

The State Board of Regents met at the University of Northern Iowa on Wednesday, July 18, 1979. Those present were:

July 18, 1979

Members of State Board of Regents:

Mrs. Petersen, President	All Sessions
Mr. Bailey	All Sessions
Mrs. Belin	All Sessions
Mr. Brownlee	All Sessions
Mr. Harris	All Sessions
Mrs. Jorgensen	All Sessions
Mr. Neu	All Sessions
Mr. Shaw	All Sessions
Mr. Wenstrand	All Sessions

Office of State Board of Regents:

Executive Secretary Richey	All Sessions
Director Barak	All Sessions
Director Grant	All Sessions
Director McMurray	All Sessions
Director Volm	All Sessions
Mrs. Sands, Secretary	All Sessions

State University of Iowa:

President Boyd	All Sessions
Vice President Brodbeck	All Sessions
Vice President Bezanson	All Sessions
Assistant to President Mahon	All Sessions
Assistant Vice President Small	All Sessions
Director Colloton	All Sessions
Director Hawkins	All Sessions
Director Tobin	All Sessions

Iowa State University:

Vice President Christensen	All Sessions
Vice President Hamilton	All Sessions
Vice President Moore	All Sessions
Assistant Vice President Madden	All Sessions
Assistant to President Henry	All Sessions

University of Northern Iowa:

President Kamerick	All Sessions
Provost Martin	All Sessions
Vice President Stansbury	All Sessions
Vice President Voldseth	All Sessions
Director Kelly	All Sessions

Iowa School for the Deaf:

Business Manager Kuehnhold	All Sessions
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Iowa Braille and Sight Saving School:

Business Manager Berry	All Sessions
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GENERAL

The following business pertaining to general or miscellaneous items was transacted on Wednesday, July 18, 1979.

APPROVAL OF MINUTES. The minutes of the June 20-21, 1979, Board of Regents meeting were approved with several minor word changes noted. President Petersen requested that the board and institutions notify the Board Office of additional corrections.

COMMITTEE ON EDUCATIONAL COORDINATION. A. Post-Audit Reports: Master of Business Administration and Master of Arts Major in Teaching English in the Community College, University of Northern Iowa. The Board Office recommended the board accept the post-audit reports on the Master of Business Administration (M.B.A.) and the Master of Arts (M.A.) major in Teaching English in the Community College, approve the continuance of the M.B.A. program, and approve the termination of the M.A. major in Teaching English in the Community College.

Both the Board Office and the Interinstitutional Committee affirmed approval of the M.B.A. program and recommended its continuance. The committee noted that:

...the Master of Business Administration program at the University of Northern Iowa has been very successful. The program is attracting a large number of students and seems to be able to place all of its graduates in the field.

The Board Office and the Interinstitutional Committee accepted the post-audit report on the M.A. English major and agreed with the university request to discontinue the program on the basis of a disappointing report on progress. The Interinstitutional Committee indicated that the change "reflects the fact that the Community College program content is an integral part of the more general English M.A."

MOTION:

Dr. Harris moved the board accept the post-audit reports on the M.B.A. and the M.A. major in Teaching English in the Community College, approve the continuance of the M.B.A. program and the termination of the M.A. major in Teaching English in the Community College at the University of Northern Iowa. Mr. Bailey seconded the motion.

President Kamerick observed that the serious illness of the person in charge of the M.A. major had a negative effect on the program. President Petersen commented that the option is still available to students but not as a self-standing program.

VOTE ON MOTION:

The motion passed unanimously.

B. Annual Report of the Regents' Committee on Educational Relations, 1978-1979.
The board was requested to receive the Annual Report of the Regents' Committee on Educational Relations (CER), 1978-1979.

The Board Office noted that the CER receives its specific assignments from and reports directly to the Regents' Interinstitutional Committee on Educational Coordination.

The 1978-1979 report, included with docket materials, highlights the CER's activities in area school visitations, in the promotion of cooperation and articulation with area schools, and in two areas of continuing concern--the status of the CER in area school approval and the determination of acceptability of credit from non-public Iowa colleges.

The major activity of the CER is the required annual visits to area schools. During the fifteen visits, graduation requirements, faculty load and development, college parallel curriculum and evaluation, and adult education programs are examined, as are academic records, institutional catalogs, internal articulation, and credit by examination provisions.

The Liaison Advisory Committee on Transfer Students (LACTS), a permanent subcommittee of the Area Schools Superintendents Association and of the CER, promotes interinstitutional and inter-system articulation and cooperation. During 1978-1979, LACTS focused on College Level Examination Program (CLEP) credit policy concerning minimum scores, the interchange of credit between Scott Community College and Indian Hills Community College, the AA/AS acceptance proposal which it initiated, and dropped pursuit of the granting of experiential learning credit.

The CER reported that it sought and received a legal opinion regarding its statutory mandate in area school approvals and has forwarded the opinion and a statement of the CER's desire for direction to the parent Interinstitutional Committee on Educational Coordination. The CER has met with Board Office representatives and will be meeting jointly with the Interinstitutional Committee to develop recommendations on this matter.

The committee also focused upon the acceptability of credit from non-public Iowa colleges not fully accredited by the regional accreditation association and is in the process of reviewing its policies and procedures on this matter.

Associate Dean James Schnur, Chairman of CER, reported that his committee and the Interinstitutional Committee will be meeting soon to consider matters of mutual concern.

