has now re-bid the painting and finishing contract. Bidding again was restricted to Certified Iowa Targeted Small Businesses. The award was made in December by the Executive Secretary to B. J. Decorating, Inc., of Des Moines, Iowa, a Certified Targeted Small Business.

ACCEPTANCE OF COMPLETED CONSTRUCTION PROJECTS

The university reported completion of four construction contracts on three projects. Inspection of the work on the contracts found that the contractor complied with the plans and specifications. The university recommended that the work be accepted as complete.

The institution reported no additional transactions in the other sections of the capital register during the reporting period.

The entire register is on file in the Board Office.

Mr. Richey reminded the board members that \$2,500,000 for the research park was in the Regent's proposed budget for next year but has not been included in the Governor's recommended budget to the legislature. He asked that they keep this thought in mind as they hear the report on the Research Park.

President Eaton stated he understood the viewpoint of the Board Office recommendation. Iowa State University worked very long and hard to put this report together. He said his main concern with the Board Office recommendation was delaying the project may end up jeopardizing funding from the city. The city has made a commitment. The Department of Transportation has made a commitment, and now they are waiting on the federal government for their commitment. He said not to go forward at this time may jeopardize the project funding.

Vice President Moore stated that in 1983 they examined the feasibility of having one or more research parks in the State of Iowa. In 1984 a contract was signed with Stanley Consultants to do a research study. In October 1985 Stanley Consultants report was completed. Upon completion of the feasibility study it was recommended that Stanley Consultants be hired to develop an ISU Research Park. In July 1986 Leonard Goldman was appointed as director of the research park and president of the ISU Research Park Corporation. Vice President Moore stated they have come from a point of no commitment financially at that time to now having a commitment of \$2.5 million. He said the \$2.5 million will go to cover the cost of land and two years of operating costs and the staff. He proposed that within a month financing will be all together and with approval of the board they can go ahead with construction of the roads, sewers, water, gas, electricity and land acquisition. He said if approvals are granted they could be in the ground by this spring. He then introduced Leonard Goldman of Iowa State University to share some of the knowledge he has on the project with the board members.

Mr. Goldman stated it is important for the Regents to understand that the project is an anomaly. It cannot be dealt with as a regular real estate project. He stated he is not interested in developing real estate. He is an

educator. He said this project enhances the university's mission. The Research Park provides a most convenient way for the university to provide technological support to the nation. The concept works. It may be new to Iowa but not to the United States. The research park at Stanford University is the core of what is known as Silicone Valley and the interest received on the project generates over \$3 million from having banked prepaid land leases.

Mr. Goldman presented a diagram of the site. He said they have negotiated for a long time with Story County, the City of Ames, and the state, and that it was an expensive project. He said we're creating a 200-acre think tank which is predicated on the idea of transferring technology from the university to industry. Researchers would work hand in hand. For this to happen a superbly structured site would be necessary. Roads must be constructed so that there would be no vibrations. He said the park is all part of what corporate America says they want. The site must say quality. He said the site as it exists is located just south of the Iowa State campus and just west of the Ames airport. He said the airport road presently runs across the property and would need to be relocated. A boulevard quality road would be constructed.

Mr. Goldman stated there are currently 200 parks currently in some stage of development across the United States. He said the federal research dollar may be on a decline and the universities now have to go after the corporate research dollar. He said the Phase I development area would be north of the airport road and would take about eight years to complete. This would include the infrastructure. All utilities would be relocated underground. The construction of the second phase would be driven by market demand, but if all goes according to plan, it would start in about eight years.

Regent Duchen asked in Phase I if we make a deal with a corporation to locate in the park, where does funding come from.

Mr. Goldman stated what we would be doing is leasing parcels of land. The cost to the Regents and the state would be zero. They intend to go into the marketplace and seek most of the financing. The demand is there for that kind of space.

Regent VanGilst asked who determines what kind of corporations can be located in the park.

Mr. Goldman said the ISU Research Park Corporation would determine that. He said you wouldn't find warehouses, general office space, etc. The architecture is mandated. Construction costs would run about \$135.00 per square foot. Quality is important.

Regent Harris asked about the relocation of the airport road.

Mr. Goldman said it will be looped around as the airport expands. He stated the site was chosen because of its accessibility to the airport.

Regent Murphy asked what sort of organization would be doing the marketing for the project.

Mr. Goldman stated Iowa State would be doing its own marketing. He said they mean business, and they operate on a very lean management budget. He said they are becoming very innovative and creative. The largest number of marketers are the teachers and the administrative staff at Iowa State.

Regent VanEkeren asked what kind of interest is being shown in the park.

Mr. Goldman stated they really have not begun yet a marketing program. They have been busy raising money, but already have received four letters of intent to occupy space in the park. Electronic Technology Corporation of Cedar Rapids has announced plans to move to the ISU research park when space is available. The other three are high-tech companies that are interested in opening research and development operations in the park. He stated one was based in Minneapolis, one in Oregon, and the other in Iowa.

Vice President Madden stated that as many as 6,000 jobs may be created over the next 15 to 20 years it will take to fully develop the park. He said if all goes as planned, the groundbreaking for site development would be this spring or summer and the multi-tenant building could be up by spring 1988.

Regent Harris stated that obviously development of the airport is very crucial to the success of the park. He asked who owned the land surrounding the airport, to which Mr. Goldman replied the City of Ames owns the land. The airport has adequate land for expansion.

Vice President Madden stated the current runway of the airport can be extended to that commercial jets could land.

Regent Harris asked who would bear the cost of the expansion.

Mr. Goldman stated the City of Ames and the federal government would bear the cost.

Regent Harris asked if the Ames Lab would relocate, and Mr. Goldman stated no they would not.

President Eaton stated they had been looking for industrial spinoffs from ideas developed at the Ames Lab. The Ames Lab would feed concepts.

Mr. Goldman said a Department of Energy spinoff could locate here rather than expanding at the Ames Lab site.

Regent Anderson asked who was going to build the multi-tenant building.

Mr. Goldman stated that ideally they would find a private developer who will lease land in the park and construct the building on speculation. He said a research development is best when it has been planned to allow the private sector to develop the area. He said the area will be market driven.

Vice President Madden said the park would be managed by a nonprofit corporation that would be accountable to the Board of Regents.

Regent Anderson asked if they would sell the land, to which Mr. Goldman stated the preference is that you lease the land, not sell it.

Mr. Goldman stated this is not an ISU project or an Ames project. He said it's a statewide project and it will impact the whole state's future business development. He said the ISU research park is the only research park currently being planned in Iowa, and they are pulling in major resources to make sure this park is a major success. In terms of financing, \$7 million is required, including land and operating costs.

Mr. Richey recommended that the Board of Regents approve the \$5.4 million development plan on the condition that Iowa State University obtain the entire amount before it advertises for businesses who want to locate on the site. He stated an appropriate plan for financing has been submitted and found to be acceptable.

Regent Anderson asked what was the \$7 million.

Mr. Goldman said it included what the foundation had already committed for plus operating costs.

Regent Anderson asked if that meant the road, infrastructure, landscaping, airport road, cost of the land and the operating costs were all part of the \$7 million.

Mr. Goldman stated the land was \$2.5 million.

