

The State Board of Regents met at the State University of Iowa, Iowa City, Iowa on Thursday and Friday, January 19-20, 1978. Those present were:

	<u>January 19</u>	<u>January 20</u>
Members of State Board of Regents:		
Mrs. Petersen, President	All Sessions	All Sessions
Mr. Bailey	All Sessions	All Sessions
Mr. Barber	All Sessions	All Sessions
Mrs. Belin	All Sessions	All Sessions
Mr. Brownlee	All Sessions	All Sessions
Mr. Harris	All Sessions	All Sessions
Mr. Shaw	All Sessions	All Sessions
Mr. Slife	Absent	Absent
Mr. Wenstrand	All Sessions	All Sessions
Office of State Board of Regents:		
Executive Secretary Richey	All Sessions	All Sessions
Mr. Barak	All Sessions	All Sessions
Mr. Grant	All Sessions	
Mr. McMurray		All Sessions
Mrs. Mininger		All Sessions
Mr. Volm	All Sessions	
Pauline K. Van Ryswyk, Secretary		All Sessions
State University of Iowa:		
President Boyd	All Sessions	All Sessions
Vice President Brodbeck	All Sessions	All Sessions
Assistant to President Mahon	All Sessions	All Sessions
Vice President Jennings	All Sessions	All Sessions
Director Hawkins		All Sessions
Director Strayer		All Sessions
Director Tobin	All Sessions	All Sessions
Iowa State University:		
President Parks	All Sessions	Exc. 1:20 p.m.
Vice President Christensen	All Sessions	Exc. 1:20 p.m.
Vice President Hamilton	All Sessions	Exc. 1:20 p.m.
Vice President Moore	All Sessions	Exc. 1:20 p.m.
Assistant to President Henry	All Sessions	Exc. 1:20 p.m.
University of Northern Iowa:		
President Kamerick	All Sessions	Exc. Noon
Provost Martin	All Sessions	Exc. Noon
Vice President Stansbury	All Sessions	Exc. Noon
Director Kelly	All Sessions	Exc. Noon
Dean Morin	All Sessions	Exc. Noon
Iowa School for the Deaf:		
Superintendent Giangreco		Exc. Noon
Iowa Braille and Sight Saving School:		
Superintendent DeMott		Exc. Noon
Business Manager Berry		Exc. Noon

GENERAL

The following business pertaining to general or miscellaneous items was transacted on Thursday, January 19, 1978.

EXECUTIVE SESSION. President Petersen reported the board needed to continue discussion relating to strategy for collective bargaining. Because of circumstances beyond the board's control, the date for this continuation session was changed to this date rather than the originally scheduled date of January 13, 1978. President Petersen reminded members of the board that a roll call vote taken on December 15, 1977, authorized the board to meet to continue this discussion. (See page 408 of the December 1977 minutes.)

The board resolved to meet in executive session beginning at 2:00 p.m. and arose therefrom at 6:00 p.m.

GENERAL

The following business pertaining to general or miscellaneous items was transacted on Friday, January 20, 1978.

APPROVAL OF MINUTES OF DECEMBER 15, 1977, MEETING. The minutes of the Board of Regents' meeting held December 15, 1977, were approved as corrected.

COMMITTEE ON EDUCATIONAL COORDINATION. Catalog Changes, State University of Iowa. The board was requested to approve the catalog changes submitted to the board last month, which were recommended for approval by the Committee on Educational Coordination.

The Board Office reported that the deans of each of the nine colleges provided descriptions of course changes for the college as a whole and for each of the departments. The deans' summaries also provided information regarding future changes in programs and degrees.

MOTION

Mr. Barber moved the board approve the catalog changes submitted to the board last month by the State University of Iowa. Mr. Wenstrand seconded the motion.

Regent Bailey requested information with respect to the proposed doctoral degree in nursing since it is now in the formulative stages. Vice President Brodbeck reported that there is a considerable amount of pressure on nursing colleges for a doctoral degree in nursing. She noted that the university recognizes that there are, however, several doctoral programs in nursing in the Midwest region: Wayne State University, Detroit, Michigan; University of Michigan; University of Illinois; Rush University, Chicago, Illinois; Case Western Reserve, Cleveland, Ohio; and Minnesota and Wisconsin are planning doctorates in nursing in 1979 and 1980, respectively. She reported that the University of Iowa is sensitive to its need for advanced education in this regard. She said the university would prefer to work out some kind of arrangement whereby it could work with other universities with doctoral programs in nursing. She reported that the university is going to try to work out some kind of plan to pursue further doctoral training for nursing students without necessarily having a degree program actually located at the university.

Regent Bailey asked if the persons who do the extensive research and background work for a new program proposal understand that the program may not be adopted by the board. Vice President Brodbeck assured Regent Bailey that all programs must pass rigorous approval by the administration. President Boyd reiterated that the planners for a possible doctoral program in nursing at the University of Iowa have very strong convictions about the importance of their proposal. He emphasized, however, that they have been given a very clear indication that there are reservations as to the proposal's adoption.

Mr. Richey reported that Governor Ray delivered his Condition of the State Message and made supplemental budget recommendations for 1978-79 to the General Assembly on January 11. In that address, the Governor made several recommendations concerning the needs and concerns of senior Iowans. He recommended that the mandatory retirement age for state employees under the Iowa Public Employees Retirement System be removed. The current retirement policy for such employees in the Regents' universities is age 70 and is 65 for employees at Iowa School for the Deaf and Iowa Braille and Sight Saving School, as well as at the Board Office. Governor Ray also recommended retention of voluntary retirement at age 65 with full benefits and elimination of additional contributions to IPERS by the state and its employees for those remaining on the job past age 65. He also recommended that retirement benefits be improved.

The Board Office noted that since the issues to be studied are so all-encompassing in their potential effect, the membership of the inter-institutional committee recommended should include representatives from the academic, business, personnel, affirmative action and possibly other areas.

Mr. Richey said the Governor revised his recommendations with respect to funding for the Board of Regents' institutions. The Governor and his staff provided more money to take care of enrollment needs and the base adjustment at Iowa State University, etc. Mr. Richey said he was particularly pleased that the Governor took care of the needs of salaries to a more significant extent. He noted he was gratified in the area of capital to see the Governor recommend construction of the Music Building for Iowa State University, equipment for Phase II of the Lindquist Center for Measurement, institutional costs associated with the Hudson Road Improvement at the University of Northern Iowa, and an amount of \$395,000 to be allocated by the board. Mr. Richey said the areas in which the board will be facing the most financial difficulty are the non-salary categories for general expense, equipment, RR&A, library books, computer use, and the ongoing items the board currently has. The board got an average of 2.8% growth for all of the institutions for general expense. The minimum rate which the board expects prices to grow, on the average, however, is 6%.

President Petersen commented that the board needs to recognize the kinds of budgetary limitations that face both the legislative and executive branches of government this session. She said the Governor did recognize the board's continued commitment to its ongoing programs and the need to replace lost federal funds. She added that as the legislative session progresses and it becomes clearer what the estimates turn out to be in terms of tax base reality, the board will have a better opportunity to adjust some of the other needs it has. President Petersen expressed pleasure that the Governor did grant the board's highest priority needs for funding.

Mr. Richey noted that the Governor recommended \$1.5 million for compensation of the base adjustment for Iowa State University and current enrollment growth for this biennium. Mr. Richey said he is now being questioned as to how the \$1.5 million would be allocated. A suggestion recommended by Mr. Richey was that a minimum of \$500,000 should be allocated to Iowa State University for its base adjustment with a maximum for that purpose of \$750,000. That would leave, then, approximately \$750,000 for enrollment growth for the 1977-79 period. Mr. Richey said the board needed

to decide, also, how to allocate that balance to enrollment needs. Mr. Richey noted that the State University of Iowa has not experienced, relatively, problems of enrollment growth as have the University of Northern Iowa and Iowa State University. He stated that the board may wish to allocate most, if not all, of the remaining portion of the \$1.5 million to those two universities. Mr. Richey indicated that the distribution between Iowa State University and the University of Northern Iowa for enrollment growth for the biennium in terms of the dollars request has a relationship of 53% at Iowa State University and 47% at the University of Northern Iowa. Mr. Richey noted that those percentage figures depended, of course, on whether the board decided to allocate any portion of the funds to the University of Iowa. Mr. Richey said he has consulted with University of Iowa executives as to his proposal in this regard. While the University of Iowa realized that the bulk of the enrollment needs are at the University of Northern Iowa and Iowa State University, it requested that consideration be given to its needs.

Vice President Jennings commented that while he didn't disagree that the bulk of the enrollment funds should be granted to Iowa State University and the University of Northern Iowa, he requested the board consider the University of Iowa's needs. Vice President Jennings said that it is possible that the University of Iowa's income is going to be short both this year and, given the Governor's recommendation, next year by \$250,000. Mr. Richey responded to Vice President Jennings by saying Iowa State University also has a problem in one of its units with income estimates. Mr. Richey added that the University of Northern Iowa also claims that the board estimated its student fee incomes too high, as well.

Regent Bailey asked if it was clearly understood that Mr. Richey's recommendation concerning the allocation of the \$1.5 million of the Governor was not a board decision. Mr. Richey affirmed the fact that his recommendations concerning use of the \$1.5 million were still fluid and that the board had the overall decision yet to make. President Boyd stressed that the board needed to take a careful look at each institution's needs with respect to enrollment growth.

LEGISLATIVE REPORT. The Board Office reported that the 1978 Legislative Session began on January 9, 1978. The most important activity of the first week was the Governor's Condition of the State Message given on January 11. (Discussion of his message is found in the above portion of the minutes.)

The Board Office reported on the new bills introduced in the first few days of the session and also summarized actions taken by interim legislative committees of interest to the board. The Board Office did not suggest positions at this time because none of the bills had yet been reviewed by the institutions.

The board was presented a brief report on each of seven interim legislative committees' final actions regarding:

- A. House Budget Subcommittee on Appropriation of Federal Funds
- B. Obsolete Boards and Commissions Subcommittee of the Senate and House Standing Committees on State Government
- C. Tort Liability Study Committee
- D. Open Meetings Law Subcommittee of the House and Senate Committees on State Government
- E. Retirement Programs Subcommittee of Standing Committees on State Government
- F. Public Employment Study Committee
- G. Area Education Agencies Subcommittee of the Senate Education Committee

Mr. Richey pointed out that the Senate passed the bill on risk management which would create a risk management division within the Department of General Services. The function of the division would be to analyze risk exposures of the state and propose standards for reducing or limiting risks and would also determine which risks should be insured and to what extent. Mr. Richey reported that based on the board's policies of last session, the Board of Regents is substantially exempted from the provisions of the bill as it passed the Senate. He noted that the bill has already passed the House, but the Senate added a minor amendment, so it now must return to the House. The bill, as it passed the Senate and the House, did not affect the board too much and is acceptable to the board's position.

Regent Belin asked about Senate File 2025. She noted that it provides a minimum tuition grant of \$200 per semester for full-time pupils. It also provides that the act shall be in force and retroactive to January 1, 1978, for tuition grants awarded for school semesters beginning subsequent to July 1, 1978. President Petersen explained that the tuition grants are for private colleges and universities in the state only. President Petersen noted that the \$200 would be granted to each student on a head count basis rather than the money being used on the basis of individual need. Mr. Richey noted that is an important philosophical difference in the bill from present policy. Mr. Richey said the board has felt that tuition grants should be granted on the basis of need. Regent Bailey noted that the Higher Education Facilities Commission has not taken a position directly on this bill.