Board members discussed the importance of Regent representatives' input on area school approval and indicated concern for resolution of the question of the committee's statutory responsibility. Regent Bailey stressed that the board should support the committee and await its recommendations for action. President Petersen and Mr. Richey agreed with Regent Bailey.

President Petersen thanked the committee for its work and received the report on behalf of the board.

C. Curricular Items, University of Northern Iowa. The Board Office recommended the board 1) approve the major in Conducting--Master of Music Degree; 2) approve the major in two languages for the Master of Arts Degree pending a review of degree requirements of the program by the university; 3) approve termination of an undergraduate Religion major--Teaching and the M.A. major in Teaching English in the Community College; and 4) defer action to terminate the minor in Education of the Handicapped at the Secondary Level pending receipt of further documentation on reasons for discontinuance.

The Board Office reported that the board at its May meeting had referred the curriculum proposals to the Interinstitutional Committee on Educational Coordination and the Board Office for review. Although the committee and board staff are in general agreement, their recommendations concerning the minor in Education of the Handicapped differ. Comments on each proposal follow.

Conducting--Master of Music Degree. Both reviewing units concur in approval of the institution of this program. The Board Office noted that some incremental costs for the first and second years of the programs will be involved.

Major in Two Languages for the Master of Arts Degree. The Interinstitutional Committee expressed concern about the degree requirements and suggested that the program could benefit from a strengthening of them. The Board Office agreed and proposed that these concerns be considered prior to initiation of the program.

Regent Shaw pointed out that part of the problem in the language programs at the universities is that the institutions have to offer languages but that no one is forced to take these courses. The university's solution--to provide training and degrees in more than one language to increase job opportunities--leaves something to be desired when it awards an M.A. degree but the individual does not have M.A. degree competency. He suggested that the institutions direct students' attention to hard disciplines where the demand for teachers exceeds the supply.

Vice President Martin agreed with Regent Shaw about the weak demand for language teachers and said the university does try "to encourage more women and minorities to go into sciences." President Petersen commented that the pendulum swings from shortage to surplus in a number of fields.

Proposed M.A. in General Psychology. The Board Office and the Interinstitutional Committee agreed to defer action on this proposal until September.

Religion Major--Teaching and M.A. Major in Teaching English in the Community College. Both the Board Office and the Interinstitutional Committee noted approval of termination requests for these programs.

Minor in Education of the Handicapped at the Secondary Level. The Interinstitutional Committee approved the the university's request to terminate this program. The Board Office asked for a further explanation of the termination request in view of its understanding that there is an increasing demand for special education personnel.

Assistant Vice President for Academic Affairs Fred Lott noted that the university was surprised by the recommendation to defer termination. He said that termination of the undergraduate minor does not indicate a decline in interest in education for the handicapped by the College of Education. The dropping of the 25-hour minor, which prepares a student to function only in a self-contained classroom, allows the university to place all of its emphasis on a master's program for graduates who will be prepared for the "full gamut of services." He noted that the state requires resource room teachers to have an M.A. in this area and that, with the emphasis on mainstreaming, teachers will need a level of preparation which is not included in the undergraduate minor.

Regent Belin asked if practitioners have to complete the five-year program which includes an M.A., and Mr. Lott replied that the state of Iowa has this requirement. Vice President Martin added that these requirements are another manifestation of the professionalization of education. He said the Area Education Agencies require specialized professionals in these areas.

Regent Bailey asked if it were possible for the university to support both the undergraduate and the master's level program. He said he did not believe "it is wholly wasted to be part-way up the ladder." Dean Schnur responded that the university must use its resources to best advantages and prepare students to function in both settings. He said that opportunities will be available in a limited extent for undergraduates to get started in the program.

Regent Belin asked if the university would graduate the numbers needed with a five-year program as against a four-year one in view of the fact that Superintendent Giangreco reports that more practitioners in the field are needed. Dean Schnur said that no problems exist in terms of the graduate level, because the trend is away from undergraduate programs. A master's degree is required to be properly approved.

President Petersen said the board appreciated the additional information provided by the university and asked the Board Office if it wished to have additional review. Executive Secretary suggested that the board defer action to September.

MOTION:

Mr. Bailey moved the board approve the major in Conducting--Master of Music Degree; approve the major in two languages for the Master of Arts Degree pending a review of degree requirements for the program by the university; approve termination of the undergraduate Religion Major--Teaching and the Master of Arts major in Teaching English in the Community College; and defer action to September on termination of the minor in Education of the Handicapped at the Secondary Level pending receipt of further information. Mrs. Belin seconded the motion, and it passed unanimously.

PROPOSAL FOR STUDY OF DOCTORAL PROGRAMS IN EDUCATION. A recommendation to the board will be forthcoming at the September meeting on the proposal for study of doctoral programs in education.

ACCREDITATION AND EVALUATION VISITS, IOWA BRAILLE AND SIGHT SAVING SCHOOL. The board was requested to accept the notice of approval of Iowa Braille and Sight Saving School by the North Central Association of Colleges and Schools and to receive the evaluation report on the school by the Department of Public Instruction.