Vice President Madden said they were still negotiating land acquisitions.

Regent Anderson said that they still would need money to build the building.

Mr. Goldman stated the market demands that they build a building, as they have the four letters of intent. Mr. Goldman then showed the board an artist's rendition of the entrance to the park. He believe this is what you'll see a year from now upon entering the park.

Regent VanGilst asked from what highway would you get into the park.

Mr. Goldman said Highway 30, located at the Gateway Center and the Iowa State Center.

President McDonald thanked Mr. Goldman for a good presentation.

MOTION: Regent Harris moved that the board approve the Register of Capital Improvement Business Transactions for the period of December 19, 1986, through February 19, 1987. Regent Greig seconded the motion, and it passed unanimously.

REGISTER OF PERSONNEL CHANGES. The registers for December 1986 and January 1987 were approved as part of the consent docket.

PHASED RETIREMENT REQUESTS. The Board Office recommended that the board approve the phased retirement plans requested for Edward L. DeKalb, Associate Chemist, Ames Laboratory; Turget Demirel, Professor of Civil Engineering; and Robert M. Stewart, Professor of Electrical and Computer Engineering.

Professor DeKalb proposed to reduce his appointment to 80% effective January 1, 1987, and to 50% January 1, 1991. Professor Stewart planned to reduce to 75% from January 1 through December 31, 1987; to 67% from January 1, 1988 through December 31, 1990; and to 50% on January 1, 1991. The university reported that Professors DeKalb and Stewart met the eligibility requirements for participation in phased retirement, and that \$7,068 released in the first year as a result of their plans would be used for other instructional purposes and to meet budget reversion requirements.

Professor Demirel was initially approved for phased retirement effective July 1, 1985. His plan included proposed reductions in appointment to 75% time effective July 1, 1986; to 65% effective July 1, 1987; and to 50% July 1, 1988. He now proposes to stay at his current level of 75% time through June 30, 1989, and to reduce to 50% effective July 1, 1989. The university concurs with his request, and it was recommended that the board approve his revised schedule and the initial plans for Professors DeKalb and Stewart. President McDonald stated the phased retirement requests were approved as a part of the consent docket.

FACULTY IMPROVEMENT LEAVES FOR 1987-88 AT IOWA STATE UNIVERSITY. The Board Office recommended that the board approve the request for faculty improvement leaves at Iowa State University for 1987-88.

Iowa State University is requesting 57 faculty improvement leaves for 1987-88 at an estimated replacement cost of \$380,000. The actual cost for leaves in 1985-86 was \$350,674 for 47 leaves.

MOTION: Regent Murphy moved that the board approve the request for faculty improvement leaves at Iowa State University for 1987-88. Regent Harris seconded the motion, and it passed unanimously.

REPORT ON FACULTY IMPROVEMENT LEAVES FOR 1985-86. The Board Office recommended the board receive the report on faculty improvement leaves.

The Board of Regents approved 53 leaves for 1985-86 academic year, with 47 of those leaves actually taken. The actual replacement cost for the leaves was \$350,674. During 1985-86 there were three additional persons on leave who completed leaves that had been postponed from earlier years. The report provided a description of the 50 leaves actually taken.

The range of leave activities included completion of research, development of video cassette tapes, the completion of course work for certification in advanced training, the production of drawings and completion of publications and new perspectives on teaching.

ACTION: President McDonald stated the report on faculty improvement leaves at Iowa State University for 1985-86 was received by general consent of the board.

INTERNATIONAL AGREEMENTS. The Board Office recommended the board receive the Annual Report on International Agreements from Iowa State University.

The Board of Regents requested that each of the universities compile an annual report on International Agreements. The International Agreements reported are of three general types: (1) Exchange programs for faculty and students; (2) study abroad opportunities for students; (3) and research and development type projects. Iowa State University reported a total of twenty six agreements in this year's report (last year 21 such agreements were reported). Nine of these agreements were university wide and seventeen were college wide. The ISU report also included information on the effective date of the agreements, the administrative unit responsible for the agreements, a description of the type of agreement, the flow of participants, the world region and country involved and the collaborating units. Information on the costs of these agreements was not provided.

Vice President Christensen stated he was proud to have these agreements, which established the ability of the university to learn about other countries and their culture. He said the agreements were funded by the U. S. Agency for Development at no cost to the university. He felt those faculty members who go on the trips gain a great deal from them. He stated the student study abroad programs which are available to students are increasing.

Student's conversations about their experiences promote international camaraderie.

President McDonald stated that most of the costs were contained in the faculty leave area.

Mr. Richey stated that at some point the board should look at the cost of the agreements because they involve taking student's tuition.

Vice President Christensen said the students pay tuition here and the students coming here pay tuition to their institutions.

President McDonald stated it would be worthwhile to see the figures on the program.

ACTION: President McDonald stated the Annual Report on International Agreements from Iowa State University was received by general consent of the board.

CHANGE IN ACADEMIC CALENDAR. The Board Office recommended that the board approve changes in the academic calendar of the university as follows:

October 16, 1987 -- Classes not recessed
October 14, 1988 -- Classes not recessed

Summer, 1988

June 13 -- Registration
June 14 -- Classwork begins
August 6 -- Commencement

Summer, 1989

June 12 -- Registration
June 13 -- Classwork begins
August 5 -- Commencement

At its June, 1984 meeting the board approved calendars for the university for 1987-89. For the calendars presently approved there are 73 class days, excluding finals, in the fall semesters of 1987 and 1988. The university desired to increase each of the fall semesters to 74 class days by deleting what is presently included as a one day mid-semester recess each fall semester. This will align the number of class days more closely to the 75 class days in the spring semesters of 1988 and 1989.

The state's kindergarten through twelfth grade schools recently have been required to begin their school years after Labor Day. This has resulted in

later ending dates for these schools than had been anticipated when the university's calendar for summer sessions in 1988 and 1989 was approved. The university proposes to begin and end each summer session one week later than is presently approved. The number of class days will remain the same in the calendars.

MOTION: Regent Duchen moved that the board approve the proposed changes in the academic calendar for 1987-88 at Iowa State University. Regent VanGilst seconded the motion and it carried unanimously.

IOWA STATE UNIVERSITY CATALOG REVISIONS. This item was covered under the general portion of these minutes.

REORGANIZATION OF THE UNIVERSITY'S PHYSICAL PLANT. The Board Office recommended that the board approve the reorganization of the university's physical facilities planning under the overall responsibility of the Vice President for Business and Finance.

Currently the university's physical facilities planning and management are administered as follows:

Physical Plant reports to the Vice-President for Business and Finance.

University's planning division and the space and schedules division report to the Vice-President for Planning and Development.

The university believed consolidating these activities into one organizational unit would improve the delivery of services and they anticipated the reorganization would save an estimated \$100,000 per year.

Vice President Madden stated this would improve coordinating work on campus. He said this makes come sense. They anticipate some significant budget changes because of this reorganization. He said some staff members indicated they will be retiring this summer which would allow the university to make these changes, and thereby would result in financial savings.

MOTION: Regent Harris moved that the board approve the reorganization of the university's physical facilities planning under the overall responsibility of the Vice President for Business and Finance. Regent Greig seconded the motion, and it carried unanimously.