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Mr. Richey commented that Senate File 2025 is bound to be detrimental to the private colleges in terms of maintaining enrollments unless fully funded at some point. Whatever is siphoned off to students who don't need it leaves those students needing funds short and, consequently, possibly not able to attend a private school. Mr. Richey said this may be a risk the private colleges are willing to take for the short run in order for the long-term principle to be established. President Petersen noted that the philosophy in this particular bill would not provide access for students to attend private colleges, but would merely be a part of a base the institutions could count on.

Regent Shaw asked for information on the actions of the Retirement Programs Subcommittee. The Board Office reported that this subcommittee finally agreed on a series of recommendations which it put forward to the joint state government committees. There were no actions taken by this subcommittee which affected the TIAA-CREF program. The subcommittee concentrated on the Iowa Public Employees Retirement System and made several recommendations. The subcommittee did not, however, make recommendations regarding an increase in benefits for retirees with less than 20 years of service.

Regent Shaw said it is important that society maintain its ability to provide low cost higher education in the future and forever. He expressed particular concern in that he sees the government undertaking to provide retirement benefits for its employees that essentially are very close to what these people earn when they leave employment. He said he doesn't think society is going to be able to afford that. He said that is going to be to the disadvantage of young people down the line if it attempts to do so.

Regent Shaw noted that one of the subcommittee's recommendations included that the maximum amount of retirement income be increased from 40% to 45% of the final five-year average after 30 years of service. Regent Shaw noted that does not include any offset for social security. He noted that social security can amount to and generally does amount to about 40% of last day pay. When you add those two percentage figures together and include the income tax advantage of that money, additional exemptions, property tax benefits, free medical benefits, etc., those people are going to be better off than people who are trying to raise families.

Regent Shaw noted that the state has several other problems to tackle before it should attempt to pass this type of legislation regarding retirement benefits. He said that in Iowa 37% of all the energy consumed is natural gas. The state has been burning more gas than ever before. That underpins the entire economy. With problems such as that, he disliked seeing promises made with respect to such retirement benefit proposals. He said that if the subcommittee's proposal passes, it would be much to the disadvantage of low cost higher education. Regent Shaw said his real concern comes down to society's ability to fund public education along with such retirement benefit proposals. Mr. Richey reported that the proposal from the subcommittee was substantially in excess of what the Governor recommended in his state address.

President Kamerick raised question about tort liability. The Board Office reported that the Tort Liability Study Committee has held four meetings to examine the tort liability of the state. The committee was unable to agree on either of two suggested approaches: one, to add exemptions to the causes by which a person can file a claim against the

state; or two, provide a ceiling on claims. The study committee did, however, take action to recommend to the legislative council a bill which would charge state tort claims to the respective agency budgets, subject to the approval of the State Comptroller. Currently, tort claims are paid from the State General Fund. The Board Office indicated that its initial reaction to this proposal is negative although it will analyze it further when it surfaces as a study bill. Institutional budgets simply do not have the flexibility to permit payment of tort claims, which could, without a dollar ceiling, virtually wreck the budget of an agency.

Vice President Moore suggested an additional provision be added to the tort liability bill now being examined which would allow the institutions to buy insurance to cover such liabilities.

Regent Bailey said he would like to see some study of the risk management proposal in conjunction with the tort liability proposal.

President Petersen noted that while she understands that the move from immunity to tort claims is a fair way to move, she could see some real problems in the move to try and further that tort claims proposal by moving the costs back on the agencies involved.

Legislative Liaison Hawkins said he felt there is a connection between risk management and the tort claims law. He commented that while he didn't feel the tort claims proposal would get very far, the risk management proposal has passed both houses although not exactly in the same form. Mr. Hawkins said the board will come under the risk management legislation, if passed, on July 1, 1980, but it exempts specifically at all times all of the board's property that is under bond covenants.

Mr. Hawkins then provided the board with information regarding the first meeting of the joint budget subcommittee for education this session. At the first meeting they did not get to the Regents' requests. However, Mr. Hawkins said he got a good idea of what the budget committee planned to do with respect to the Regents. He briefly pointed out that both houses agreed to the Governor's recommendation pertaining to the Regents right down the line with one exception -- the continuing education program. Mr. Hawkins said the House wants to delete that recommendation.

Mr. Hawkins reported that one subcommittee member, Representative Baker of Storm Lake, has the impression that the board is trying "to muscle in" on Buena Vista College with respect to continuing education. President Petersen said Representative Baker's fears are unfounded. Vice President Christensen reported that he has conversed with the president of Buena Vista College and there has never been any indication that he was upset with the board's continuing education proposals. In fact, in the final analysis the Buena Vista president agreed the state needs the Bachelor of Liberal Studies degree. Vice President Christensen noted that he recommended the Buena Vista president discuss the matter further with Representative Baker.

Mr. Hawkins said the Governor recommended an additional \$1,250,000 for the Tuition Grant Program and the House tentatively recommended \$430,000 in addition to that. Also, the House tentatively added \$600,000 or \$700,000 to the Governor's recommendation for vocational rehabilitation in the Department of Public Instruction.

Mr. Richey noted that the Governor recommended \$300,000 for off-campus educational programs for western Iowa next year. He reminded members of the board that it requested \$355,000 when it was making the budget decisions on that matter. Discussion was, at that time, raised as to how the board would allocate a lesser amount than that requested. Mr. Richey noted that the money the board requested was for establishment of some more centers in western Iowa plus \$100,000 for course development. Mr. Richey said that in all probability the course development would be cut from \$100,000 to approximately \$50,000.

Discussion then arose with respect to the status of changes to the state's open meetings law. Legislative Liaison Henry commented that the open records law maintains the board may keep certain things confidential. One of those "confidential" matters could be described as personal information from a personnel file. They are records under the law, but the board has the discretion of whether or not to release it. State agencies under the draft Senate bill (which was distributed earlier by Mr. Henry) are authorized to keep records and personnel files confidential. Mr. Henry also explained some other shortcomings of the new draft legislation on open meetings.

Mr. Richey reported that if the open meetings law, as presently proposed, is passed, it is going to cost the state money and, more importantly, invasion of privacy would be involved as well as the matter of fairness. The bill would require committees directly established by the board to be subject to the same open meetings procedures as the board itself. It would undoubtedly require the board to reorganize the way it does business and abolish the committees, making board operation almost ineffective. Mr. Richey noted that oftentimes the board's committees meet without agendas. With the open meetings law's proposals, an agenda would have to be distributed. Mr. Richey said that if the open meetings law, as now proposed, were passed, the executive secretary would probably need to be authorized to seek advice of committees or would need to establish ad hoc groups to avoid direct establishment of committees by the board.

Regent Belin noted that the legislature should be informed of the personal harm the changes in the open meetings law could inflict upon the state. She said the legislature's intent to have "public interest in the public's eye" may actually result in some changes that are actually detrimental to the enactment of public business where there is nothing to hide.

President Petersen expressed concern about the discussing of personnel matters in public session which could cause damage to a person's reputation, etc. She cited an example of a mentally-ill employee, for example. Regent Bailey reiterated that statement by saying the board could also be more susceptible to libel suits. President Petersen also commented that she was concerned about the hiring of top administrative personnel, the heads of institutions, etc. Several states have been conducting such interviews in public with all names of those being considered in public. President Petersen reported that in observing what's going on in other states that are attempting this, the practice has limited the number of people who are willing to be considered for such positions. It has, therefore, caused the most likely prospects to withdraw from consideration.

Regent Brownlee asked President Petersen what the status of search committees would be under the open meetings law as is now proposed. President Petersen reported that search committees would still be permitted to operate.

President Boyd stressed the fact that a very important aspect involved with respect to the open meetings law is that the public's business should be conducted in public. He supported that. At the same time, however, he said the right of privacy should be maintained. He said those two very laudatory objectives clash at some point. President Boyd noted that the board has been extremely conscious of what it discusses in executive session. He said the board has met in executive session in a very limited way in comparison to other boards of higher education around the country. President Boyd reported that Professor Arthur Bonfield, College of Law, University of Iowa, is presently trying to harmonize the rights of the individual with the rights of the public.

Discussion then centered on House File 2055. Mr. Richey reported that Ms. Casey Mahon, Assistant to the President, University of Iowa, had been requested to analyze this bill.

Ms. Mahon reported that House File 2055 is an act which would codify in state law the prohibition against sex discrimination already present in Title IX in the education amendments of 1972. In that context, it is totally consistent with institutional policies as well as federal law and the already existing Iowa law against sex discrimination.

Ms. Mahon pointed out some issues present in the bill which demanded specific board attention. She said she understands that there is a companion bill to House File 2055 which would apply to elementary and secondary schools. It prohibits discrimination and provides comparable programs in scholastic and intramural activities. However, it does not contain the same kind of language that the federal regulations contain.

It was noted by Ms. Mahon that after much public comment which the State University of Iowa participated in, a provision was added in the federal regulations which permit the recognition that more funds may be expended for intercollegiate activities for men than intercollegiate activities involving women. Women's funding would be growing over the years but there is no prima facie case because of the inequity of funding. This understanding is not necessarily present in this bill. That, however, is one aspect which might require some thought. Similarly, the bill contains a very proper and laudable requirement that financial aid should be made available to men and women on an equal basis. However, with the language used, there is no clear understanding that some of the board's requests for financial aid may be directed specifically at men from Sioux City, for example, or women from Des Moines.

Ms. Mahon reported that House File 2055 provides that the Regents' institutions shall have in-service training for faculty and other employees on sex stereotyping. Similar proposed language in the federal regulations was eventually discarded for fears about infringement on academic freedom, faculty prerogatives, etc. In fact, the federal regulations contained a specific understanding that nothing contained therein would affect curricular offerings or affect scrutiny of curricular offerings of higher education.

Ms. Mahon also noted that the enforcement proceedings contained in House File 2055 are somewhat different than the board may want, according to its affirmative action programs under Title IX.

In summary, Ms. Mahon said that while House File 2055 has a laudable purpose of anti-discrimination, it does contain some drafting and enforcement problems the board should be cognizant of.

Regent Harris asked if there is a bill which requires the board to insure no discrimination. Ms. Mahon said that House File 2045 (which prohibits against discrimination on the basis of race, color, creed, sex, marital status, or place of national origin in any educational program under control of the board) is actually a general codification of policies as they now exist and would not create any new problems. Moreover, since it would require rule making, it would allow us to coordinate our reporting activities on the state level with federal requirements. The other bill, House File 2055, would apparently require different kinds of reporting than we are already providing under Title IX of the federal statutes.

President Boyd noted that if more than one agency regulates the same subject, referring to discrimination, the paper work is increased. He said House File 2055 should be assessed to see if there is a void in the federal regulation. President Boyd said he would prefer to have the Regents handle the discrimination issue alone.

Mr. Henry commented that sponsors of the discrimination bill that applies to secondary education are somewhat dissatisfied with the level of federal enforcement and want a state agency to enforce the same requirements as the federal law.

President Boyd commented that much of the paper work required by the federal government is mandated for purposes of seeing if there is compliance. State data, on the other hand, is basically collected for planning purposes.

President Kamerick admitted that federal regulations have caused the universities some soul searching as well as some difficulty. He commented that the federal Office of Civil Rights recently doubled its number of lawyers or other compliance agents who are about to go to work on Title IX. He also expressed concern about duplication of paper work.

President Petersen said the board must be careful that it is not misunderstood. She said that as far as the board and its institutions are concerned, there is no lack of commitment to the principles of equal opportunity and for employment.