The Board Office reported on the review by the two agencies:

North Central Association Accreditation. At its annual business meeting on April 4, 1979, the North Central Association placed Iowa Braille and Sight Saving School on the list of schools approved for the 1978-1979 school year. The review noted that 5 staff members are not fully certified but that up to 25 percent of the staff may be not fully certified without incurring any violation. These 5 staff members constitute only 13.61 percent of the staff. A similar approval was reported by the Iowa School for the Deaf at the May board meeting.

Department of Public Instruction Evaluation. The Department of Public Instruction reviewed the special education program at Iowa Braille and Sight Saving School in February 1978 to determine compliance with provisions in the Education for All Handicapped Children Act of 1975 and Rules of Special Education.

The review: 1) established that the school is in compliance with statutes or is actively working to bring itself into compliance; 2) pointed out some areas to be considered as the school moves through a transition stage from an institution serving students whose primary disability is visual impairment to serving students who are multiply handicapped with visual impairment as the primary disability; and 3) accented certification deficiencies that the school has been working to remedy.

The review--the first comprehensive review ever conducted by the Department of Public Instruction--will be continued and is on a four-year review cycle with compliance areas monitored annually. The first annual monitoring visit to the school was held this spring and a report on the visit will be coming to the board.

President Petersen said the board is very pleased with progress made by the school in meeting both North Central accreditation standards and Department of Public Instruction certification criteria. Dr. Barak emphasized that preliminary indications from the recent Department of Public Instruction visit are that the school is making much progress.

MOTION:

Mrs. Belin moved the board accept the notice of approval of Iowa Braille and Sight Saving School by the North Central Association and receive the report on evaluation by the Department of Public Instruction. Dr. Harris seconded the motion, and it passed unanimously.

APPOINTMENT OF CONSULTANTS TO THE ADVISORY COMMITTEES FOR THE IOWA SCHOOL FOR THE DEAF AND THE IOWA BRAILLE AND SIGHT SAVING SCHOOL. The board was requested to reappoint Dr. Mary Delaney as the consultant member to the Iowa School for the Deaf Advisory Committee and Dr. Verna Hart as the consultant member to the Iowa Braille and Sight Saving School Advisory Committee.

The Board Office noted that each advisory committee for the two special schools under the Board of Regents includes in its membership a specialist with special national expertise in the appropriate physical impairment. Last year the board appointed Drs. Delaney and Hart as consultant members on the Advisory Committees for the Iowa School for the Deaf and the Iowa Braille and Sight Saving School, respectively. According to the Board Office, both consultants have made excellent contributions to the work of the committees.

The Board Office, in consultation with the superintendents, recommended that the board reappoint both consultants for the 1979-1980 school year. Since board staff has been unable to contact Dr. Hart to confirm her interest in reappointment, the recommendation is made contingent upon her willingness to serve for another year.

MOTION: Dr. Harris moved the board reappoint Drs. Mary Delaney and Verna Hart as consultant members to the Advisory Committees for the Iowa School for the Deaf and the Iowa Braille and Sight Saving School, respectively. Mrs. Belin seconded the motion.

In response to a query from Regent Bailey concerning the consultants, President Petersen commented that out-of-state consultants are able to provide helpful insights.

VOTE ON MOTION: The motion passed unanimously.

IOWA COLLEGE AID COMMISSION. Regent Bailey reported that the Iowa College Aid Commission (ICAC) had met the day following the June Regents' meeting and did not meet in July. Discussion at the June meeting included:

Podiatry grants. The legislature provided for five, \$4,000 grants to Schools of Podiatry to provide seats for Iowa students. All of the funds this year will be going to the Illinois podiatry school, the leading provider of podiatrists for the state of Iowa. The legislature appropriated \$20,000 for the first year of the biennium and \$40,000 for the second year as a subsidy for a four-year program at the professional school. Student tuition is approximately \$5,000 a year, although it costs the school about \$14,000-\$15,000 a year to provide the program which includes a one-year residency requirement. Three years of undergraduate education are a prerequisite.

Iowa Association of Student Financial Aid Administrators (IASFAA) representation on ICAC. The IASFAA asked the ICAC to recommend to the Governor that one of the public members of the commission be an ISAFAA representative. The commission has problems with

that request believing such representation would violate the statute that to be a public member a person could not be a member of a particular group. Further, the association has substantial representation on an advisory council with a greater opportunity for input there than it would have with one member trying to represent the divergent views of the association.

Guaranteed Student Loan Program. The ICAC restrained the move to increase staffing at a very rapid rate to deal with the loan program so the staff would not "get too large too fast."

In response to a question from Regent Harris, Regent Bailey noted that some persons are opting to pay the interest on the loans. Since there are no income limits, a person may borrow from the loan program and invest his/her own money. He added that approximately 400 of the 646 Iowa banks are participating, as well as some savings and loan associations and credit unions.

Nonprofit corporation. The nonprofit corporation proposed by Hawkeye Bancorporation has been approved in a final form that permits and requires wide representation on the board. The ICAC nominated Regent Bailey as its representative to be appointed by the Governor to serve on the corporation board.

Medical tuition loan collections. A collection agency is reporting good results in its efforts to pursue delinquent medical tuition loan accounts.

State student financial aid training program. A federal program provides a small sum of money to prepare a self-training workbook for student financial aid personnel. Last year the University of Iowa produced the book with substantial self subsidization. This year American College Testing will prepare a simple training manual in another area and will receive \$5,000 for the purpose.

President Petersen received the report and expressed appreciation for Regent Bailey's participation.