APPOINTMENTS. President McDonald stated that appointments were approved by the general consent of the board as follows: Margaret Healy as Acting Director of Financial Aid and Student Employment, effective January 1, 1987, through June 30, 1987, or until a director is appointed, at the budgeted salary; Michael M. Crow as Director, Science Policy Affairs and Research, Assistant Director of the Ames Laboratory, and Adjunct Professor of Political Science, effective March 1, 1987, at the budgeted salary; and William W. Whitman as Associate Vice President for Facilities, effective March 1, 1987, at a salary of \$72,500.

PROPOSED NEW GRADUATE PROGRAMS FROM IOWA STATE UNIVERSITY. This proposal was referred to the Interinstitutional Committee and the Board Office by general consent of the board.

APPROVAL OF MEMORANDUM OF UNDERSTANDING (LAND USE), APPROVAL OF LEASE, IOWA STATE INNOVATION SYSTEM CENTER (LANDLORD), AND APPROVAL OF LEASE EXTENSION (TENANT). The Board Office recommended that the board approve the following three items as one item:

1. Memorandum of Understanding with the IOWA STATE UNIVERSITY ACHIEVEMENT FOUNDATION for the university's use of approximately 110 acres of land known as the Johannes Farm located in the proximity of Mortensen Road and U.S. Highway 30, at an annual rent of \$8,640 for the period from March 1, 1987 to February 28, 1990.

The Foundation owns the Johannes Farm which was originally purchased by the Foundation's predecessor organization, the Iowa State University Alumni Association. The farm was purchased as an investment and for its potential benefit to the university.

For a number of years the Agriculture and Home Economics Experiment Station has utilized the land for research programs. To date this arrangement has been informal. State auditors and independent auditors of the Foundation recommend that the arrangement should be formalized.

The rental rate of \$90 per acre is consistent with the productivity of the land and other operational aspects, including the annual property taxes (\$1,950) the Foundation must pay. The university reports that the Foundation's willingness to continue ownership of the farm and the negative tax consequences for governmental units cause this Memorandum of Understanding to be appropriate at this time though the university may request to purchase the farm from the Foundation in the future.

The Memorandum grants the university the use of the land through February 28, 1990, though the annual rent may be adjusted by mutual agreement on March 1st of 1988 or 1989.

2. A lease with TELFAX COMMUNICATIONS for the use of approximately 328 square feet of space in the Iowa State Innovation System Center (ISIS), in the room commonly known as 301 for twelve months commencing January 5, 1987, at a rent of \$1,476 for the term, with renewal by mutual consent for six month intervals commencing January 5, 1988.

At the June, 1986 board meeting the board approved the first leases for the Iowa State Innovation System Center which is housed in the building commonly referred to as the Lab of Mechanics Building. The facility houses a part of the university's effort in providing incubation facilities and activities for business and industry in Iowa.

TELFAX COMMUNICATIONS meets the requirements the university has for such business enterprises to receive its help.

3. The extension of a lease with IOWA STATE UNIVERSITY MEMORIAL UNION for the university's use of approximately 1,242 square feet of space (Room 252 of the 1978 Southeast Addition) for the period April 1, 1987 through June 30, 1987, upon the same terms and conditions as the present memorandum, including the rental rate calculated at \$2.50 per square foot per year.

In February, 1982 the board approved a Memorandum of Understanding with the Memorial Union whereby Room 252 of the 1978 Southeast Addition became available to the Office of Admissions. That arrangement expires March 31, 1987.

The university desires to bring as many of its leases with the Memorial Union into alignment with its fiscal year. The Memorial Union has agreed to extend this use until June 30, 1987, with the same terms and conditions as exist presently.

MOTION:

Regent Van Gilst moved that the board approve (1) the Memorandum of Understanding with the IOWA STATE UNIVERSITY ACHIEVEMENT FOUNDATION for the university's use of approximately 110 acres of land known as the Johannes Farm located in the proximity of Mortensen Road and U.S. Highway 30, at an annual rent of \$8,640 for the period from March 1, 1987 to February 28, 1990; (2) A lease with TELFAX COMMUNICATIONS for the use of approximately 328 square feet of space in the Iowa State Innovation System Center (ISIS), in the room commonly known as 301 for twelve months commencing January 5, 1987, at a rent of \$1,476 for the term, with renewal by mutual consent for six month

intervals commencing January 5, 1988; and
(3) The extension of a lease with IOWA STATE UNIVERSITY MEMORIAL UNION for the university's use of approximately 1,242 square feet of space (Room 252 of the 1978 Southeast Addition) for the period April 1, 1987 through June 30, 1987, upon the same terms and conditions as the present memorandum, including the rental rate calculated at \$2.50 per square foot per year. Regent Anderson seconded the motion, and upon the roll being called, the following voted:

AYE: Anderson, Duchen, Greig, Harris, McDonald, Murphy, Tyler, VanEkeren, VanGilst.

NAY: None.

ABSENT: None.

IOWA STATE UNIVERSITY TUITION AND FEE SCHEDULES FOR 1987-88. The Board Office recommended that the board approve Iowa State University's tuition schedule and miscellaneous fees for 1987-88 effective with the Summer Term.

The Board approved the following 1987-88 annual tuition rates for Iowa State University at its December, 1986 meeting:

	<u>RESIDENT</u>	<u>NONRESIDENT</u>
Undergraduate	\$1,564	\$4,900
Graduate	1,852	5,106
Veterinary Medicine	3,550	9,078

Iowa State University requested approval of a credit hour fee schedule on the basis of these annual rates, effective Summer Session 1987. The proposed credit hour fee schedule is consistent with the annual rates previously approved and with the provisions of the Board of Regents Procedural Guide requirements concerning tuition for part-time students. The Regents' policy for part-time students for undergraduates requires a fixed amount for 0 through 2 credits per term, an additional amount for each credit per term through 11 credits per term and a fixed amount for 12 credits per term and over. For graduate students a similar pattern is followed but a fixed amount is charged for over 9 credits per term. Non-resident rates are identical to resident rates for up to 4 credits per term.

The university requested approval of its schedule of miscellaneous student fees and other semester fees for 1987-88. The Board requested in December 1985 that the universities report annually on all institutional or college-wide fees over one dollar per semester and all department fees over ten

dollars per semester. The Board also requested that the universities secure Board approval prior to the initiation of new student fees or increases in the amount of existing fees. These provisions do not apply to course fees for payment for materials used, fees that represent returnable deposits, fees assessed for damage or breakage by individual students and fees assessed to pay for services external to the university.

No new fees were requested, although the university reported that changes in computer fees are under consideration and may be presented to the Board in the spring. An increase in the application fee from ten to twenty dollars was recommended by each of the institutions. Additionally, Iowa State University recommended increases in orientation and matriculation fees and voluntary health fees in order to cover increased costs.

The increases proposed for extension courses, workshops and private music instruction range from 11.4 to 12.5 percent and are comparable to the increases in annual tuition rates previously approved by the Board. The fees proposed for extension courses are identical to those recommended by the University of Iowa.

The per credit fee for graduate extension courses is the same as the on-campus per credit hour fee. The institutions have agreed on this linking of on-campus and off-campus fees for graduate courses.