President Boyd said he felt it would be well to have the board's affirmative action directors show the extensive affirmative action plans, the extensiveness of requirements in terms of personnel selection, etc., mandated by the federal government.

Regent Belin admitted that two very legitimate goals may be clashing with respect to this discussion. She commented that the board may very possibly have an overload of paper work in its institutions. However, she said the legislation being studied by the state with respect to discrimination is appropriate. If it is passed, she hoped it would be passed with

sufficient flexibility and sophisticated guidelines to show a commitment on the part of the state to carry forward public policies, insuring compliance with the nondiscriminatory attitude. She said that there may be a great need to cut down on paper work, but recommended the board not start with this issue. She said this matter needs emphasis and reemphasis in the board's thinking. She added that she hoped the state's legislation would be workable and not so rigid that it would have to be amended many times.

President Boyd reported that there are two documents that govern the State University of Iowa. One is the mission statement adopted by the Board of Regents. Another is the human rights statement adopted by the university. In essence, President Boyd said the human rights statement is just as controlling of the university as the mission statement. President Boyd said he feels there is nothing more important in the operation of the board's universities than their affirmative action efforts.

Regent Barber said he feels it has been demonstrated time and time again that the institutions are "long on sensitivity" with respect to anti-discriminatory practices. He commented that this would be an excellent opportunity, however, for the board to speak out against needless duplication in opposition to the bill. He said it doesn't accomplish anything that isn't already currently outlined and demonstrated by the institutions. President Petersen recommended the board not act in opposition to the bill but, rather, recommend that a meeting be held to hear reports from the institutions in regard to affirmative action and the mechanisms of the process. Mr. Richey reported that Mr. Roger Maxwell, Equal Employment Opportunity Compliance Officer of the Board Office, and he have been formulating an agenda to accomplish that very request.

President Parks said there comes a time when in trying to attain a social goal, your assumptions and your strategy should start undergoing a change. He added he feels the time has come when maybe the federal and state governments might assume there is good will and that we are committed toward these goals of equal opportunity. The time has come, moreover, to spend public money to help attain those goals, rather than establishing more policies. President Parks said the federal effort is devoted almost exclusively to policies, while practically none are devoted to helping find the right people for the job. In summary, he said the state's commitment should not take up more time and resources than necessary.

President Petersen reiterated the board's policy of commitment to excellence, no matter what kind of program is involved. President Boyd commented, however, that it is important to find out where the legislature feels the board could improve with respect to discriminatory issues. He expressed eagerness to improve in any area possible.

Regent Belin said a positive thrust should be portrayed to the legislature with respect to the state's compliance efforts. She reported that it should be reported that if more funding would be available for the affirmative action effort, the board, itself, would go beyond the initial stages of compliance. Mr. Richey said that point will be relayed to the legislature.

Legislative Liaison Hawkins asked if an estimate could be provided as to the cost of one year's implementation of House File 2055. He reported that the Department of Public Instruction provided a cost estimate totaling \$700,000 for same. President Boyd responded by saying this is a very sensitive issue. He noted that while he could provide some kind of cost estimate, it should also be pointed out that a lot of money is being spent of the universities' own volition to comply.

President Kamerick said the legislature should be made aware of all the agencies now involved in discriminatory matters. He said if that fact is conveyed, the legislative committee may reconsider the necessity for House File 2055.

President Petersen emphasized that the board's discussion encompassed much more than just the matter of discrimination. She said the board needs to ascertain the level of quality of programs that are designed affirmatively, going beyond just the requirements of nondiscrimination.

Mr. Richey said a report with respect to affirmative action at the universities will be presented the board at the March Board of Regents' meeting.

President Petersen reported that discussion pertaining to the Midwest Regional Compact would be found under the Iowa Coordinating Council for Post-High School Education report in the minutes, which follows.

IOWA COORDINATING COUNCIL FOR POST-HIGH SCHOOL EDUCATION MEETING. The board was presented a brief report of the Iowa Coordinating Council for Post-High School Education's meeting of January 5, 1978.

President Petersen requested nominations by the institutions for the appropriate personnel to serve on the task force that will be studying reciprocity.

Discussion then turned to the Midwest Regional Compact. The Board Office recommended that the board take no official position on this matter. Mr. Richey reported that Mr. Barak of the Board Office has been attending meetings with respect to the compact proposal. President Petersen said she approved of the exchange of information among the universities. She asked, however, if the Midwest Regional Compact proposal would really benefit the board that much. She noted that the crux of the issue revolves around whether this proposal would put an overburden of administrative and organizational detail on an area where simple mechanisms in relationships between people and between organizations could provide basic information, research and studies without creating a financial expense. President Petersen also noted that the board now has no difficulty in obtaining information from its counterparts in other states. Mr. Richey responded to President Petersen by saying that while information is readily available upon request from other counterparts, it is oftentimes not in uniform status. The effectiveness of such informational requests would be a real benefit to the board by involvement in the Midwest Regional Compact.

Mr. Barak reported that there are varying state reactions to existing compact arrangements in other regions. He said that generally speaking, he has heard a lot of negative comments about the New England Board for Higher Education. He noted, however, that he had not heard any critical comments about the Southern Regional Education Board and these reactions may be related to the fact that there is a higher proportion of educators than governmental representatives.

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Regarding the composition of the state representatives in the proposed Midwest Regional Compact, Mr. Barak reported that Iowa's delegation is to consist of five persons: 1) the Governor or the Governor's designee, 2) two legislators, 3) two citizens from the field of education. Mr. Barak reported that in terms of an educational representative, there may only be one. Mr. Barak indicated that the difficulty in obtaining a single representative of all post-secondary education in Iowa is a real concern. Regent Wenstrand said a representative of education would need to be a person involved with the state's educational institutions, either directly or indirectly. He said preferably they would need to be directly involved.

Regent Belin commented that although she was not fully aware of the implications of the proposed compact arrangement, she viewed participation as "another layer" and a lot of money. She said that while it doesn't seem as though a large initial investment would be required, sometimes arrangements such as this "develop a life of their own." She recommended money be used, instead, to continue informal relationships with Iowa's counterpart agencies.

Regent Bailey said his viewpoint regarding the Midwest Regional Compact is a negative one. On the other hand, he said he would be disinclined for the board to take an official position opposing it. He supported his remarks by saying this proposal has a great deal of legislative support. He noted, however, that he would not want it to appear that the board was being uncooperative by not joining the proposed arrangement. In summary, he suggested the board take a neutral position on the matter. President Boyd seconded Regent Bailey's "neutral" position on the matter.

President Petersen said she felt that if the board's discussion would be pointed out to the legislature, both the strengths of the compact's principle and the weaknesses and still maintain a neutral position, she would be satisfied. Mr. Barak concurred with a position of neutrality.

Mr. Barak reported that each state involved in the compact must ratify the agreement in identical form. He also noted it would be difficult to make wording changes in the proposed agreement after ratification by the required number of states.

HIGHER EDUCATION FACILITIES COMMISSION MEETING. Regent Bailey presented the board with a report of the recent meeting of the Higher Education Facilities Commission.

Regent Bailey reported that it has been a policy of the Higher Education Facilities Commission to not release the names and addresses of Iowa students who have been designated under the scholarship program. After seeking an Attorney General's opinion on the matter, though, an indication was given that such names should be released upon request. However, there may be a charge for such information. Regent Bailey reported that the commission intends to refrain from advertising or soliciting any purchasers of the information.

Regent Bailey informed the board that a meeting was held on January 12 involving the directors of the five regions involved in the life-long learning matter. Regent Bailey reported that each region will receive \$9,000 for pursuit of the objective in the respective regions. He added that a few thousand dollars of the total grant will be withheld to help individual regions(s) if they are doing extrameritorious work or need additional funding.

Regent Bailey commented that the Governor's task force on the matter of guaranteed student loans has been meeting frequently and a report on same is expected in February. Regent Bailey said the matter involves whether or not the state should again activate its Guaranteed Student Loan Program.

MENTAL HYGIENE COMMITTEE REPORT. Regent Bailey provided the board a brief summary of the recent Community Mental Health Centers Association meeting he attended.

Regent Bailey stated that students from the University of Iowa's physician's assistant program have indicated a desire to have clinical experience at the community mental health centers as a part of their educational program. It was indicated, however, that the students could spend only two to four weeks at an individual center as part of their educational program. The attitude of the centers was that that time period would not be long enough and, therefore, reticence was expressed about going forward with the proposal.

Regent Bailey commented that the Community Mental Health Centers Association is proposing to set up its own organization, apart from the Mental Health Authority. He said the proposal is due to the needs for additional service and availability of funds.

Regent Harris asked how many community mental health centers Iowa has. Regent Bailey said some centers include several counties and some include one county only. There are also a few counties that contain no mental health centers. He estimated a total of 33 centers in Iowa.

REQUEST OF FACULTY MEMBER FOR A HEARING. The Board Office recommended that the board grant the request of Charles Quirk for a review on the written record with written briefs and that the review be scheduled for the March 1978 meeting of the Board of Regents.

The Board Office reported that Dr. Charles E. Quirk, University of Northern Iowa faculty member, requests board support for the recommendation of the Department of History in the spring of 1976 that he be promoted to full professor, with corresponding adjustment in his salary (retroactive to fall 1976) to reflect the standard increment given for promotion to the rank of full professor.

As background, the board was informed that in February of 1976, Dean Robert E. Morin of the College of Business and Behavioral Sciences announced his decision to withhold support for the recommendation from the Department of History that Dr. Quirk be promoted to full professor. It was noted that Dr. Quirk has exhausted all possible remedies within the institution and was now requesting the board review the final institutional adjudicatory order.

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The Board Office noted that Dr. Quirk did not choose the option of using the appeal process provided in the collective bargaining agreement recently negotiated with the University of Northern Iowa's United Faculty. Instead, Dr. Quirk chose the previously existing appeal process.

Mr. Richey recommended the board hear Dr. Quirk's appeal, based on the written record, at the March board meeting. Mr. Richey noted that his recommendation had the full concurrence of officials of the University of Northern Iowa. The reason for recommending action at the March board meeting was to provide the parties involve sufficient time to properly prepare documentation of the case and for board members to review the documentation.

MOTION:

Mr. Harris moved the board grant the request of Charles Quirk for a review, with said review to be on the written record and written briefs, and, further, that the review be scheduled for the March, 1978, meeting of the Board of Regents. Mrs. Belin seconded the motion and it passed unanimously.

INTERAGENCY COOPERATIVE AGREEMENT WITH THE DEPARTMENT OF PUBLIC INSTRUCTION.

The Board Office reported that while no action was required at this time regarding the Interagency Cooperative Agreement with the State Board of Public Instruction, comments would be welcomed regarding the proposal.

Board members were reminded that on several occasions mention has been made of the development of an Interagency Cooperative Agreement between the State Board of Regents and the State Board of Public Instruction relating to the implementation of Public Law 94-142, the Education for All Handicapped Children Act of 1975. The Board Office staff has met on several occasions with representatives from the Department of Public Instruction for the purpose of drafting an Interagency Cooperative Agreement that spells out the way in which the requirements of Public Law 94-142 will be implemented in Iowa. This agreement would establish general operational procedures and an administrative relationship between the Iowa State Board of Regents and the Iowa Board of Public Instruction, which will enable the state to be in compliance with the provisions of the act and its attendant regulations.