CAPITAL ALLOCATIONS FOR ENERGY MANAGEMENT. The board was requested to allocate the \$4,675,000 line-item appropriation made by the 1979 Legislative Session as follows:

University of Iowa	\$1,740,000
Iowa State University	1,740,000
University of Northern Iowa	1,195,000

The Board Office reported details on the comprehensive energy conservation program which has been assembled by Regents' universities:

- . The program to modify 9.8 million gross square feet of general fund space to reduce fuel and purchased electricity demands has two central features--implementation of a central control system on each campus and retrofitting of existing buildings to reduce energy demands. The cost in appropriations of the total program (to be completed by fall 1984) expressed in inflated dollars is \$25,995,000.
- . The five program segments of approximately 2 million gross square feet each would have a different rate of return. Projection of investment return impacting on 1981-1982 is \$2.9 million. The state's total investment would be returned by fall 1986 and the return would be doubled in the next 2½ year period.
- . Based on existing space, fuel and purchased electricity budgets will be reduced by about 36 percent per year when the total program is completed in 1985-1986. The reduction in demand on utility systems will eliminate capital repair and replacement projects of at least \$16 million over the next 10 years.
- . The initial \$4,675,000 appropriation will be utilized to complete 6 of the 14 steps of the Regents' program during the next biennium. These steps include:
 1. A mini-audit by university staff of all space intended to be part of the program.
 2. A review of the mini-audit and selection of 1.9 million gross square feet to be modified which will return the investment made in it within one year.
 3. Individual contracting by each institution for outside consulting services to conduct a detailed energy audit on buildings selected for inclusion in the first phase, to design needed energy modifications in those buildings and to connect them to the central control system. Cost of auditing and design is \$475,000.
 4. Construction--retrofitting and connection to the central control system--will cost \$2.04/gsf on the average or \$3,875,000.
 - 5-6. Purchase and installation of a central computer for the University of Northern Iowa with the remaining \$325,000 of the appropriation. A central control system is essential for a successful energy management program.

The Board Office directed the board's attention to the capital registers of Iowa State University and the University of Northern Iowa for an explanation of the energy management program to be undertaken by Iowa State and action on the selection of a consultant for the University of Northern Iowa.

The Board Office reported that it anticipates the following timeline for first phase modifications:

Spring 1980	- Working drawings by consultants completed
June 1, 1980	- Bids taken and contracts awarded
Fall 1981	- Construction and modifications completed

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All aspects of the program are as outlined to the legislature by the Board or Regents and the Energy Policy Council and are the basis on which the appropriations were granted to both agencies by the 1979 Session. A number of questions need to be resolved, according to board staff, including measurement of savings, and whether or not an asking should be submitted to the 1980 Session for the second phase of the project.

The Board of Regents' program at this point excludes auxiliary enterprises, University Hospitals, Iowa School for the Deaf and Iowa Braille and Sight Saving School. The Board Office reported that the state of Iowa, through the Energy Policy Council, received \$3 million in funds from the state to implement its energy management program on state buildings other than those located at the three universities. In addition, the National Energy Conservation Policy Act makes available funds for building energy conservation programs for schools, hospitals, local governments and public care facilities constructed before April 20, 1977. The voluntary program provides 50 percent matching federal grant funds for projects administered by state energy offices. Board of Regents' universities will, hopefully, be eligible for receipt of some of these funds, as will University Hospitals, according to the Board Office. The two special schools are expected to be eligible for the state level program.

The Board Office discussion concluded with the recommendation that the board defer until September any decision to allocate funds to implement temperature control restrictions, because in many instances existing thermostats would have to be replaced with dual control thermostats and the fan systems would have to be joined to the central control systems. The Board Office noted that deferral would permit interinstitutional and interagency consultation on how the state intends to proceed in this matter.

Board discussion centered on the effect of architectural design and the ventilating systems on energy consumption. Regent Neu commented that most of the new buildings have sealed windows and asked if the institutions are still building that way. Vice President Moore replied that the institutional architect and the physical plant persons make that decision. Mr. Richey noted that the board can specify how the windows are constructed when preliminary plans are brought to them for approval.

President Petersen asked what is included in retrofitting and Vice President Bezanson said a whole gamut of changes and many trade offs are included. A fair amount of window renovation has been done by the university on its own.

Vice President Stansbury reported that controlling the ventilating system is not easy to do. What appears on the surface is not a good indication that energy is being saved and cautioned against making judgments too quickly. He said that when the thermostat was set at 78 degrees, the heating system was activated and cold water was poured out that could have been used for air-conditioning.

Regent Bailey suggested that in the future institutions should be certain that the type of mechanical installations chosen avoid such problems. He added that providing dual thermostats is a good idea.

Mr. McMurray pointed out that two years ago the legislature passed a bill giving responsibility to the State Building Code Commissioner for energy consumption; prior to that, the commission approved plans for the building. The change requires that institutions look at plans in concert with the total energy consumption program. Another legislative action--a bill dealing with life cycle cost analysis--will also impact on this question in greater detail as institutions consider exactly what has to be included in that life cycle analysis.

Regent Wenstrand referred to the estimate by Iowa State University that building temperature control modifications would cost \$300,000 and said he is concerned about spending money to meet a 78° standard before an overall program is initiated. President Petersen suggested that such modifications should fit in with the total program.