MOTION: Regent Tyler moved that the approve Iowa State University's tuition and fee schedules for 1987-88. Regent Duchen seconded the motion, and it carried unanimously.

NAMING OF BUILDING - MECHANICAL ENGINEERING/ENGINEERING SCIENCE AND MECHANICS BUILDING AND COURTYARD. Iowa State University requested the board to authorize naming the Mechanical Engineering/Engineering Science and Mechanics Building the Henry M. Black Engineering Building, and the courtyard Herbert J. Gilkey Court.

President Eaton stated that Professor Emeritus Henry M. Black served as Head of the Department of Mechanical Engineering from 1946 until his retirement in 1972. In addition to devoting 26 years of his life to provide top rated academic programs, faculty, and facilities for the Mechanical Engineering Department, Professor Black gave generously of his time to further engineering education and the profession of engineering on the local, state and national levels. Professor Herbert J. Gilkey was brought to Iowa State in 1931 to organize and head the new Department of Theoretical and Applied Mechanics. He held this position until his retirement in 1955. Under his guidance the department achieved a high position of national prominence. Professor Gilkey was recognized internationally as a leader in the field of Portland Cement Concrete. President Eaton stated the formal dedication of the building would be held on February 20.

MOTION: Regent Murphy moved that the Mechanical Engineering/Engineering Science and Mechanics Building be named the Henry M. Black Engineering Building and the courtyard Herbert J. Gilkey Court. Regent VanEkeren seconded the motion, and it passed unanimously.

RESOLUTION AUTHORIZING EXECUTIVE SECRETARY TO FIX THE DATE OR DATES FOR THE SALE OF UP TO \$7,400,000 ACADEMIC BUILDING REVENUE BONDS, SERIES I.S.U. 1987.
The Board Office recommended that the board adopt the resolution.

The 1986 session of the General Assembly authorized the sale of Academic Building Revenue Bonds for two projects at Iowa State University. House Concurrent Resolution 134 authorized Gilman Remodeling-Phase II. House Concurrent Resolution 133 authorized the sale of up to \$5 million for research and instructional equipment at the three universities. \$2 million of that amount was earmarked for biotechnology equipment and microelectronics equipment at Iowa State University.

The sale of the bonds for Iowa State University is the first in a series of bond sales authorized in 1986. The 1986 General Assembly also adopted bonding resolutions to finance the remodeling of the Chemistry-Botany Building at the University of Iowa and to construct a new Classroom/Office Building at the University of Northern Iowa.

The University of Iowa bonds are tentatively scheduled to be issued in April. The board will be asked in March to adopt the resolution setting in motion a series of actions for the University of Iowa sale. The University of Northern Iowa bond issue is scheduled for December of this year. The schedule of these sales has been approved by the universities and conformance with schedules previously provided to the board.

The board is authorized to issue on behalf of Iowa State University a total of \$7.4 million in Academic Building Revenue Bonds to be distributed as follows:

Gilman Hall Remodeling--Phase II	\$5,400,000
Biotechnology and Microelectronics Equipment	<u>2,000,000</u>
TOTAL	\$7,400,000

The estimated cost of issuance of these bonds was \$45,000, which was included in the \$7.4 million total.

The resolution directing the advertisement for the sale of \$7.4 million Academic Building Revenue Bonds, Series I.S.U. 1987, authorized the Executive

Secretary to establish the date of sale of these bonds and directed the Executive Secretary to prepare and place the Notice of Sale of the bonds. This Notice of Sale will be published in the customary form and in the manner required by Chapter 262.A of the Code, as amended. The tentative sale date for these bonds is March 11, 1987.

The action recommended will give the board, through the Executive Secretary, the necessary flexibility to alter the sale schedule, should such change become necessary. Copies of the resolution will be available at the meeting for review by board members. Under current plans, the board will be requested to adopt bonding resolutions to issue and sell the bonds at the March meeting.

Associate Director Runner stated approval of the resolution would set in motion the sale of \$7.4 million in Academic Building Revenue Bonds for Iowa State University. The sale date would be set by the Executive Secretary with the approval of the board president.

MOTION:

Regent VanGilst moved that the board adopt a resolution authorizing Executive Secretary to fix the date or dates for the sale of up to \$7,400,000 Academic Building Revenue Bonds, Series I.S.U. 1987. Regent Tyler seconded the motion, and upon the roll being called, the following voted:

AYE: Anderson, Duchon, Greig, Harris, McDonald, Murphy, Tyler, VanEkeren, VanGilst.

NAY: None.

ABSENT: None.

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

President Eaton stated he had passed out to the board members and institutional executives a flier regarding the "5 Common Myths About Iowa State University's College of Home Economics".

There were no other items of discussion.

UNIVERSITY OF NORTHERN IOWA

The following business pertaining to the University of Northern Iowa was transacted on Thursday, February 19, 1987.

REGISTER OF PERSONNEL CHANGES. The registers for the months of December 1986 and January 1987 were approved as part of the consent docket.

APPOINTMENT OF ADMINISTRATOR. The Board Office recommended that the board approve the appointment of Lowell Norland as Director, Community Services, effective February 9, 1987, at an annual salary of \$42,000.

Recently the Board Office learned this selection had taken place and asked the university to provide this supplemental docket item so that the appointment could be made. At the September 1986 board meeting, the board restated its procedure, identified as 4.05 (C) of the Board of Regents Procedural Guide, which states that administrators at the direction level and above are nominated by the executive head of the institution and appointed by the board effective the date designated by the board.

The university reported in December, 1986 that this position had been point counted and placed in the Professional-Scientific pay grade appropriate to the point count.

It was anticipated that a current chart showing the organizational structure of the university with this position would be forthcoming shortly as required by Section 4.05 (F) of the Board of Regents Procedural Guide.

Regent Tyler stated that appointment was after the fact. He said it was to be effective February 9 and today was February 19.

President Curris said he believed that things were routinely sent it. He stated if there has been any lapse they apologize for it.

MOTION: Regent Harris moved that the appointment of Lowell Norland as Director, Community Services, effective February 9, 1987, at an annual salary of \$42,000 be approved by the board. Regent Tyler seconded the motion, and it passed unanimously.

NOTIFICATION OF IMPENDING VACANCIES. President McDonald stated that the board received the report of impending vacancies at the university as follows: Mr. John Ketter will retire March 1, 1987, as Director/Maucker Union; and Mr. Rollin Evers has resigned as Public Safety Director. Searches for successors for each position have been initiated.

REQUEST FOR PROFESSIONAL DEVELOPMENT LEAVES FOR 1987-88 AT THE UNIVERSITY OF NORTHERN IOWA. The Board Office recommended the board approve the requests for professional development leaves for 1987-88 at the University of Northern Iowa.

In accordance with the requirements of the Regents Procedural Guide, Section 4.09, the University of Northern Iowa submitted its request for professional development leaves for the 1987-88 year. The university requested a total of 22 professional development leaves, with an estimated net replacement cost of \$153,000. The average estimated cost of the proposed leaves was \$6,954. The actual cost of leaves in the most recent year, as reported in UNI A-4, was \$128,286, with an average cost of \$6,414 for the leaves taken.