At the last meeting with representatives of the Department of Public Instruction, a draft agreement was proposed. This agreement has been shared with all five institutions under the Board of Regents for their review and comment. As a result of this review and opportunity for comment, four changes were proposed in the draft agreement. The changes included: a) recognition of medical responsibility, b) consultation with the Board of Regents, c) scope of review, and d) format. The Board Office reported that the Department of Public Instruction agreed to make appropriate changes with respect to items b, c, and d but expressed disagreement over the necessity for the medical responsibility statement.

The Department of Public Instruction didn't see a need for the statement that "only physicians may practice medicine" in the agreement, since the agreement concerns only education. Consequently, the Department of Public Instruction representatives suggested that in place of the statement

proposed, that a statement be included which indicates that the scope of the agreement covers only educational programs and does not concern medical, dietary and other matters. The Board Office reported that it tentatively agreed with the suggested change, pending further contact with the representatives from the University of Iowa. Vice President Martin reported that he has been advised that the college of education deans have been made aware of the above changes in the agreement and have expressed no objection.

President Boyd commented that the State Services for Crippled Children is involved with this agreement. He suggested the interinstitutional committee involved in discussing this matter, along with the educational deans, discuss this, also. He said that in the light that the medical side of the agreement is necessary. Mr. Richey said this matter will need to be renegotiated and brought back to the board. Mr. Barak added that while the representatives from the Department of Public Instruction agree with the need for medical examinations, they simply do not feel it should be included in this agreement which covers only education. Mr. Barak indicated that there would be further discussion with the Department of Public Instruction on the "medical responsibility" statement.

VEHICLE PURCHASE AND DISPOSAL POLICY FOR 1978. The board was requested to approve a policy statement which will govern the purchase and disposal of vehicles by Board of Regents' institutions for the next year.

The Board Office reported that House File 814 removed the statutory limits on purchase of state motor vehicles. Under that legislation, the State Executive Council is required to approve the purchase price of all vehicles purchased by the State Vehicle Dispatcher. This requirement does not apply to Board of Regents' institutions in that the board is exempt from the requirement that the State Vehicle Dispatcher shall purchase all new motor vehicles for state agencies.

For the past several years, despite the exemption, a spirit of close cooperation has developed between the Board of Regents' institutions and the State Vehicle Dispatcher in the joint purchase of motor vehicles. The State Vehicle Dispatcher received bids for 1978 model vehicles on December 21. His recommendations on vehicles to be purchased were presented to the State Executive Council on January 16. A total of 169 vehicles for the Board of Regents' institutions was listed with the State Vehicle Dispatcher in the continuation of the cooperative venture between the institutions and the dispatcher. One hundred two of these vehicles were covered in the December 21 bid opening. The remaining 67 vehicles, consisting of pickups and special-type vans, will be covered in a later bid opening on trucks.

The Board Office reported that for the past two years the board has adopted an annual policy statement on purchase and disposal of motor vehicles by the board's institutions. These policy statements have been drafted in cooperation with the Regents' Purchasing Committee. The policy statement proposed was virtually identical to that adopted by the board in November, 1976, for the 1977 model year, with the following exceptions:

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1. The Vehicle Dispatcher and the state of Iowa have continued a policy to reduce the size of vehicles purchased. This year, there were approximately 80 full-sized sedans purchased as compared to 274 mid-sized, compact and subcompact vehicles. The Board of Regents' institutions listed only two full-sized sedans with the dispatcher. These vehicles will be utilized by Iowa State University for veterinary medicine where a larger car is required because of the number of passengers and the amount of equipment which is carried. Generally, the Board of Regents' institutions intend to purchase mid-sized sedans or smaller cars during the coming year. The only other exception is that the state intends to purchase five diesel engine automobiles of which the University of Iowa will purchase two for testing purposes as to maintenance costs over the life of the vehicle, etc.
2. Last year's policy statement stated that the primary method of purchasing security vehicles was by bids taken individually and jointly by Regents' institutions, whereas this year's statement has such security vehicles being purchased primarily on open-end contracts with the State Vehicle Dispatcher.

The Board Office intends to request that the board annually adopt a policy statement on purchase and disposal of vehicles at Regents' institutions. Such a policy statement is quite necessary to ensure that the integrity of the exemption granted to the Board of Regents is maintained, as well as to ensure that the institutional vehicle purchases are not markedly different than purchases made by the State Vehicle Dispatcher for the rest of state government.

Regent Harris asked why the Board of Regents is exempt from the requirement that the vehicle dispatcher purchase all state vehicles. Mr. Richey responded that the Board of Regents is exempt from a number of state centralization measures because of the fact that it has a large operation with highly-skilled purchasing officials and professionally-run operations.

The policy statement is on file in the Board Office.

MOTION:

Mr. Bailey moved the board approve the policy statement which will govern the purchase and disposal of vehicles by Board of Regents' institutions for the next year. Mr. Harris seconded the motion and it passed unanimously.

BONDING FOR BOARD OFFICE EMPLOYEES. The board was requested to accept a report on employee bonding for the Board Office.

The Board Office reported that currently none of the employees of the Board Office are covered by any type of security bond. The question as to the necessity of bond coverage for Board Office employees arose in conjunction with the discussion regarding the resolution for transfer and sale of securities held by the institutional treasurers. The reorganization of the Board Office in 1966 abolished the Finance Committee. The board decision included the elimination of the bonding requirement heretofore required for members of the Finance Committee.

During discussion with personnel in General Services Administration regarding its survey of departmental bonding needs, it was indicated that the amount of cash actually handled in the office is the most important consideration in determining the need for bonding. A negligible amount of cash actually is handled in the Board Office, and the potential loss thereof is minimal. The Board Office accountant handled payroll checks and checks that are made out to the institutions. It was reported that the likelihood of misuse appeared relatively negligible. Payroll and other reimbursement checks for personnel in the Board Office would appear to be the most likely source for potential abuse. The amount of cash held by the Board Office accountant rarely ever exceeds \$3. When the amount reaches the \$3 to \$5 range, the money is deposited in the Board Office account.

The Board Office noted that there is a secretarial position in the Board Office to which responsibility has been assigned to handle the processing of sales tax refunds for the Regents' institutions. The sales tax refund responsibility involves the transmittal to the institutions of checks which vary in amounts from a few dollars up to a couple of hundred thousand dollars.

It was noted that there is a minimal cost to obtain security under bonding. In discussion with the State Treasurer's Office, the Board Office determined that the cost of coverage on an annual basis for the \$15,000 limit is approximately \$20 per person.

It was noted that the need for security bonding appears rather limited. However, should the board determine that bonding be obtained for the Board Office employees, the following positions were recommended for coverage by a blanket bond at the \$15,000 level: executive secretary, budget director, director of facilities and business management, accountant, and secretary.

The Board Office indicated that the first three positions related to individuals authorized to sign for the transfer of securities by the institutions. The accountant position deals primarily with the concerns arising from payroll and reimbursement checks and also the dividend checks. The secretarial position handles the sales tax refund checks. The approximate annual cost of obtaining this level of bond coverage would vary between \$50 and \$100. This would bring the Board Office into line with the bonding policy in the majority of other state agencies. Once the desired level of bonding and number of people for which bond coverage is required has been determined, General Services Administration will handle the transactions necessary to obtain that coverage. While the relative gain in security through bonding may be rather limited, bonding does cover a potential area for problems in financial transactions and increases the overall security for Regents' financial transactions.

Mr. Richey reported that the Finance Committee which was abolished in 1966 formerly included the board's executive secretary and two Board Office staff members. He said the bonding requirement was dropped when the Finance Committee expired. Mr. Richey reported that almost 12 years have now gone by since employees were bonded in the Board Office and there have been no losses experienced. That does not mean, however, that there won't be a loss next week, for example.

Mr. Richey said he was more concerned about eliminating the possibility of any wrongful action than insuring for them. He said \$15,000 really doesn't provide much protection, but it is probably enough in terms of the opportunities for stealing that are in the office and also considering the degrees of risk.

Regent Harris reported he felt it would be good public practice to accept bonding at the \$15,000 level as recommended by the Board Office.

MOTION: Mr. Harris moved that the following Board Office positions be covered by a blanket bond at the \$15,000 level: executive secretary, budget director, director of facilities and business management, accountant, and secretary. Mrs. Belin seconded the motion.

President Petersen noted that the motion does not imply that the Board Office is not to try to continue to prevent embezzlement from happening.

President Kamerick reported that the University of Northern Iowa has approximately 3,000 employees with about 200 of them handling money. He said insurance coverage amounts to \$500 to \$600 for those 200 employees. Mr. Richey asked if there was a possibility that the Board Office employees could be covered under the University of Northern Iowa's policy. President Kamerick said he would check into the matter.

Mr. Richey then asked Regent Harris if his motion would approve of a \$20,000 bonding level, rather than the \$15,000 level. Regent Harris responded in the affirmative.

VOTE ON MOTION: The motion passed unanimously.

COLLECTIVE BARGAINING. The board was presented information items relating to: 1) the United Faculty at the University of Northern Iowa, 2) Technical Unit/Fiscal and Staff Unit, and 3) Clerical Unit.

In absence of objections, President Petersen accepted the informational reports for the board relating to collective bargaining.

BOARD OFFICE PERSONNEL REGISTER. The board was requested to approve the following personnel actions for Board Office employees:

Merit Increase

Bonita Fagerstrom, Secretary II, from \$8,996 to \$9,412 annually after merit evaluation, effective December 23, 1977.

Robert J. Barak, Director of Research and Information, from \$22,022 to \$24,310 annually, effective January 20, 1978. The Board Office reported that if Dr. Barak had received the normal merit increases based on performance evaluations during his service since 1973, his salary would have been established at \$24,310 as of July 1, 1977. The proposed mid-year adjustment was designed to correct an inequity and to recognize his meritorious performance.

The board was also requested to change the position of Test Validation Analyst to Examination Program Administrator with expanded duties and responsibilities as shown in a description presented the board, and that the position be reassigned from pay grade IV (\$13,780 - \$19,110) in the Board Office Professional Pay Plan to grade V (\$15,028 - \$21,034). Such reassignment was indicated by a point count evaluation of the proposed new position.

The board was also requested to reclassify the incumbent Test Validation Analyst, Frances Gundrum and promote her to the new class at an annual salary of \$15,158, effective January 20, 1978, which represents a five per cent increase (rounded to the nearest number divisible by 26) over her present salary of \$14,430. The five per cent increase is consistent with that provided under the Merit Rules for a one-grade promotion.

The board was, therefore, also requested to abolish the position of Test Validation Analyst.

MOTION:

Mr. Harris moved the board approve the actions reported in the Board Office Personnel Register as shown above. Mr. Bailey seconded the motion and it passed unanimously.

NEXT MEETINGS.

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

President Petersen reported that she would keep board members informed as to the schedules for the long-range planning seminars. She suggested recommendations for the scheduling of the long-range planning seminars from the institutions.

President Petersen asked board members and institutional executives if there were additional matters to be discussed under the general or miscellaneous portion of the minutes. There were no additional matters raised for discussion.

STATE UNIVERSITY OF IOWA

The following business pertaining to the State University of Iowa was transacted on Friday, January 20, 1978.

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

FACULTY DEVELOPMENTAL ASSIGNMENTS, 1978-1979. The board was requested to approve the faculty developmental assignments for the 1978-79 academic year.

The university requested approval of faculty development assignments (leaves) for 91 faculty member for the 1978-79 school year at an estimated replacement cost of \$65,000. Last year, 96 leaves were requested; the year before, 77.

MOTION: Mr. Bailey moved the board approve the faculty developmental assignments for the 1978-79 academic year for the State University of Iowa. Mr. Harris seconded the motion and it passed unanimously.