MOTION:

Mr. Brownlee moved the board allocate the \$4,675,000 line-item appropriation made by the 1979 Legislative Session for energy management as follows: University of Iowa and Iowa State University, \$1,740,000 each; and the University of Northern Iowa, \$1,195,000. Mrs. Belin seconded the motion, and it passed unanimously.

REPORT ON COAL AWARDS, 1979-1980. The board was requested to accept the report on coal awards with institutional exhibits.

The Board Office reported that with the increased emphasis on energy management resulting from the accelerating costs of fuel and purchased electricity, the need exists to improve analysis of energy usage and its costs. Energy management is being supported by the state with substantial capital project outlays to monitor energy use and make existing and planned facilities more energy efficient. Energy management is also being supported by executive and legislative policy to cover energy budget deficits with supplemental appropriations--the energy cost pass-through concept. Accordingly, the Regents will need to develop improved methods of measuring consumption so that reduction of consumption, as a result of facilities changes, can be reported.

The Board Office noted that institutional exhibits on coal awards, which were included with docket materials, are an early step in the development of improved communication on energy procurement and cost forecasts. Energy use targets against which to monitor energy management efforts remain to be established.

The Board Office summarized what the universities reported, noting that although the special schools do not use coal, it is the largest energy source used by Regent institutions.

1. Coal prices have increased substantially compared to estimates used to prepare 1979-1981 biennium budget request--as much as 20 percent.

2. As the result of anticipated rate changes for freight, another 5-7 percent of total costs for coal may be added.
3. Fuel and purchased electricity deficits for 1979-1980 could reach \$1.9 million based on institutional estimates (University of Iowa - \$922,000; Iowa State University - \$918,500).
4. Individual bids accepted or anticipated for coal will range from \$1.40 to \$1.80 per million BTUs with various factors affecting the bid price.
5. Average costs of coal stored or bid by institution, including peripheral costs when storage and handling are added, range from \$1.67 to \$1.82 per million BTUs for 1979-1980.
6. Coal contracts bid or anticipated for the universities in 1979-1980 amount to 329,000 tons for 1979-1980.
7. Where numerous vendors were invited to bid there was a substantial non-response and some that did respond failed to meet Environmental Protection Agency or other specification requirements, including bid bond.

MOTION:

Mrs. Belin moved the board accept the report on coal awards for 1979-1980.

Regent Belin said she hoped that the board would maintain its high standards in terms of clean air and not, in the interest of false economy, exceed pollution standards. Executive Secretary said that the board is in compliance with all standards that apply to it. President Petersen added that the board has made a tremendous investment to allow institutions to use some of the cheaper coals and stay within standards.

Mr. Richey commented that the report indicates that a supplemental appropriation for the 1980 Session will be considered in September or October for 1979-1980 and 1980-1981.

President Petersen remarked that the institutions will not be spending too much in compiling detailed records but will maintain adequate records to demonstrate fuel conservation efforts in the event that more money is needed.

Regent Shaw said that knowing how much has been spent for equipment and how much has been saved may or may not be productive because the board does not know the form the pass-through will take. He said the state does have an interest in seeing that the board makes an attempt to save money. He suggested the institutions constantly check to determine that what they are doing is economically beneficial. He said that heating buildings with steam has obvious advantages but that the many technological changes, pollution requirements, and the cost of coal delivery should be examined. He added that he believed that cogeneration of energy use ought to be kept but that variables such as the cost of delivery of small quantities should be considered also.

In response to a query by Regent Bailey, Vice President Bezanson said that the University of Iowa uses the steam to cool in the summer while cogeneration produces electricity. In the winter, the institution shifts the pattern. He stressed that coal is today the cheapest fuel to use.

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Regent Shaw suggested that an alternative might be to purchase electricity from a private firm which pays an income tax on profits. Institutions then might say that this is the way to go because they do not have to pay income taxes and can do something basically uneconomical and utilize more energy in production. He stressed that Iowa State University should look at the situation very carefully.

President Petersen commented that the last figures presented to the board on cogeneration at the University of Northern Iowa were very persuasive of the amount of money that could be saved over purchase. Regent Shaw said the board should review such figures periodically.

SECOND AND VOTE ON MOTION: Dr. Harris seconded the motion, and it passed unanimously.

CONSERVATION OF MOTOR VEHICLE FUELS. The board was presented a report on a program of motor vehicle fuel conservation developed by the institutions in response to a request by Governor Ray that consumption for the next three months be reduced 20 percent over a year ago.

In a June 28, 1979, letter to Wythe Willey, Executive Assistant to the Governor, Executive Secretary Richey reported that "...universities are taking this task most seriously and are attempting to work out some imaginative and effective solutions to the problem."

Docket exhibits from each of the universities listed actions they are initiating to reduce consumption. Although a different situation exists at each campus, common proposed measures included the use of more energy efficient vehicles, the adoption of more efficient delivery schedules, the increased use of public transportation, foot patrols, and car pooling, the coordination of intrastate travel, and the replacement of travel with telephone conferencing.

MOTION: Dr. Harris moved the board receive the report on conservation of motor vehicle fuels. Mrs. Belin seconded the motion, and it passed unanimously.

STUDENT TEACHING CONTRACTS. The board was requested to approve the form of student teaching contracts for the 1979-1980 academic year for the three Regent universities, to ratify the 1978-1979 student teaching agreements reported to the board, and to request that contract forms of the universities for a given school year be submitted to the Board Office in sufficient time to allow review prior to the time the use of the form begins.