The university's request listed the name, title, department, number of years served, time of leave requested, and a description of the activity proposed by each faculty member. Nine leaves were planned for the Fall semester, seven for the Spring semester and six are for the full academic year. The range of years of service was from four years to twenty-two years.

It was noted that two leaves, one for James L. Burrow and the other for Robert J. Waller, were previously requested of and approved by the board in 1985 and 1983 respectively. These were deferred at the request of the university so that the recipients could undertake administrative duties. Professors Burrow and Waller will take their deferred leaves during the coming academic year.

Twenty seven percent of the leaves were for women which is slightly higher than in previous years.

Vice President Martin stated that one of the faculty members had resigned and it would appear on the list next month.

MOTION: Regent VanEkeren moved that the request for professional development leaves for 1987-88 at the University of Northern Iowa be approved by the board. Regent Duchen seconded the motion, and it passed unanimously.

REPORT OF PROFESSIONAL DEVELOPMENT LEAVES AT THE UNIVERSITY OF NORTHERN IOWA FOR 1985-86. The Board Office recommended the board accept the report on professional development leaves for 1985-86 for the University of Northern Iowa.

ACTION: President McDonald stated that the report was received by general consent of the board.

INTERNATIONAL AGREEMENTS. The Board Office recommended that the board receive the report on International Agreements at the University of Northern Iowa.

The Board of Regents requested that each of the universities compile an annual report on International Agreements. The International Agreements reported for the University of Northern Iowa were all exchange programs for faculty and students.

The University of Northern Iowa report included information on seven such agreements. Six of these agreements were university wide and one was department wide. The number of agreements reported this year was one more than last year. The financial obligation involved with most of these agreements is primarily the responsibility of the sending institution and involved travel and/or salary arrangements and the receiving institution to provide housing. Some involve University of Northern Iowa assistantships. Since no financial information is provided, it is not possible to assess the university's financial obligation in these agreements.

Vice President Martin stated the International Program was rather modest in scope. He stated the students don't have to pay any tuition when going to the foreign universities. He said most of the faculty are unwilling to go except for a few weeks at a time. He stated the program in Japan was for students and ordinarily one or two students from the University of Northern Iowa attend, and one or two of the students from Japan come here.

ACTION: President McDonald stated the report on International Agreements at the University of Northern Iowa was received by general consent of the board.

PHASED RETIREMENT REQUESTS. The Board Office recommended the board approve the phased retirement requests of Gordon M. Harrington, Professor of Psychology; Ruth B. Anderson, Professor of Social Work; Herbert L. Lynch, Professor, Student Field Experience; Karl E. Odwarka, Professor of Modern Languages; and Edward V. Voldseth, Assistant to the President for State Relations and Special Events.

Specific phasing plans for each of the above were outlined in the university's request. The university reported that the total cost of incentives for the five for the first year would be \$20,129, and that total net savings for the first year of \$75,589 would be used for other instructional purposes.

ACTION: President McDonald stated that the phased retirement requests were approved by general consent of the board.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS FOR PERIOD OF DECEMBER 3, 1986 THROUGH JANUARY 31, 1987. The Board Office recommended that the board approve the capital register.

PROJECT DESCRIPTIONS AND BUDGETS

This month the university submitted revised budgets on two projects previously approved:

Fire Safety Deficiency Corrections--Academic Buildings, Phase II

Source of Funds: 1981 Academic Building Revenue Bonds

Original Budget	<u>\$825,000.00</u>
Revised Budget	<u>\$815,651.55</u>

The university requested approval of the revised budget, which was a decrease of \$9,348.45. The project was initially approved by the board in July 1981. The source of funds for the project was 1981 Academic Building Revenue Bonds. The work had been accomplished on the project, and all the budgeted funds were not expended.

The university requested that the surplus funds in the Fire Safety budget be transferred to the Turbine Generator project. The university prepared revised project budgets which identify expenditures for both projects.

Turbine Generator, Plant No. 2, 7500 KW

Original Budget	<u>\$4,613,471.55</u>
Revised Budget	<u>\$4,622,820.10</u>

Source of Funds: 68th General Assembly
Capital Appropriations
and 1981 Academic Revenue Bonding

The \$4.6 million Turbine Generator project was financed by a combination of Academic Building Revenue Bonds and 1981 capital appropriations. The revised budget would include the transfer of \$9,348.45 discussed above from the Fire Safety Deficiency Correction Project to the Turbine Generator Project. The university prepared a revised project budget to reflect actual expenditures and source of funds.

The bond resolution identified the Turbine Generator project along with several other projects at the University of Northern Iowa.

The university reported actions on new projects with budgets of less than \$250,000. This month the university presents one new project for ratification by the board.

CONSULTANT AGREEMENTS

Agreements Reported:

The university reported the following consultant agreements for ratification by the board. Because the board did not meet in January, the Executive Secretary approved the agreements on behalf of the board.

<u>Institutional Roads--Nebraska Street Extension</u> <u>(27th Street to 30th Street)</u>	<u>\$22,000</u>
Kirkham, Michael & Associates, West Des Moines, Iowa (Design Services)	

In December, the board approved the description and budget for a project that extends Nebraska Street on the west edge of campus from 27th Street to 30th Street. The \$265,000 project is included in the Regents' 1987 Parks and Institutional Road Program adopted in November. The consultant agreement is with Kirkham, Michael & Associates of West Des Moines, Iowa.

<u>Maucker Union--Phase II Addition</u>	<u>\$101,000</u>
Thorson Brom Broshar Snyder, Waterloo, Iowa (Architectural Services)	

In September, the board granted the university permission to proceed with project planning for a 20,000 square foot addition to the Maucker Union. The addition would provide space for an expansion of the existing coffee house, a new multi-purpose room, food service and entrance lobby to accommodate lecture events, conferences and social activities.

The project budget and description were approved by the board in September, 1986. The project budget was \$1,900,000. The source of funds was \$1,250,000 from Maucker Union surplus funds and \$650,000 from the Student Activities Building Fund.

The university requested ratification of Thorson Brom Broshar Snyder of Waterloo, Iowa. The firm was selected after a competitive screening process conducted by the university.

ACCEPTANCE OF COMPLETED CONSTRUCTION PROJECTS

The university reported acceptance of three contracts on two construction projects.

Auditorium Building--Auditorium Rooms 131 and 239 Renovation

Seating Contract:

Award to: American Seating Company \$169,505.55

General, Mechanical and Electrical Contract:

Award to: Huff Construction Company \$305,742

Institutional Roads--Reconstruction of Campus Street and Wisconsin Street

Cedar Falls Construction Company \$179,482.51

Inspections conducted by the university and the consultants found that the contractors complied with the plans and specifications for each contract. The university recommended that the work be accepted as complete.

FINAL REPORTS:

The university submitted a final report on the Turbine Generator Plant No. 2, 7500 KW. The final budget for the \$4,622,000 project was listed in the capital register. The final report was in order and its acceptance was recommended.

The university reported no additional transactions in the other sections of the capital register during the reporting period.

President Curris stated there was one other item which was a follow up on Phase III of the Power Plant for boiler replacement and plant consolidation. He stated the university engaged a consulting engineering firm, Sega, Inc., to address the replacement of the antiquated and failing boilers in Power Plant I.