PROPOSED PH.D. IN LINGUISTICS AT THE UNIVERSITY OF IOWA. The Board Office recommended that the board refer the Ph.D. proposal in Linguistics to the Interinstitutional Committee on Educational Coordination for review and recommendation.

The University of Iowa proposes to terminate its present Ph.D. in Cultural Anthropology and Linguistics and create in its stead a Ph.D. in Linguistics. This change is necessitated by the development of the discipline of linguistics as an independent discipline, but one related to a number of supporting social science, language, and other fields. A university structure that will allow doctoral students to develop major emphases of study related to the structures of the field of linguistics is necessary if the program's graduates are to secure teaching positions, the primary employment opportunity for doctoral graduates.

MOTION: Mrs. Belin moved the board refer the proposal for a Ph.D. in Linguistics to the Interinstitutional Committee on Educational Coordination for review and recommendation. Mr. Harris seconded the motion.

Regent Bailey asked what the connection between mathematics, computer science and speech pathology is to the linguistics program. Vice President Brodbeck responded that modern linguistics has become an extremely sophisticated subject. She reported that all of the above areas impinge upon the study of the nature of language and how it is learned.

Regent Bailey asked if the proposed program is a necessary one. Vice President Brodbeck responded that his question was a legitimate one in that there are programs, sometimes, for which there is not an enormous

market. She reported that the request for this Ph.D. comes from persons within the linguistics field as well as from related fields.

Regent Bailey inquired as to whether funds would be involved with the proposal before the board. Vice President Brodbeck indicated there are no funds involved. She said in view of that fact, it does not seem unwise to want to offer this option to students who are sufficiently interested.

VOTE ON MOTION: The motion passed unanimously.

PROPOSED CHANGE IN ENGINEERING GRADUATE PROGRAMS AT THE UNIVERSITY OF IOWA. The Board Office recommended that the proposed changes in the Engineering Graduate Programs be referred to the Interinstitutional Committee on Educational Coordination for review and recommendation.

The Board Office reported that the College of Engineering at the University of Iowa was proposing to change the titles of three of its graduate programs:

- 1) from Chemical Engineering to Chemical and Materials Engineering
- 2) from Civil Engineering to Civil and Environmental Engineering
- 3) from Electrical Engineering to Electrical and Computer Engineering

The College of Engineering would also terminate the graduate programs in Environmental Engineering and in Mechanical Hydraulics (because these would be assimilated by the new structures) when the students currently enrolled have completed their program or transferred to the newly created programs. Once the new titles were accepted, admissions to these two assimilated programs would be suspended.

MOTION: Mr. Brownlee moved the board refer the proposed changes in the Engineering Graduate Program to the Interinstitutional Committee on Educational Coordination for review and recommendation. Mrs. Belin seconded the motion.

Regent Bailey asked if the changing of the graduate program Electrical Engineering to Electrical and Computer Engineering would substantially limit the number of employment opportunities for students carrying that degree program. Vice President Brodbeck reported College of Engineering personnel do not feel there will be a limitation. That type of title, in fact, is presumably fairly common throughout the country. She noted that electrical and computer matters are very closely related.

Regent Bailey asked if the university's recommendation would eliminate the Mechanical Hydraulics program as a graduate program. Vice President Brodbeck responded affirmatively. Vice President Brodbeck read a portion of a letter from John F. Kennedy, Professor and Director of the university's Institute of Hydraulic Research, stating that he could foresee no adverse effects pertaining to the university's recommendation. He indicated that the institution would benefit from such proposed changes.

President Boyd said he felt it was a great move that the engineering program is pooling its resources together to make the best

possible program. President Boyd reported that the name changes would more accurately describe what actually exists at the university.

Regent Bailey expressed concern that the Mechanical Hydraulics program would be eliminated from the university. Regent Harris expressed disagreement with Regent Bailey's concern by saying the change in title doesn't really change the substance of the program. He added he feels the change in title reflects a step in the proper direction. President Boyd said he appreciated Regent Bailey's concern because the Mechanical Hydraulics program is a great distinction of the university.

VOTE ON MOTION: The motion carried with Bailey voting nay.

President Boyd said Regent Bailey's concerns would be relayed by Vice President Brodbeck to the Interinstitutional Committee on Educational Coordination.

QUALITY ASSURANCE ACTIVITIES AND OTHER DELEGATED FUNCTIONS AT THE UNIVERSITY OF IOWA HOSPITALS AND CLINICS. The board was requested to:

- 1) Accept a report of the University Hospitals and defer the accreditation report of the Joint Commission on Accreditation of Hospitals pending the usual review of this accreditation by the Board Office.
- 2) Approve the proposed process for the University Hospitals to provide the Board of Regents with similar reports every three months.
- 3) Approve the proposed bylaw changes to the University Hospital Bylaws.

The board was presented a report submitted by the University Hospitals to provide an accounting of actions that have transpired under governance functions delegated to the University Hospital Advisory Committee by the Board of Regents in December 1976. It represented the first of a series of reports that the university recommended be made every three months in order to keep the board apprised of the performance of University Hospitals in delegated areas of responsibility. The Board Office reported that this information should be extremely helpful and informative to board members in their role as hospital trustees.

The first report highlighted the University Hospital Quality Assurance Program (Patient Care Evaluation and Utilization Review Studies), and clinical staff credentialing performance. The submission also included five amendments to the University Hospital Bylaws, designed to make the bylaws more compatible with the standards of the Joint Commission on Accreditation of Hospitals, and to more clearly document the University Hospitals' present operating protocols. The report included a section on the Joint Commission of Accreditation of Hospitals which conducted a recent on-site survey of the University Hospitals and subsequently awarded the University Hospitals full accreditation for one year. The usual procedure for reporting the results of accreditation matters, as provided in the Regents' Procedural Guide, is to have such activities included in the general docket following receipt and review of all pertinent reports concerning the accreditation visit by the Board Office. It was recommended that this procedure continue to be followed and that the board defer acceptance of this portion of the report until appropriate materials

have been provided to the Board Office and the Board Office has an opportunity to prepare a report for the Regents.

Mr. Richey stated that the Board Office had now received the accreditation report and that the board should go ahead and accept the report. The additional information will be mailed to board members in the future. This accreditation will be handled the same as all the others.

Board members were informed that the amendments to the University Hospital Bylaws have been approved by the University Hospital Advisory Committee and President Boyd. The amendments were designed to make the University Hospital Bylaws compatible with standards of the Joint Commission on Accreditation of Hospitals and to more clearly document University Hospitals' present operating protocols relating primarily to the delineation of clinical privileges.

President Boyd stressed the importance of keeping the board systematically apprised of what is occurring at the University Hospitals by quarterly reports.

John W. Colloton, Director of University Hospitals and Clinics, introduced several representatives of University Hospitals who were present for discussion: Stephen L. Ummel, Associate Director; Robert D. Miller, Assistant to Director; Paul M. Seebohm, Professor, Medicine Administration; Kenneth H. Yerington, Director, Financial Management; David H. Vellinga, Director of Planning, Health Services Administration.

In a brief introduction, Director Colloton informed board members of the composition of the Joint Commission on Accreditation of Hospitals. He indicated that the JCAH is the recognized accrediting body for the nation's 7200 hospitals. Mr. Colloton reported that at the present time fully accredited hospitals are reviewed at two year intervals.

Mr. Ummel orally presented the board with a run down of the University Hospitals and Clinics' functional chart of organization. He also provided members of the board with a copy of the chart. He noted that the university has over 100 members of its clinical staff involved in various quality assurance activities and a like number who are doing patient care evaluations.

Mr. Seebohm reported regarding the clinical aspect of University Hospitals. He said that individual faculty members who are recommended for clinical privileges by the department chairman are reviewed. Emphasis is placed on the training, privileges acquisition, certification, etc. The review for clinical privileges is carried out by a subcommittee of the hospital advisory committee which is divided into two panels: 1) surgical panel and 2) medical panel. These panels review the applications and make recommendations to the hospital advisory committee and its recommendations then go to the dean and president of the university. Mr. Seebohm commented that the university, since he has been employed there, had had no instance of loss of privileges or appeal for same.

Regent Bailey asked how the university views the effectiveness of its programs in terms of the perception of human warmth of the institution. Mr. Colloton stressed the fact that the human aspect has a great deal to do with the success of a person's recovery. He added that aspect of the University Hospitals is very significant. He reported that the university has an entire staff of patient service representatives for that purpose. They talk to patients, relatives, and visitors to find out what the problems are and what their perceptions are of the institution.

Regent Harris noted that public relations begins with the nurse and the doctor. He added that there are actually so many different individuals involved in a patient's care that it would be difficult to come up with a master plan. Mr. Colloton said that sometime in the future the university will present the board a report on the humanistic approach the university portrays with its patients.

President Boyd noted that the University of Iowa's Hospitals are self-supporting which, in effect, means they have to attract patients by offering better service.

Regent Harris asked a question with respect to the bylaws. He inquired as to the definition of "moral conduct." Mr. Miller responded that as long as one is carrying out his or her duties as a physician in a proper manner, his or her personal life is not considered.

The changes recommended in the bylaws were designed to make them more compatible with standards of the Joint Commission on Accreditation of Hospitals and to more clearly document present operating protocols relating primarily to delineation of clinical privileges. A brief summary of the changes follows:

Article IV, Section 5, Part F

This part was amended by adding words to clarify the process for selecting examining physicians whose services may be needed in the completion of annual review of each staff member's clinical privileges.

Article IV, Section 5

This section was amended in order to comply with accreditation requirements for provisional status of initially-granted clinical privileges.

Article IV, Section 3 Part E (1) (a) and Section 4, Part B

These items were amended to add words to clarify the status of "fellow associate" members of the clinical staff.

Article IV, Section 3, Part E (1) (b)

This item was amended to cross out words to eliminate duplicative review in granting dental clinical privileges.

Article IV, Section 4, Part E

This part was amended to comply with accreditation standards on temporary staff privileges that require granting by the director or his designee.

MOTION:

Mr. Harris moved the board accept the report of the University Hospitals and accept the accreditation report of the Joint Commission on Accreditation of Hospitals pending the usual review of this accreditation by the Board Office; approve the proposed process for the University Hospitals to provide the board similar reports every three months; and approve the proposed changes to the University Hospital Bylaws. Mrs. Belin seconded the motion.

Regent Harris commended Mr. Colloton and his associates for their excellent presentation.

Regent Harris reported that since board members are to act as trustees of the University Hospitals, they would be in a much better position if he and they would receive the monthly minutes of the Hospital Advisory Committee. He said by receiving those minutes, the board would be promptly informed of anything it needed to know about rather than having to wait for the quarterly reports. Regent Shaw responded to Regent Harris by noting President Boyd represents the board at the monthly meetings and it is President Boyd's responsibility to promptly report items which demand the board's attention to the board at the monthly Board of Regents' meetings. Regent Harris said he realized President Boyd was the board's representative but noted that the board's familiarization with the hospital would be enforced if it received the monthly minutes.

President Boyd reported that he has taken very seriously his responsibilities with respect to the University Hospitals. He noted that he is probably one of the most active university presidents in health services in the country. He said he analyzes all of the hospital matters and brings to the board's attention those matters which deserve board attention. He noted that if the board wanted minutes of all of the university's faculties, the board would be overwhelmed with the quantity of material they would receive.

Regent Brownlee supported Regent Harris's request for minutes of the Hospital Advisory Board meetings. He said minutes of University Hospital meetings would be different than minutes of other faculty meetings. President Boyd reported that while the university could consider distributing such minutes to individual board members, he felt oral and written quarterly reporting would be much more effective than written minutes reports.