The Board Office noted that at the first board meeting of the fiscal year, the board approves the form of the student teaching contract for the ensuing year, in accordance with the provisions of 7.16B of the Procedural Guide. At the same meeting, the board receives a report on the contracts entered into during the previous fiscal year that have been executed by the executive secretary of the board and the presidents' designee, as provided in 7.16B.

The Board Office reported that for the last several years, review of contracts for the ensuing year has resulted in the need for changes in the contract form. Since the form is already in use by the time it is reviewed, changes are a year late. The Board Office, therefore, recommended that the form be reviewed by board staff prior to its implementation.

This year changes are needed in the opening section of each university's contract which cites Code sections relating to student teachers to insure that the recent Code edition citations are used. The Board Office suggested that institutions review contract wording to assure appropriate contractual terminology and to eliminate exclusive references to the male gender.

The Board Office also indicated that procedures for submission of student teaching contracts which vary between the University of Iowa and the other two Regent universities should be uniform to eliminate confusion for the board and provide for efficiency in handling. The Board Office suggested that the University of Iowa present its contract form and a list of contracts executed the previous year for ratification using the same procedure as Iowa State University and the University of Northern Iowa.

MOTION:

Mrs. Belin moved the board approve the form of the student teaching contracts for the 1979-1980 academic year for the three Regent universities, ratify the 1978-1979 student teaching agreements reported to the board, and request that the contract forms for the universities be submitted to the Board Office in sufficient time to allow review prior to the time the use of the form begins. Dr. Harris seconded the motion.

Regent Bailey asked why the universities do not submit actual contracts instead of just the contract form. Executive Secretary Richey replied that formerly the board did follow that procedure but that now it approves the basic policy and form and authorizes him to sign during the year, with an annual report presented for board approval.

VOTE ON MOTION:

The motion passed unanimously.

PUBLIC RADIO IN IOWA. The board was requested to 1) approve the April 26, 1979, "Position Statement on Implementation Plan for Public Radio," so that a joint recommendation can be made to the Governor and legislature for systematic funding to achieve the completion of the public radio system serving Iowa; and 2) approve a recommendation to IPBN that an evaluation of radio signal availability be performed when the proposed stations have become operational to determine if additional facilities may be needed to insure public radio service to all Iowas, with such wording incorporated in the position statement by the IPBN board, if it so desires.

The Board Office noted that some months ago the State Educational Radio and Television Facility Board (IPBN) requested its Executive Director, Rod Thole, to develop a position paper on the development of public radio in Iowa and to discuss the matter with Mr. Richey and Dr. Benton, executives of the Board of Regents and Department of Public Instruction, the other two boards involved. Subsequent to the discussion, Mr. Thole consulted with the Broadcast Task Force established by the State Communications Advisory Council and obtained its endorsement.

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In a letter dated May 10, 1979, to Mr. Richey and Dr. Benton, Mr. Thole stated that the State Educational Radio and Television Facility Board has adopted the position statement and suggested that the Board of Regents and the Board of Public Instruction act on a similar recommendation so that all three boards are unified on the question of public radio development in Iowa. Further, if the boards concur, they may "jointly advise the legislative leaders and the Governor of the position so that appropriate actions can be taken to facilitate the plan as described."

The statement presented to the board contained a 12-point position and included the following recommendations:

- That a public radio signal be available to all Iowans
- That stations already developed continue at current levels with administration to avoid unreasonable duplication
- That proposed facilities at Council Bluffs and Fort Dodge have local program origination capability
- That remaining public stations at Mason City, Ottumwa, and Fort Madison be repeater stations (served by the University of Northern Iowa, Iowa State University, and the University of Iowa, respectively) with extremely limited capability for local programs
- That a basic core state program service be made available simultaneously
- That at reasonable cost a radio interconnection system be developed in stages

Not included in the position statement, according to the Board Office, are policies relating to the extremely low power public and private stations in schools and colleges and private cable facilities which may pick up radio signals and redistribute them on cable systems. Policies for these services which fall under the jurisdiction of the three boards need to be developed.

The Board Office further recommended that in view of the proposed position that a public radio signal should be available to all Iowans, an evaluation of signal availability be performed when proposed stations have become operational to determine if additional facilities may be needed and suggested that a statement regarding this matter be incorporated in the position statement by the IPBN board.

Support for the position statement was indicated by the Iowa Public Radio Managers Council, Executive Secretary Richey, the University of Iowa, and Iowa State University. President Kamerick, while agreeing with ten of the twelve points, objected to the final two recommendations concerning provision of a core program service available simultaneously and development of a radio interconnection system.

Executive Secretary Richey noted that in a July 17, 1979, letter to Mr. Thole, the Iowa Public Radio Managers Council recommended that the proposal to develop the Mason City public radio station as a "repeater" station from the University of Northern Iowa be reexamined before the final report from the Broadcast Task Force is forwarded to the Communications Advisory Council. The letter listed KUNI's lack of support for the proposed construction of an interconnection system and development of a Basic Statewide Program Service as reasons which may disqualify the station for such a critical role.

Mr. Richey added that the Board Office recommendation is that either the University of Northern Iowa or Iowa State University be so designated. President Petersen said the amendment will allow greater flexibility.