President Curris said a preliminary report was received which in addition to the boiler replacement, recommended other campus developments, such as a relocated steam distribution center, a relocated coat yard storage, and a new steamline tunnel.

President Curris stated the report dealt with what kind of boiler should be recommended, the type of boiler, the size and cost. He said the consulting

engineers identified a fluidized bed boiler with the capacity to utilize Iowa coal and biomass as the preferred replacement system. A natural gas fluid boiler was identified as the second alternative in the event that necessary capital funding was not adequate. The University recommended utilization of the coal burning fluidized bed boiler. President Curris stated the university recommended the acquisition of a 105,000 lb/hr. boiler with an estimated cost by the consultants of \$9.6 million.

President Curris said the preliminary report held one unexpected surprise -- the cost of demolition of the old power plan was projected to be \$1,250,000. The high estimate was based on the possibility of large amounts of asbestos contaminated material present in Power Plant I. A cursory review of the issue by the university indicated that necessary demolition and asbestos removal could be accomplished for considerably less. He said the university recommended that \$500,000 be requested for demolition purposes. The total cost would then be \$10.1 million compared with \$8.5 million.

Mr. Richey stated \$8.5 million was a preliminary figure and they knew it was likely to change.

Regent Duchen asked if the new boiler were put into place and it didn't operate for some reason, what would they do for a back-up.

President Curris stated the main workhorse for the university is a 120,000 pound pulverized coal boiler which in the severe winter time does not take care of their needs and they have been using old boilers that are failing. He stated they have about 120,000 pounds of back-up in the boiler plant, originally designed for fuel oil now converted to use gas, and they could use that.

MOTION:

Regent Harris moved that the Register of Capital Improvement Business Transactions for the period of December 3, 1986 through January 31, 1987, be approved, along with the university's request for boiler replacement and plant consolidation. Regent VanGilst seconded the motion, and it passed unanimously.

UNIVERSITY OF NORTHERN IOWA TUITION AND FEE SCHEDULES FOR 1987-88. The Board Office recommended the board approve the University of Northern Iowa's credit hour tuition rates for 1987-88, effective summer 1987; approve the University of Northern Iowa's miscellaneous fees for 1987-88; and approve the establishment of a doctoral post comprehensive registration fee and of a new fee for MBA extension courses, effective Fall 1987.

The Board approved the following 1987-88 annual tuition rates for the University of Northern Iowa at its December, 1986 meeting:

	<u>RESIDENT</u>	<u>NONRESIDENT</u>
Undergraduate	\$1,548	\$3,880
Graduate	1,720	4,276

The University of Northern Iowa requested approval of its credit hour tuition schedule on the basis of these annual rates, effective with the 1987 Summer Session. The proposed tuition schedule was consistent with the annual rates previously approved and with the provisions of the Board of Regents Procedural Guide requirements concerning tuition for part-time students. The Regents' policy for part-time students for undergraduates requires a fixed amount for 0 through 2 credits per term, an additional amount for each credit per term through 11 credits per term and a fixed amount for 12 credits per term and over. For graduate students a similar pattern is followed but a fixed amount is charged for over 9 credits per term. For non-residents, rates are identical to those for residents for up to 4 credits per term.

The university is requesting approval of its schedule of miscellaneous fees for 1987-88. The Board requested in December 1985 that the universities report annually on all institutional or college-wide fees over one dollar per semester and all department fees over ten dollars per semester. The Board also requested that the universities secure Board approval prior to the initiation of new student fees or increases in the amount of existing fees. These provisions do not apply to course fees for payment for materials used, fees that represent returnable deposits, fees assessed for damage or breakage by individual students and fees assessed to pay for services external to the university.

The university requested approval of two new fees. The first was a doctoral post comprehensive registration fee of \$60 per semester, effective fall 1987. That fee would be assessed for students who have passed the comprehensive examinations and are not otherwise registered at the university. The amount proposed is identical to that charged by the University of Iowa and Iowa State University.

The second new fee requested was for MBA courses offered through extension. The university indicated that while no MBA extension courses are presently offered it would like to establish the rate in the event that MBA extension classes were scheduled in the future. The rate proposed was identical to that requested by the University of Iowa for 1987-88.

An increase from ten to twenty dollars in the fee for application for admission to the university was recommended by each of the universities. Few other changes were requested in the University of Northern Iowa's miscellaneous fees.

The increases proposed in special fees at the University of Northern Iowa were generally comparable to those approved for annual tuition rates with the exception of the fee recommended for graduate extension courses. All three universities recommended that credit hour fees for graduate level extension courses be the same as the credit hour fees for graduate on-campus courses. In previous years the University of Iowa and the University of Northern Iowa charged a single fee (\$72 in 1986-87) for all extension courses while Iowa State University charged a higher fee for graduate than for undergraduate courses. The current recommendation will result in an increase of 33.3 percent in the fee for graduate extension courses at the University of Northern Iowa.

The University of Northern Iowa proposed a correspondence study fee increase of 11.9 percent, from \$42 to \$47 per semester hour. The University of Northern Iowa also charges a course registration fee of \$13 for correspondence study.

MOTION:

Regent Greig moved that the board approve the University of Northern Iowa's credit hour tuition rates for 1987-88, effective summer 1987; approve the University of Northern Iowa's miscellaneous fees for 1987-88; and approve the establishment of a doctoral post comprehensive registration fee and of a new fee for MBA extension courses, effective Fall 1987. Regent Duchen seconded the motion, and it passed unanimously.

APPROVAL OF FARM LEASES (LANDLORD). The Board Office recommended that the board approve farm leases with tenants as follows:

- a) JIM FITKIN -- for the use of approximately 63.5 acres of crop land in the Upland Forest Preserve Farm, for the period March 1, 1987 to February 29, 1988, at a rent for the period of \$7,112;
- b) MAYNARD HENDERSON -- for the use of approximately 16.8 acres of crop land in the West UNI-Dome Area Farm, for the period March 1, 1987, to February 29, 1988, at a rent for the period of \$840;
- c) MAYNARD HENDERSON -- for the use of approximately 85 acres of crop land in the Heckroth Property Farm, for the period March 1, 1987, to February 29, 1988, at a rent for the period of \$6,375; and
- d) MIKE BOVY -- for the use of approximately 6.5 acres of crop land in the Broadcasting Tower Property Farm, for the period March 1, 1987, to February 29, 1988, at a rent for the period of \$215.

Each of the leases provided language regarding the controlled use of fertilizers and other farm chemicals. Leases (a) through (c) were secured by a bid process. Lease (d) was not let for bid as the parcel is so small and the university's requirements for protecting the tower and maintaining untilled land so unusual as to cause the university to wish to work with the present tenant who has met the university's expectations.

MOTION:

Regent Tyler moved that the board approve the farm leases with tenants as follows:
a) JIM FITKIN -- for the use of approximately 63.5 acres of crop land in the Upland Forest Preserve Farm, for the period March 1, 1987 to February 29, 1988, at a rent for the period of \$7,112; b) MAYNARD HENDERSON -- for the use of approximately 16.8 acres of crop land in the West UNI-Dome Area Farm, for the period March 1, 1987, to February 29, 1988, at a rent for the period of \$840; c) MAYNARD HENDERSON -- for the use of approximately 85 acres of crop land in the Heckroth Property Farm, for the period March 1, 1987, to February 29, 1988, at a rent for the period of \$6,375; and d) MIKE BOVY -- for the use of approximately 6.5 acres of crop land in the Broadcasting Tower Property Farm, for the period March 1, 1987, to February 29, 1988, at a rent for the period of \$215. Regent VanGilst seconded the motion and upon the roll being called the following voted:
AYE: Anderson, Duchon, Greig, Harris, McDonald, Murphy, Tyler, VanEkeren, VanGilst.
NAY: None.
ABSENT: None.