In response to President Boyd, Regent Harris said his request did not mean he wanted to eliminate quarterly meetings. He requested the minutes in addition to what the board is already receiving.

President Petersen recommended the board consider requesting minutes of the University Hospital meetings after the board has experienced a couple of the quarterly meetings. She noted that Regent Harris' request was a legitimate one but in order to avoid unnecessary sending of material, she suggested quarterly reports initially, only.

VOTE ON MOTION:

The motion passed unanimously.

UNIVERSITY HOSPITALS - ROY J. CARVER PAVILION: PHASE B PROJECT. The board was requested to:

1. Hear a presentation on the project.
2. Approve the project, schematic plans and a \$13,135,000 project, which includes \$2,000,000 for associated utilities and \$11,135,000 addition.
3. Authorize the university to negotiate a contract with Hansen Lind Meyer, Iowa City, Iowa, for architectural services with the understanding that this contract shall be brought forward for board approval no later than the February meeting, and that the contract shall be negotiated utilizing the standard agreement of the Board of Regents, as revised November, 1977, and that the only accepted method of compensation as contained in the agreement is either a fixed fee or a multiple of direct personnel expense with a fixed maximum.
4. Approve the selection of the university architect's office as inspection supervisor.
5. Approve a draft of a concurrent resolution for hospital bonding authority and authorize the introduction of this resolution to the 1978 Legislature.

The Board Office reported that the University of Iowa presented for board approval a project to add 132,062 gross square feet to the University Hospitals complex. The project involves the addition of three inpatient floors, a mechanical floor and a penthouse to the Roy J. Carver Pavilion, now nearing completion. Also included in the project would be a two-story "shell" addition to the clinic or west sector of the Carver Pavilion.

The Board Office reported that the cost of constructing the addition is estimated to be \$11,135,000 financed by \$10,000,000 in Hospital Revenue Bonds and \$1,135,000 in University Hospital Building Usage Funds.

A total of \$12,000,000 in Hospital Revenue Bonds would be sold with the additional \$12,000,000 going toward utility projects directly related to Phase I - B. These utility projects include:

Chilled Water Plant - Phase III (\$1,765,000)

This expansion includes an increased capacity of the chiller plant of 1,000 tons and an expansion of the cooling tower of 2,500 tons. This capacity expansion is above the requirements needed directly for Phase I - B, but since it is more economical to expand capacity in large increments, it would be understood that the total capacity would be available for future hospital expansions.

Low Pressure Steam Connection (\$115,000)

This project is needed to provide better reliability between the turbine generator and the absorber chillers on the entire west campus.

Looped Electrical Feeders from 69/13.8KV Substation (\$120,000)

The total of the above three projects amounted to \$2,000,000.

In addition, the university listed \$1,780,000 in additional utility projects that will be needed because of the construction of this addition, but which are indirectly related to the project. The university proposed that those costs be sought from the State General Fund. Projects involved are:

Construction of Additional Electrical Substation on the West Side of the River (\$800,000)

The Board Office reported that this project is needed because the completion of Phase I - B results in a situation where peak loads will cause the university to exceed its total university capacity. That situation would be created whenever any building was constructed on campus; therefore, the university feels that it should be charged to the State General Fund. It will be necessary for this particular project to be funded in the 1979 Legislative Session, and is an add-on to the \$3,000,000 in utility needs of the University of Iowa listed in the Ten-Year Building Program for the 1979-81 period. In addition, the university indicated that while it could struggle along with the \$120,000 project on looped electrical feeders from the 69/13.8KV substation, a preferable course would be to construct a larger system that would allow the purchase of electricity for the entire system, when it is uneconomical to produce its own electricity and the cost of that project would be \$600,000.

The university also indicated that it will eventually request a project to provide an electrical interconnection between Burlington Street and the aforementioned new West Side Substation. That project would cost an additional \$500,000.

To summarize, the Board Office reported that \$2,000,000 in utility projects are needed directly because of Carver Pavilion expansion and an \$800,000

project is going to be a high priority from the 1979 Legislature. Also, an additional \$980,000 in projects will be eventually required from state funds.

The university reported that the architectural selection committee on January 11 recommended award of contract to Hansen Lind Meyer of Iowa City, Iowa, to act as architect on this project. The university requested permission to negotiate a contract with this firm.

The Board Office recommended the university indicate why this firm was selected and what procedures were used to choose this firm and whether or not other firms were considered to provide these services.

The Board Office recommended that the university bring forth an agreement no later than the February meeting and that no work begins on this project until such time as an agreement is approved by the Board of Regents. Further, this agreement should utilize the Standard Agreement between Owner and Architect, as revised November, 1977. This standard agreement allows for only two methods of compensation — either a fixed fee or a multiple of direct personnel expense with a fixed maximum. Further, it was noted that prior arrangements with Hansen Lind Meyer have been based upon a percentage of construction costs, a method of compensation which is no longer acceptable, as per the work of the interinstitutional committee.

The university was reminded that the board expects to see any amendments or additions to the architect's contract on this particular project, as they are negotiated with the architectural firm. Finally, the project budget noted that the project has a line for construction management and the board should also be requested to approve any such contract for construction management that is to be carried out by an outside consultant, as compared to work done strictly by in-house forces.

The university proposed to utilize Chapter 263A of the Code of Iowa which permits sale of hospital revenue bonds after such bonds have been authorized by a constitutional majority of the General Assembly. The method for accomplishing such approval is by concurrent resolution. This copy has been revised by the board's bond counsel, Lyman Mitchell, and was proposed in the final version. After board approval of the resolution, it would be carried forth to the legislature for introduction.

The Board Office reported that the board cannot sell bonds until the resolution has been adopted by a constitutional majority of the General Assembly. Bonds can be sold immediately following the last action by the General Assembly and the resolution does not require a publication clause to become effective at that time. This is per an Attorney General's opinion gained when bonds were sold on a prior hospital revenue bond issue.

The type of bonds initially suggested would be 30-year level debt service bonds, as compared to the 20-year even principle bonds utilized for academic revenue bonds. According to the schedule established at this point, principal payments would be deferred until September 1, 1982. The first debt service payment would be on June 30, 1979, and would be for \$780,000. Beginning in 1982 through 2008, average annual debt service payments would be \$908,000. In addition, the university would make bond reserve deposits annually of \$108,000 and improvement reserve deposits annually of \$144,000. This schedule is still subject to review by bond consultant Paul Speer.

The Board Office reported that questions have been raised by the board's bond consultant over the wisdom of selling the bonds prior to the receipt of bids for construction. The board's bond consultant and the board's bond counsel have now become involved in this project and that question, as well as others, will be resolved over the next few months.

The projected operating costs for the Carver Pavilion - Phase B, based on 1977-78 costs per square foot, is \$243,000. The \$243,000 operating cost will be divided between indigent and private-paying patients according to the proportion of the operating budget supported by private-paying patients. Currently, that proportion represents approximately 73% of the budget. Thus, appropriations would account for \$66,000 and private-paying patients would account for \$177,000.

The hospital reported that the current total patient days of service to all patients is 314,000. The addition of operating cost per patient day was calculated by dividing the operating cost by the patient days. This calculation results in an increase of 78¢ per patient day.

The estimated debt service cost for the first year after construction will consist of interest cost of \$720,000 and depreciation of \$480,000 for a combined total debt service of \$1,200,000. The additional cost per patient day for debt service will be \$2.29 for interest and \$1.53 for depreciation. Thus, the total incremental operating, interest and depreciation costs per patient day will be \$4.60, which according to the hospital will represent an equivalent rate increase of 1.4% on the estimated charges to paying patients on July 1, 1980.

Mr. Richey asked if he understood correctly that University Hospitals do not include in its rate structure for indigent patients an allowance for building depreciation costs. Director Colloton responded affirmatively. Legislative Liaison Hawkins reported that no obligation to the state is involved with University Hospitals. President Petersen commented that depreciation expense of University Hospitals should be looked into further as to whether the state could bear some of those depreciation costs. Director Colloton commented that the University Hospitals soluditularily bears the depreciation costs.

Regent Bailey asked if the University Hospitals were contemplating a per day cost per bed in 1980 of \$328. Director Colloton responded affirmatively.

Regent Shaw said that from the standpoint of the bond market the sooner the board acts, the better.

Mr. Richey reported that he noticed that the interest charge for a 30 year pay off period would be pretty expensive. He indicated that the debt service estimate would be 5.5% for 20 years, 6% at 25 years, and a minimum of 6.5% at 30 years. In reviewing the cost estimates, Mr. Richey said that when you near the end of the payments on the 20 or 25 year maturity schedule, you start having heavier annual debt service costs in the neighborhood of \$100,000 per year. The question he posed, then, was whether the board should try to get the advantage of the lower percentage interest rate at 20 or 25 years. He said the board would then pay lower interest rates and get rid of the debt service faster, as well. Director Colloton responded that the university is currently awaiting Mr. Speer's recommendation as to

whether or not it is wise to pay off the costs in a period less than 30 years. He commented, however, that the hospitals would appear to be able to handle the \$100,000 per year additional debt service costs if the board took advantage of the lower interest rates.

Regent Bailey asked if there would be any objections to deleting the name of the architectural firm from the Board Office's recommendation. He said that by limiting the architectural work to the particular firm recommended, there is little maneuverability available. He suggested the university be granted the flexibility to make a choice with respect to the appropriate architect for the project. Vice President Jennings commented that the firm of Hansen Lind Meyer has gone through the architectural selection committee process. The firm was recommended for reasons of good performance as well as its association with the first phase of the structure. President Boyd agreed with Regent Bailey's reasoning, however, and said it would not be unreasonable to keep the option open for selection of an architect.

MOTION:

Mr. Brownlee moved the board:

- 1) Approve the project, schematic plans and a \$13,135,000 project, which includes \$2,000,000 for associated utilities and a \$11,135,000 addition.
- 2) Authorize the university to negotiate for architectural services with the understanding that a contract shall be brought forward for board approval no later than the February meeting, and that the contract shall be negotiated utilizing the standard agreement of the Board of Regents, as revised November, 1977, and that the only accepted method of compensation as contained in the agreement is either a fixed fee or a multiple of direct personnel expense with a fixed maximum.
- 3) Approve the selection of the university architect's office as inspection supervisor.
- 4) Approve a draft of a concurrent resolution for hospital bonding authority presented the board by the university and authorize the introduction of this resolution to the 1978 Legislature.

Mr. Harris seconded the motion.

Regent Harris commented regarding the Senate Concurrent Resolution before the board. He said it should be pointed out that Iowa has only one tertiary care center which helps keep costs down. It was agreed that this point would be noted orally rather than changing the approved resolution.

VOTE ON MOTION:

The motion passed unanimously.

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

The following construction contracts were recommended for approval:

Bids were opened on December 16 on the project - University Hospitals Pediatric Radiology Unit Remodeling. The executive secretary utilized Form C to refer the recommended award of contracts to the board for action, as the awards recommendations exceeded the approved project budget and a revised project budget requires approval along with award of contracts. Contracts awards were recommended as follows:

<u>General:</u>	Burger Construction Co., Inc., Iowa City, Iowa Base Bid of \$43,975, plus Alt. #1 of \$6,777 = Total Award of: (3 bids received)	<u>\$50,752.00</u>
<u>Mechanical:</u>	Jones Plumbing and Heating, Iowa City, Iowa Base Bid of \$9,700, plus Alt. #1 of \$1,810 = Total Award of: (4 bids received)	<u>\$11,510.00</u>
<u>Electrical:</u>	O'Brien Electrical Contractors, Iowa City, Iowa Base Bid of \$4,226, plus Alt. #1 of \$4,318 = Total Award of: (3 bids received)	<u>\$ 8,544.00</u>

The university also submitted a revised budget totaling \$73,806, which compared to the budget approved in September of 1977 of \$47,300. Source of funds remains University Hospital Building Usage Funds. The reason for the increase is to permit acceptance of the Alternate #1 bid to accommodate the most current radiographic and fluoroscopic x-ray unit, which required additional structure and utilities support beyond that in the base bid. Additionally, there were design changes made to incorporate the most recent fire safety codes within the new suite.