In response to a question from Regent Neu, Hugh Cordier, Director of Broadcasting at the University of Iowa, explained that the Radio Managers Council is a voluntary association of all public radio managers in Iowa, except for those from Iowa Central Community College and the University of Northern Iowa. An invitation to join the association has been extended to the two non-members. He said the group is advisory with the consent of administration to the IPBN board.

In further discussion of the proposal to remove KUNI as a host station, Mr. Cordier reported that the decision was based on remarks made by the KUNI station manager, Douglas Vernier, that his station's unique service made it difficult for him to cooperate in a network consortia. Other factors considered by the Radio Managers Council were the "on-air" fundraising appeals from KUNI and its "atypical program service." He said the council decided that North Iowa Area Community College, licensee of the Mason City station, should have a voice in this decision.

Douglas Vernier said that the letter from the Radio Managers Council was a "complete surprise" to him. He noted that in a morning session of the council he had objected to plans for spending large sums of money on interconnection systems and that in the afternoon session, which he did not attend, "the council made a vindictive response" to his opposition by a recommendation to remove KUNI as a host station. He said the "unique programming" of his station which includes minority programming, live talent--both folk and classical--and its fundraising efforts which ease the taxpayers' burdens are not reasons to eliminate the station as a host. He added that if Iowa State University is to serve the Mason City station, an expensive interconnection will have to be made. Support for the fundraising efforts of KUNI was added by Ella Mae Gogel, President of the Friends of KUNI/KHKE, who reported that 50 percent of the station's production budget is garnered by fundraising efforts. She added that the unique program of the station is not a liability but an asset.

Regents Shaw and Brownlee stated that the board should not address the matter of the Mason City station at this time. Regent Belin said the local programming for which KUNI is known is a very big local benefit.

President Kamericak said that the basis of his objection to the latter two recommendations was based on the assumption that a microwave system would provide "simultaneous interconnection." He suggested that to buy into such a system now is expensive and that it would be wise "to wait a while to find out how much can be done with satellites."

Mr. Cordier replied that the statement did not include a recommendation on satellite versus microwave but simply that an interconnection system looks like a good idea. Last week the Board of Public Instruction endorsed the statement and now the Regents are being asked if they favor the recommendation. Neither board makes a final decision but simply feeds input to the Governor's Communications' Advisory Council, which will develop a plan. He said that it is quite possible that when cost efficiency is considered, such an interconnection system could not be recommended but that, at this point, cost should not sway the board's thinking. He added that board support will pave the way for a Governor's commission to make that study.

Regents Brownlee, Shaw, and Belin, Regent representatives on the IPBN board, were asked by President Petersen for their comments on the interconnection system. Regent Brownlee said it was his understanding that this is the first step of an investigation to explore the proposal of a network and the kinds of devices that are available. The Facilities Board has asked the Regents and Public Instruction to study and approve the draft before it is sent by the July 31 deadline to the Governor. Regent Shaw commented that the statement is broad enough to encompass the use of federal satellites or other means and Regent Belin added that the statement suggests only that "we want to have this studied. We are not advocating a microwave system but are asking what is the best system?"

Responding to President Kamerick's objections about a core state program service, Regent Brownlee said the IPBN board did not envision this service as mandatory but that it would be available to public radio stations which are part of the network. Regent Belin suggested that the board should not forget, in its concern over the last two recommendations, that the other recommendations represent the Facility Board's thinking that the state should snatch up remaining frequencies so that Iowa can have a public radio network serving all parts of the state.

Regent Belin added that the statement will endorse public radio and the possibilities that are open in telecommunications. She suggested that methods to increase the use of educational broadcasting may also be considered.

President Kamerick remarked that the explanations had removed the ambiguity from the last two recommendations and that he withdrew his objections. He commented that when a radio interconnection system is studied, it should be carefully considered.

MOTION:

Mr. Brownlee moved the board approve the "Position Statement on Implementation Plan for Public Radio," dated April 26, 1979, so that a joint recommendation can be made to the Governor and legislature for systematic funding to achieve the completion of the public radio system serving Iowa and approve a recommendation to IPBN that an evaluation of radio signal availability be performed when the proposed stations have become operational to determine if additional facilities may be needed to insure public radio service to all Iowans, with such wording incorporated in the position statement by the IPBN board if it so desires. Mrs. Belin seconded the motion, and it passed unanimously.

APPEAL OF IOWA STATE UNIVERSITY EMPLOYEE, MARY R. BARRON. The board was requested to deny the appeal of Mrs. Barron regarding her mandatory retirement and direct Iowa State University to continue to pursue release from the injunction which prohibits the university from complying with approved policy.

The Board Office provided the following explanation:

Mrs. Barron, who became 70 on August 8, 1978, was employed at that time as a Library Assistant III at Iowa State University. University and board-approved policy then in effect permitted employees to continue to work until the end of the fiscal year in which age 70 is attained. Accordingly, the university proceeded to require Mrs. Barron's retirement effective June 30, 1979, and denied requests that she be permitted to work past that date.