President McDonald asked board members and institutional executives if there were additional matters to be discussed pertaining to the University of Northern Iowa. There were none.

IOWA SCHOOL FOR THE DEAF

The following business pertaining to the Iowa School for the Deaf was transacted on Thursday, February 19, 1987.

REGISTER OF PERSONNEL CHANGES. The registers for the months of December 1986 and January 1987 were approved as part of the consent docket.

SCHOOL CALENDAR FOR 1987-88 SCHOOL YEAR. The Board Office recommended the board approve the school calendar for the 1987-88 school year and request the school to consider for future calendars the state's requirement of 180 class days for all students.

State-approved schools must meet for at least 180 student-teacher contact days per school year. The proposed calendar has 180 student-teacher contact days and three teacher workshop/preparation days. The calendar contains nine at-home weekends including Thanksgiving, Christmas, and Easter holidays. On the week day students return to school the day is not counted for attendance purposes.

The calendar was constructed with strong consideration for inter-school athletic competitions and for energy conservation purposes. For the 1986-87 school year the school conformed its calendar to the law passed by the General Assembly in 1985 requiring that schools begin their year no sooner than the first day of September. This law does not apply to the special schools. The school chose to follow it because of the mainstreaming that occurs between the special schools and the local schools and because of the desire to provide some consistency between the summer vacations of students in local schools and the special schools. However, because of complications in scheduling events with other schools for deaf students, Iowa School Deaf needs to begin on August 24 for the 1987-88 school year.

The state, in its negotiated collective bargaining agreements with employees, has gone from naming seven holidays and letting the board designate two additional holidays to naming all nine holidays. This was done, according to the Iowa Department of Personnel, to be consistent with the state law passed by the last General Assembly which enumerates nine holidays for state

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employees. The collective bargaining agreement provides that the Regents may substitute two of the named holidays with two other days. For Regent Merit System employees covered by the collective bargaining agreement the two enumerated holidays that will be substituted with other days are Martin Luther King Day (January 18) and Veterans Day (November 11). Faculty are contracted for 180 student classroom days and consideration of alternate holidays for them is not necessary.

The school has seniors in class only 166 days. Seniors are graduated on May 7 and other students are in session until May 27. The school has historically released seniors early so that they can seek employment ahead of the students in the common schools. With the state strengthening its requirements for classroom contact hours with teachers, this practice should be reviewed.

As the calendar meets the requirements for the number of student-teacher contact days, approval of the calendar is recommended.

1987

August	19	Wednesday	General Faculty Meeting, 9:00 A.M.
	20	Thursday	Teachers' Preparation Day to 3:30 P.M.
	21	Friday	Teachers' Preparation Day, 8:30 A.M. to 3:30 P.M.
	22	Saturday	Teachers' Preparation Day, 8:30 A.M. to 3:30 P.M.
	23	Sunday	All Houseparents' Workshop, 9:00 A.M. to 3:30 P.M.
	24	Monday	STUDENTS RETURN/Administrators on Duty 10:00 A.M. SCHOOL OPENS/CLASSES HELD, 8:00 A.M.
September	4	Friday	Going Home Weekend/Buses leave afternoon
	7	Monday	LABOR DAY - SCHOOL CLOSED
	8	Tuesday	STUDENTS RETURN
	13	Friday	Pep Rally with Bonfire Following, 7:00 P.M.
	19	Saturday	HOMECOMING - Volleyball Tournament, 9:00 A.M. Parent/Teacher Conferences, 10:30 A.M.-12:45 P.M.
	25	Friday	Football, ISD vs. Kansas, 1:45 P.M.
	27	Sunday	Going Home Weekend/Buses leave afternoon STUDENTS RETURN
			Deaf Awareness Week Begins
October	30	Friday	Going Home Weekend/Buses leave afternoon End of First Quarter
November	2	Monday	STUDENTS RETURN
	24	Tuesday	THANKSGIVING HOLIDAY/Buses leave afternoon
	29	Sunday	STUDENTS RETURN
December	17	Thursday	Christmas Program, 2:00 P.M., Auditorium Junior/Senior High School Department in Charge
	18	Friday	CHRISTMAS HOLIDAY/Buses leave afternoon

1988

January	3	Sunday	STUDENTS RETURN
	22	Friday	End of Second Quarter
	29	Friday	Going Home Weekend/Buses leave afternoon
February	1	Monday	STUDENTS RETURN
	25	Thursday	Going Home Weekend/Buses leave afternoon
	28	Sunday	STUDENTS RETURN
March	31	Thursday	EASTER HOLIDAY/Buses leave afternoon End of Third Quarter
April	4	Monday	STUDENTS RETURN
	30	Saturday	Midwest Deaf Relays
May	5	Thursday	Athletic Awards Assembly, 10:00 A.M.
	6	Friday	Going Home Weekend/Buses leave afternoon Senior Honor Assembly, 1:30 P.M.
	7	Saturday	Commencement Exercises, 11:00 A.M.
	9	Monday	STUDENTS RETURN
	27	Friday	All School Honor Program, 10:30 A.M. SCHOOL CLOSES AFTER LUNCH

MOTION:

Regent VanEkeren moved that the board approve the school calendar for 1987-88 school year at Iowa School for the Deaf. Regent VanGilst seconded the motion, and it passed unanimously.

IOWA SCHOOL FOR THE DEAF 1985-86 ANNUAL REPORT. The Board Office recommended that the board receive the Iowa School for the Deaf annual report.

Section 6.08E of the Regents Procedural Guide requires that each of the special schools submit an annual report in the fall. These reports are to represent detailed information on activities, operations and outcomes of the past year and will identify any problems anticipated in the current year. The Iowa School for the Deaf Annual Report consisted of three sections: (1) highlights to meet goals and objectives; (2) concerns; and (3) financial information.

Highlights to Meet Goals and Objectives: The highlights section consisted of brief paragraphs describing how the school has met objectives identified in its long-range planning effort for parent education, parent/infant workshop, computer program, curriculum, extra curricular activities, athletics, media, vocational training, individual education plans, communication and community involvement. The school feels that it is making progress in meeting its goals.

Concerns: The Iowa School for the Deaf Annual Report included a section on concerns consisting of four matters: (1) declining enrollment; (2) deaf awareness; (3) cooperation with other state agencies; and (4) adult education classes for the deaf.

Financial Information: Fiscal Year 1986 financial information was unofficial because the year had not yet been audited. Statements in changes in fund balances for both agency accounts and trust funds were changes in account balances only. As such, they did not represent total funds available. A review of the school balance sheet showed total agency and trust funds. General program operations, revenues, and expenditures were consistent with information previously reported. Prior to preparation of the annual report for 1987, it was recommended that formats for financial information be reviewed with the Board Office.