The following new projects were recommended for approval:

<u>University Hospital First Floor Psychiatric Hospital Remodeling</u> Source of Funds: Psychiatric Building Usage Funds	<u>\$ 97,300.00</u>
<u>University Hospitals and Clinics - Third Floor Internal Medicine Conference Room Remodeling</u> Source of Funds: University Hospital Building Usage Funds	<u>\$ 20,900.00</u>
<u>Public Lounge and Activity Room Burge Residence Hall</u> Source of Funds: Dormitory Improvement Funds	<u>\$310,000.00</u>

The Board Office reported that this project consists of renovating the main lounge on the first floor of the building as well as remodeling the former carnival room area in the basement, which is now used as an activities area. The project includes new floor, wall and ceiling finishes, air conditioning modifications, new lighting and new furnishings. These areas have not been refurbished since the building was constructed nearly 20 years ago.

<u>University Hospitals - Third Floor Patient Room Remodeling</u> Source of Funds: University Hospital Building Usage Funds	<u>\$ 29,700.00</u>
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MOTION:

Mr. Wenstrand moved the board approve the Register of Capital Improvement Business Transactions for the month of January 1978; approve the construction contracts shown above; approve the revised project budget; approve the new projects; and authorize the executive secretary to sign all necessary documents. Mrs. Belin seconded the motion and it passed unanimously.

JOHN F. MURRAY FUND. The board was requested to accept the John F. Murray Fund report for the quarter ending December 31, 1977, and ratify the changes therein.

MOTION:

Mr. Barber moved the board accept the John F. Murray Fund report for the quarter ending December 31, 1977, and ratify the changes therein. Mr. Shaw seconded the motion and it passed unanimously.

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

PERFORMANCE REPORT, IOWA STATE SERVICES FOR CRIPPLED CHILDREN. The board was presented a performance report of the Iowa State Services for Crippled Children for fiscal year 1977 covering the period October 1, 1976, through September 30, 1977, for informational purposes.

HOUSE FILE 2031, USE OF LAETRILE. President Boyd reported on House File 2031. It was noted that this act authorizes the manufacture, distribution, sale, prescription and use of the drug laetrile. All licensed physicians may prescribe laetrile for use in the treatment of cancer and a hospital or health care facility cannot forbid or prohibit the use of laetrile if prescribed by a licensed physician and requested by the patient.

President Boyd reported that a portion of the act indicates that the Pharmaceutical Board shall, with the advice of the University of Iowa, establish standards for the manufacture and preparation within the state of this drug. President Boyd said he did not feel it would be appropriate for any of the board's institutions to get involved with drug standards which is the responsibility of another governmental agency. He noted those standards are normally the responsibility of the Food and Drug Administration. He recommended the board oppose any legislation that would require its institutions to set standards for drug manufacture purity. He suggested the portion of the bill referring to the universities be eliminated.

MOTION:

Mr. Harris moved the board oppose any legislation that would require its institutions to set standards for drug manufacture purity. This would normally be the responsibility of the federal government. Mrs. Belin seconded the motion.

Legislative Liaison Hawkins reported there would be a public hearing regarding the matter of laetrile next week in the legislature.

VOTE ON MOTION:

The motion passed unanimously.

IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Friday, January 20, 1978.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the month of December 1977 were ratified by the board.

APPOINTMENT. The board was requested to approve the following appointment:

Jacqueline Dupont as Professor and Chairman of the Department of Food and Nutrition. The appointment as chairman is to be effective for the period June 1, 1978, through June 30, 1983. Salary \$35,000 per year, twelve months' basis, plus fringe benefits.

MOTION: Mr. Bailey moved the board approve the appointment of Jacqueline Dupont as described above. Mr. Barber seconded the motion and it passed unanimously.

APPOINTMENT. The board was requested to approve the following appointment:

Theodore Johnson as Acting Director of the Minority Program effective January 1, 1978, until a permanent director is selected. Salary \$25,500 per year, twelve months' basis, plus fringe benefits.

MOTION: Mr. Bailey moved the board approve the appointment of Theodore Johnson as shown above. Mr. Barber seconded the motion and it passed unanimously.

REPORT ON FACULTY IMPROVEMENT LEAVES. The board was requested to accept the report of Iowa State University on faculty improvement leaves for 1976-77.

The Board Office reported that 35 leaves were requested and 34 were taken. One faculty member substituted a leave without pay for his approved leave with pay. President Petersen asked what the final cost of the leaves was. Vice President Christensen responded the final cost was approximately \$54,000.

Regent Wenstrand asked what is included in the replacement cost. Vice President Christensen explained that when faculty members take a leave, persons are hired to replace same on a temporary basis. That cost in no way meets the same value of the salaries of the incumbents. He noted that it would be impossible for existing faculty to cover for the faculty member(s) on leave.

MOTION: Mr. Bailey moved the board accept the report of Iowa State University on faculty improvement leaves for 1976-77. Mr. Harris seconded the motion and it passed unanimously.

REQUEST FOR FACULTY IMPROVEMENT LEAVES, IOWA STATE UNIVERSITY, 1977-1978. The board was requested to approve the faculty improvement leaves for Iowa State University for 1977-78 (the 1978-79 academic year).

The Board Office noted that the university was requesting approval of faculty improvement leaves for 37 faculty members for the 1978-1979 academic year at an estimated replacement cost of \$95,000. Two of the leaves appeared to be professional development leaves. Last year, leaves for 35 faculty members were requested at a replacement cost of \$69,000. Mr. Richey reported that all of the females who requested leaves for the past two years have received them.

Vice President Christensen noted that the Board Office made specific references to comparative numbers of leaves granted to women and to the "unevenness" of the distribution among faculty ranks. He asked if that implied that the board or the Board Office wished faculty improvement leaves to be distributed according to some predetermined formula. He said that if that was desired, the university would have to instruct its departmental, college, and university-wide faculty committees to change their evaluation process. Mr. Richey and President Petersen responded that neither the Board Office nor the board was requesting that quotas be established by the institutions with respect to faculty improvement leaves.

Vice President Christensen reported that the cost for the faculty improvement leaves is an estimate. He commented that the estimated cost for last years' faculty improvement leaves was \$60,000 while actual cost came out to be a little more than \$54,000. He added that the number of persons applying for a leave and length of time the leaves are granted are used to compute the estimated cost.

Vice President Christensen said applications for faculty improvement leaves are improving year by year. He added that the university has faculty committees at departmental levels who look at the merits of each application.

MOTION: Mr. Bailey moved the board approve the faculty improvement leaves for Iowa State University for 1977-78 (the 1978-79 academic year). Mr. Wenstrand seconded the motion.

President Petersen commented that when she first became a board member there was considerable question and criticism of faculty improvement leave programs by various legislators and citizens of the state. She said that over the period of her term as a Regent those concerns have diminished and the program has been acceptable as a viable and needed program in the Regents' institutions to upgrade and add vitality to quality programs. Mr. Richey concurred with President Petersen's observation by saying that legislation now authorizes such leaves and the executive branch of government is very interested in these types of programs.

VOTE ON MOTION: The motion passed unanimously.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. Executive Secretary Richey reported the Register of Capital Improvement Business Transactions for the period of December 16, 1977, through January 20, 1978, had been received by him, was in order, and recommended approval.

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

Friley Hall Renovation - Phase I

Award to: Story Construction Company, Ames, Iowa \$411,700

Utilities - Chilled Water System Additions 1977 - Division 10, Electrical Unit and Substation - Division 11, Electrical Motor Control System

Award to: General Electric Supply Company, Des Moines, Iowa \$ 68,247.00

The Board Office reported that these purchase orders were awarded by the executive secretary utilizing Form B, because the institution noted that the bid bond submitted was not on the form specified. This irregularity was waived by the executive secretary since review of the bid bond submitted showed it to be virtually identical to the form specified and it was identical as to intent.

The following revised project budgets were recommended for approval:

Friley Hall Renovation - Phase I

Source of Funds: Dormitory Systems Surplus Funds \$640,000.00
(Original budget \$500,000)

The university reported that the revised project budget encompasses the full scope of the improvements contemplated at the time the project was first reported to the board in September of 1977. It includes an additional item for complete updating of the fire alarm system throughout the entire Friley Hall Complex. From an engineering standpoint, it is not feasible to install a fire alarm system in only that portion of the building being remodeled; the new system would not be compatible with the remaining outmoded existing system. Since the additional design work required for a comprehensive system would delay publishing the bidding documents and also involve a change in scope of the architect's services, it was decided that the bidding of the fire alarm system would be deferred at a later date. The revised project budget reflects that intent and also an increase of \$5,000 in the maximum amount payable to the architects. The latter will be handled by an amendment to the existing agreement.

The revised project budget also reflects an increase of \$140,000 over the preliminary budget submitted with the September report. This increase is comprised of \$60,000 for the total fire alarm system, \$5,000 for additional design services, \$5,000 additional contingencies and miscellaneous and \$70,000 construction contract cost over the preliminary estimate. Because of the difficulties inherent in estimating remodeling work, the latter item was not completely unexpected.

The Board Office reported that the university took bids on an add alternate which added renovation of 21 rooms to the total included in the base bid. The add alternate was a hedge against price inflation. By accepting the add alternate, the university will restore to the project the total renovation originally planned to be carried out in Phase I. The add alternate would be added to the contract with the low bidder mentioned above and is in the amount of \$78,200. The university, with the approval of the revised project budget, would accept this add alternate as the contractor has given assurances that the project can be totally completed within the time line established for the project by the start of the fall quarter.

Utilities - Chilled Water System Additions 1977 - Division 10, Electrical
Unit and Substation - Division 11, Electrical Motor Control System
Source of Funds: 67th G.A. Academic Revenue Bonds \$2,655,000.00

The following new project was recommended for approval:

ISU Stadium - South Parking Lot

The board was requested to grant the university authority to negotiate for engineering services with Ames Engineering and Testing Company of Ames with a preliminary design and estimated project cost being submitted for board approval at a later date. The engineering services contract will be executed by the Iowa State University Foundation because of the lease arrangement now in force between the foundation and the university, and the project will be paid from funds provided by the ISU Athletic Council. The project involved is the construction of a 1,000 car parking lot in the area south of the new stadium at an estimated cost of \$300,000.

MOTION:

Mr. Bailey moved the board approve the Register of Capital Improvement Business Transactions for the period of December 16, 1977, through January 20, 1978; ratify the construction contract awards shown above; approve the revised project budgets as shown above; approve the new project; and authorize the executive secretary to sign all necessary documents. Mr. Barber seconded the motion and it passed unanimously.

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

UNIVERSITY OF NORTHERN IOWA

The following business pertaining to the University of Northern Iowa was transacted on Friday, January 20, 1978.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the month of December, 1977, were ratified by the board.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. Executive Secretary Richey reported the Register of Capital Improvement Business Transactions for the period of December 6, 1977, to January 6, 1978 had been received by him, was in order, and recommended approval.

The following construction contract award was recommended for board ratification, award having been made by the executive secretary after an irregularity was waived therein:

Gymnasium I - Exterior Renovation - Contract 3 - Reroofing Low Roofs
Award to: Iowa Falls Roofing, Iowa Falls, Iowa \$62,840

The University of Northern Iowa reported that the bid bond submitted by the low bidder was on a form other than that directly specified. The executive secretary waived the irregularity since the review of the bid bond submitted showed that it was virtually identical to that specified and was identical in content.

MOTION: Mr. Bailey moved the board approve the Register of Capital Improvement Business Transactions for the period of December 6, 1977, to January 6, 1978; ratify award of contract on the Gymnasium I - Exterior Renovation - Contract 3 - Reroofing Low Roofs Project; and authorize the executive secretary to sign all necessary documents. Mr. Harris seconded the motion and it passed unanimously.

ALCOHOL PERMIT AUTHORIZATIONS. The board was requested to adopt a resolution to authorize the university treasurer to executive on behalf of the University of Northern Iowa all documents to be submitted by the university in connection with alcohol permits issued by the Department of the Treasury - Bureau of Alcohol, Tobacco, and Firearms.

The university reported that on July 2, 1946, the Iowa State Board of Education (now the Board of Regents) named Philip C. Jennings as the person authorized to execute those documents referred to above on behalf of the Iowa State Teachers College (now University of Northern Iowa). Mr. Jennings' retirement on June 30, 1977, necessitated a change in this authorization. At the suggestion of the Bureau of Alcohol, Tobacco, and Firearms, the recommendation was made that the new authorization be made to an appropriate officer by title. Because the treasurer is a statutory title and position, it seemed appropriate to give such authority to the incumbent.

Vice President Stansbury indicated that the alcohol involved its purchase for laboratory usage.

MOTION:

Mr. Brownlee moved the board adopt a resolution to authorize the university treasurer to execute on behalf of the University of Northern Iowa all documents to be submitted by the university in connection with alcohol permits issued by the Department of the Treasury - Bureau of Alcohol, Tobacco, and Firearms. Mrs. Belin seconded the motion and it passed unanimously.

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

HUDSON ROAD RECONSTRUCTION. Vice President Stansbury reported that he had just recently received a draft copy of an agreement between the Board of Regents and the Iowa Department of Transportation on land needed by the Department of Transportation for the reconstruction of Hudson Road (Highway 57) in Cedar Falls. Mr. Stansbury reported that currently this highway bisects the university campus and the Department of Transportation plans to reconstruct this highway beginning this spring. There are currently three parcels which the Department of Transportation needs to acquire for right of way and one of those parcels is land under the jurisdiction of the board.

The Department of Transportation needs 1.5 acres of university land and has set an appraised value of \$32,000 on this land. In addition, the agreement provides for a temporary easement during construction over additional university land.

Mr. Stansbury pointed out that there are a total of four parcels along Hudson Road which are surrounded by university property but which are not owned currently by the university. On one of these parcels, the university has a long-term lease and is using the garage located thereon for a driver training program. A second parcel is the so-called Wilfong property which is being acquired in its entirety by the Department of Transportation as part of the road reconstruction project.

The Department of Transportation has now proposed that an even trade of the land needed by the department from the university for the Wilfong property of which approximately six-tenths of an acre will be left after road reconstruction occurs. Mr. Stansbury pointed out that although on the face it appears to be an unequal land trade, there are several other considerations involved. They include:

- 1) The fact that the Department of Transportation has agreed to design the road in such a way as to cut down the noise problem between the highway and the university's new Speech/Art Complex.
- 2) The fact that the Department of Transportation has agreed to pay for the design and inspection costs on the new overpass and underpass.

Vice President Stansbury reminded the board that the board's capital request to the 1978 Session includes \$170,000 to pay the construction costs of the pedestrian overpass and underpass and that the costs would be about \$25,000 greater if the Department of Transportation had not agreed to pay for design and inspection during construction.

- 3) The fact that the Department of Transportation has agreed to a construction schedule on the Hudson Road reconstruction which will hopefully have that portion of the road complete which serves the UNI-Dome by the start of the football season this fall.
- 4) The fact that the Department of Transportation has suggested as a part of this agreement that it will pay the board actual and reasonable costs for removal and replacement of all water lines lying within the proposed right of way limits. The university had estimated that that item would cost about \$4,000. It is now going to be absorbed by the Department of Transportation.

In response to questions, Vice President Stansbury did note that the Department of Transportation has not made available its appraisal on the Wilfong property. Mr. Richey expressed his belief that we ought to make sure that we are getting equal value here in terms of access to those appraisals and that we do not establish a precedent of unequal exchange of property. He also noted that we are still concerned over whether or not the \$170,000 requested of the legislature for the construction of the overpass and underpass is a sufficient amount of money. Mr. McMurray noted that we do have an agreement with the Department of Transportation relative to the overpass and underpass and that there was general understanding with the Department of Transportation staff that if the costs of the overpass and underpass ran substantially over the \$170,000, if that were appropriated by the legislature, that we would have the option of approaching the Highway Commission directly to get any additional funds from road funding sources rather than additional funds having to come from institutional budgets.

President Petersen stated that the proper action would be to give tentative approval to the real estate contract subject to further review of that and the appropriate appraisals that have been made. Regent Belin inquired as to whether it would be proper to include in the concept in this kind of agreement that the Department of Transportation would take care of any additional costs over and beyond the \$170,000 asked for the construction of the overpass and underpass. Mr. Richey responded that while we may not be able to insist on that, we could reach an understanding which reinforces the previous one outlined by Mr. McMurray.

MOTION:

Mr. Shaw moved the board give tentative approval to a real estate contract and inter-agency transfer of jurisdiction between the Board of Regents and the Iowa Department of Transportation, subject to further review on a timely basis of the appraisal and property scheduled to be acquired by the Board of Regents under the agreement. Mr. Barber seconded the motion and on roll call the following voted:

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

NAY: None.

ABSENT: Slife.

The motion carried.

IOWA SCHOOL FOR THE DEAF

The following business pertaining to the Iowa School for the Deaf was transacted on Friday, January 20, 1978

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the month of December, 1977, were ratified by the board.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. There were no items on the Register of Capital Improvement Business Transactions for the month of December, 1977.

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

IOWA BRAILLE AND SIGHT SAVING SCHOOL

The following business pertaining to the Iowa Braille and Sight Saving School was transacted on Friday, January 20, 1978.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the month of December, 1977, were ratified by the board.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. Executive Secretary Richey reported the Register of Capital Improvement Business Transactions for the month of December, 1977, had been received by him, was in order, and recommended approval.

The board was requested to authorize the executive secretary to execute two contracts for architectural services, subject to ratification by the board at its February meeting. The two contracts involved were:

1. An amendment to the contract on Fire Safety Renovation with Brown Healey Bock, Cedar Rapids, entered into on March 18, 1977, to provide for architectural services on the entire fire safety project.
2. An architect's contract with Brown Healey Bock for architectural services to maximize use of the \$240,000 capital appropriation made by the 1977 Session for remodeling/renovation at the school.

The Board Office reported that at the December board meeting the board granted Iowa Braille and Sight Saving School authorization to negotiate for certain architectural and engineering services. A meeting was held at the school on Wednesday, January 18, 1978, which was attended by Mr. McMurray, Superintendent DeMott, Business Manager Berry, representatives from the State Fire Marshal's Office, and members of the architectural firm of Brown Healey Bock, Cedar Rapids, Iowa. One of the purposes of the meeting was to clarify the recommendations made by the State Fire Marshal in his inspection of December, 1976, of facilities at the school. As a result of that meeting, the school will now be able to proceed to draw up plans and specifications for bidding all of the remaining fire safety deficiencies no later than April 15. The board recalled that the school only received one bid on the general construction portion of Phase I of this project and the board rejected that bid at the November meeting.

The current contract with Brown Healey Bock, which the board approved in March of 1977, basically covers work to be accomplished within the first \$100,088 allocation made by the board to this project. The 1977 Session appropriated \$150,000 additional to the school to eliminate all deficiencies pointed out in the State Fire Marshal report. If the school is to take bids in early April, it is necessary for the work to proceed as rapidly as possible. The early April time line is desirable so that the work can be completed during the summer months and so that the school can receive as competitive a bidding situation as possible. Bids at a later date would probably not permit either of the above objectives to be accomplished.

The Board Office reported that it has been determined that an amendment to the existing contract could be drawn which would set out the additional compensation to be paid for architectural services for the entire project. The Board Office recommended that the board's executive secretary be authorized to execute this amendment on behalf of the board, subject to board ratification of his action at the February meeting. In this way, the architect could probably proceed without any delay and could meet the bidding schedule established above.

The 1977 Legislature appropriated \$240,000 to the school for remodeling/renovations to partially implement the recommendations contained in the 1974 Master Plan Study of the facilities at the school. Superintendent DeMott has identified the projects which will be undertaken to maximize usage of appropriation. This identification of projects followed his review of the Master Plan Study and his survey of all staff at the school who were asked to identify deficiencies in facilities at the school and also facilities' deficiencies pointed out in visits by various accrediting teams over the past year.

A strategy was then developed by Superintendent DeMott, Business Manager Berry and Mr. McMurray on January 18, which is outlined as follows:

Architectural work would be involved in two phases. The first phase involves drawing detailed plans and specifications to undertake four projects this summer with bidding to occur no later than April 15, in conjunction with and/or in combination with the bidding on the rest of the fire safety project. The four projects are:

1. Renovation of the Dining Area on the First Floor of the Main Building
2. Unify the Administrative Office Functions
3. Renovate and Unify the Instructional Materials Center
4. Repair of Guttering on the Main Building

The Board Office reported that it did not know whether the above four projects would fully utilize the \$240,000. For that reason, it developed a Phase II, which at this point would involve architectural services no further than the schematic design phase. If there are funds available after the projects in Phase I are bid, it is conceivable that some of the projects listed below might be partially undertaken. The Board Office expected that the architectural services on Phase II would be basically undertaken from the period April to August 15 of this year, enabling the school to put forth a capital request on partial or full completion of these projects for consideration by the board and the 1979 Legislature. The projects are all related to the Master Plan and involve:

1. Parking and Site Clearance
2. Rearrangements of the Service Entrances to the Main Building
3. Addition of a Garage and Door to the Service Building

The Board Office requested authority for the executive secretary to execute a contract with Brown Healey Bock for architectural services on the above projects. It was emphasized that time is of the essence if the Phase I projects are to be ready to go to bid in April. The board would utilize the new Standard Agreement between Owner and Architect and would bring the contract forward for board ratification at its February meeting.

MOTION:

Mr. Harris moved the board approve the Register of Capital Improvement Business Transactions for the month of January, 1978; authorize the executive secretary to execute two contracts for architectural services, subject to ratification by the board at its February meeting. The two contracts involved are: 1) an amendment to the contract on Fire Safety Renovation with Brown Healey Bock, Cedar Rapids, Iowa, entered into on March 18, 1977, to provide for architectural services on the entire fire safety project, and 2) an architect's contract with Brown Healey Bock for architectural services to maximize use of the \$240,000 capital appropriation made by the 1977 Session for remodeling/renovation at the school; and authorize the executive secretary to sign all necessary documents. Mr. Barber seconded the motion and it passed unanimously.

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

ADJOURNMENT. The State Board of Regents' meeting adjourned at 3:35 p.m., Friday, January 20, 1978.


R. Wayne Richey, Executive Secretary