ACTION:

President McDonald stated the Iowa School for the Deaf 1985-86 annual report was received by general consent of the board.

PROPOSED PROFESSIONAL AND SCIENTIFIC POSITION. The Board Office recommended that the board defer action on the establishment of the proposed position of Assistant Dean until such time that Dr. Johnson has had an opportunity to review the organizational structure of the school.

The Iowa School for the Deaf proposed the addition of the position of Assistant Dean to the school's Professional and Scientific Classification Plan. The major responsibility of the position would be to coordinate programs and policies between three dormitories.

It was felt that since one of Dr. Johnson's areas of emphasis will be in the residence program, he should have the opportunity to ascertain the need for an Assistant Dean.

The school should be reminded that, according to the policy of the board, approval to initiate applicant searches for administrative positions must be obtained from the president of the board.

Director Wright stated that Dr. Johnson would be coming in as the new superintendent in August and the Board Office recommended that action on this request be deferred until Dr. Johnson had arrived at the school.

Superintendent Giangreco stated he felt they need the position for the balance of the school year. He said he felt the person filling in should be compensated. He stated he would like to keep him on the staff temporarily until the new superintendent came on board.

Mr. Richey stated this was an area that all candidates for the superintendent's position felt needed to be reviewed. Everyone wants to have input on this. In terms of review, he stated this was one of the very important positions in the chain of command in the residence halls. He suggested that it be subject to approval of the Executive Secretary or Board President.

Superintendent Giangreco stated the employee now filling in is a houseparent and he's been filling in without compensation. He said the person has been a houseparent for two years.

Regent Anderson stated she was concerned about a new superintendent tying in to a specific person. She asked if there wasn't a way they could compensate the man for the duties he has undertaken.

Mr. Richey stated that to do so would create a position. He suggested the board should review other ways for compensating for work being done and have the new superintendent determine whether he wants this kind of thing or this particular person on a temporary basis.

Regent Anderson asked if they could authorize Superintendent Giangreco or find a way to have the person compensated without establishing a position.

Director Wright stated that Superintendent Giangreco was asking for the establishment of a position. He said the Board Office was not aware that this was the intent of Dr. Giangreco at the time the memo was prepared. He asked Superintendent Giangreco if the person wasn't, in fact, being

compensated for all time worked for the school. Superintendent Giangreco said he was, but not at an appropriate rate for some of the work.

Mr. Richey said there hadn't been a request to do this until this came out. He stated he felt the Board Office should review this before any decisions were made.

MOTION:

Regent VanGilst moved that the board authorize the President and Executive Secretary to take the appropriate action that is needed with regard to the establishment of the proposed position of Assistant Dean at the Iowa School for the Deaf. Regent Anderson seconded the motion, and it passed unanimously.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS FOR DECEMBER 1986 THROUGH JANUARY 1987. The Board Office recommended that the board approve the capital register.

Associate Director Runner stated the capital register for the Iowa School for the Deaf was reviewed by the Board Office and was in order. Approval of the register was recommended. The register contained one item:

PERMISSION TO PROCEED WITH PROJECT PLANNING

Demolition of Laundry Building

The school requested permission to demolish the Laundry Building. The building is a brick structure built in the 1930's. The building has been used to house the laundry.

Since 1980 a major portion of the laundry services has been contracted to Glenwood State Hospital. The remaining laundry and mending functions would be incorporated into other buildings on campus. The age and condition of the building make it difficult to heat and maintain. Therefore, the school requested permission to demolish the Laundry Building.

The school requested permission to proceed with the project, which would demolish the structure and enclose the existing steam, water, sewer and communication lines that run under the building. After demolition, the site would be blacktopped as a parking lot. A tentative project budget of \$88,000 had been established. Source of funds was from anticipated salary and utility savings for Fiscal Year 1987.

The school requested permission to appoint Wilscam Birge and Associates, Omaha, Nebraska, as project architect. The firm would prepare the necessary drawings and specifications and provide project administration.

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The Board Office concurred in the school's request to raze the structure and recommended approval of the school's request to appoint Wilscam Birge and Associates. The consultant agreement would be reported to the board when negotiations have been completed.

MOTION: Regent Greig moved that the board approve the capital register of the Iowa School for the Deaf. Regent VanEkeren seconded the motion, and it passed unanimously.

President McDonald then asked board members and institutional executives if there were additional matters to be raised for discussion pertaining to Iowa School for the Deaf. There were none.

IOWA BRAILLE AND SIGHT SAVING SCHOOL

The following business pertaining to the Iowa Braille and Sight Saving School was transacted on Thursday, February 19, 1987.

REGISTER OF PERSONNEL CHANGES. The registers for the months of December and January were approved as a part of the consent docket.

APPROVAL OF OCCUPATIONAL THERAPY SERVICES CONTRACT -- BLACK HAWK COMMUNITY SERVICES CORPORATION. The Board Office recommended the board approve a contract with Black Hawk Community Services Corporation of Waterloo whereby the Corporation provides occupational therapy for selected students at IBSSS at a cost of \$25 per hour per therapist for the period January 26, 1987, to January 25, 1988.

At its March, 1981 meeting the board approved the concept of providing occupational therapy for selected students through contracted services. The board authorized the Board Office to review a contract proposed by the school for this purpose and to enter the contract if it was satisfactory. The Board Office subsequently approved an agreement with Covenant Medical Center. The Center has become Black Hawk Community Services Corporation.

The contract provides for evaluation of students relative to their occupational therapy needs, for performance of occupational therapy for students in accordance with physician's orders, for assistance for IBSSS staff in care planning for students, for instruction for IBSSS staff in appropriate therapy measures, and for consultation with IBSSS staff. These services are provided at a cost of \$25 per hour per therapist under the proposed contract. This represents an increase of \$5 per hour (25%) over the past contract, and is the first rate adjustment in three years. In addition occupational therapy has been expanded which requires more intensified work in the evaluation of students and monitoring performance. Services under this contract are provided on an "as needed" basis.

The school reported that last year it paid \$2,400 for services with the Corporation. The school projects expenditures for the current year at \$3,000 and has developed its budget for fiscal year 1988 based on the increased cost.

The services provided through this contract are an important factor in meeting the statutory and regulatory requirements placed on the school for providing services to handicapped students.

As the school reported the contract terms to be fair and equitable, and as the services are an essential part of the school program, approval of the contract was recommended.

MOTION:

Regent Harris moved that the board approve a contract with Black Hawk Community Services Corporation of Waterloo whereby the Corporation provides occupational therapy for selected students at IBSSS at a cost of \$25 per hour per therapist for the period January 26, 1987, to January 25, 1988. Regent Murphy seconded the motion, and the motion passed unanimously.

REGISTER FOR CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS FOR DECEMBER 1986 AND JANUARY 1987. The capital register for the Iowa Braille and Sight Saving School contained no transactions for the months of December 1986 and January 1987.

President McDonald then asked board members and institutional executives if there were additional matters to be raised for discussion pertaining to Iowa Braille and Sight Saving School. There were none.

ADJOURNMENT. The meeting of the State Board of Regents adjourned at 11:50 a.m. on Thursday, February 19, 1987.



R. Wayne Riney
Executive Secretary