In a June 28, 1979, letter to President Parks, W. A. Singer, an attorney representing Mrs. Barron, argued that her last day of service would be June 30 and her scheduled retirement is therefore July 1, 1979, which brings her within the purview of legislation prohibiting mandatory retirement based on age of members of the Iowa Public Employees Retirement System. Mr. Singer contended that the forced retirement of Mrs. Barron violates not only provisions of House File 680, but also recent policy approved by the board to implement the new law. Further, that mandatory retirement at age 70 violates the university's affirmative action policy regarding age discrimination and Mrs. Barron's federal and state constitutional rights, including due process and equal protection. Attorney Singer requested that the appeal of her mandatory retirement, which was denied by the university, be forwarded to the Board of Regents, in accordance with Section 4.23, of the Procedural Guide.

On June 28, Mrs. Barron filed a complaint alleging discrimination on the basis of age with the Iowa Civil Rights Commission. On the same day, Mr. Singer, on behalf of Mrs. Barron, filed a petition for injunctive relief to prohibit the university from terminating Mrs. Barron on the basis of her age, and requested a temporary injunction prohibiting Mrs. Barron's retirement on June 30. The temporary injunction was granted on June 29 and the university is complying with that order. A hearing on the continuance of the injunction, which was set for July 6 in the Story County Court House, was postponed until July 17 and then postponed to be rescheduled.

Iowa State University has taken the following positions in regard to Mrs. Barron's charges:

1. The amendments of House File 680 (which are effective July 1, 1979) do not apply to employees who, under the policy then applicable, were to retire effective June 30, 1979.
2. The mandatory retirement policy does not violate the university's Equal Employment Opportunity Policy, which was not intended to apply to retirement. Retirement was specifically not referred to and the university does not have authority to establish a policy in conflict with the board-approved retirement policy.

The Board Office noted that under Section 4.23 of the Procedural Guide, the board may grant or deny the request for review and, if granted, may review the decision on the basis of documents and other evidence submitted, or it may hold a hearing of its own. The Board Office recommended that, on the basis of the information submitted, the board affirm the university's decision and deny Mrs. Barron's appeal.

President Petersen reported that at the end of the meeting, the board would have an executive session in regard to impending litigation in the case which the Attorney General's Office is handling.

MOTION:

Mr. Brownlee moved the board deny the appeal of Mrs. Mary R. Barron regarding her mandatory retirement and direct Iowa State University to continue to pursue release from the injunction which prohibits the university from complying with approved policy. Mr. Wenstrand seconded the motion, and it passed unanimously.

POLICY ISSUES RELATING TO INSTITUTIONAL AUDITS. The board was requested to accept the report on policy issues relating to institutional audits.

The Board Office provided background information concerning the report:

Subsequent to receipt of the FY 1977-1978 audit at the University of Northern Iowa in April 1979 by the Regents, Regent Bailey requested that the board review issues raised by the State Auditor's Office. The issues include:

- Valuation of library books and materials
- Establishment of equipment replacement reserves
- Education and general fund support and foundation activity
- Education and general fund support and auxiliary enterprise activity
- Increased travel costs
- Fixed asset inventory records

The auditor stated that replacement cost is an arbitrary and inappropriate method to reflect library books and materials values in the accounting records and recommended values based on historical cost be used. Business officers reported that since valid original cost information is not available and because cost changing events make original cost determination virtually impossible to maintain, valuation at replacement cost is appropriate. Board staff agreed that replacement cost "under the circumstances appears to be a reasonable alternative to original cost as long as a replacement cost standard is uniformly applied among the universities with prior agreement among institutional representatives.

The auditor questioned the institution's establishment of equipment replacement reserves without specific authorization of the legislature and recommended such authority "be obtained prior to transfer of appropriated funds into a reserve account." The institution, business officers and board staff agreed that the legal question of authority needs clarification and legal advice will be solicited from the Office of the Attorney General.

Board staff disagreed with the auditor's statement that periodic charges to user departments to fund the replacement (depreciation) reserves represent a "transfer of appropriated funds." The institutions have established central service operations of various kinds over the years. Revolving funds or working capital accounts were established to finance the service operation, and charges are made to the departments using the services. Charges include personnel, supplies, equipment depreciation, etc. Funds used by the department to purchase these services are from a variety of sources--appropriations, student fee income, federal or other restricted funds, dormitory funds, etc. Exploration with the State Auditor of other accounting procedures which would accomplish orderly equipment replacement was suggested as an additional option.

On the issue of education and general fund support and the University of Northern Iowa Foundation, the auditor expressed concern that certain university officials, by virtue of their position, also serve as foundation directors. He noted that this could lead to a potential conflict of interest relative to the expenditures of state appropriations for activities supported by both the foundation--an entity independent of state control--and general university departments. The auditor asked university officials to satisfy themselves that legislative appropriations are being expended according to requirements and that university/foundation relationships are consistent with those observed at other Regent institutions.

The institution responded that activities of the university's Alumni Service, Public Information Service, and General Publications do relate to similar functions of the foundation and that co-support involved "arises from an interest in good alumni relations." The university agreed to review cost relationships in light of the criterion that the foundation ought to be self-supporting. Business officers indicated that a finite split of cost between university and foundation for shared objectives is probably not possible and that an institutional management judgment is necessary, with Regent action on budget plans. Board staff added that while a foundation should be self-supporting within its stated objectives and revenue generating capacity, this should not preclude supporting traditional university functions that would occur without a foundation. Consistency in allocating support for these normal general fund operations, in contrast to foundation activity, should be maintained through interinstitutional contact.

The auditor claimed a distortion of financial information reporting results from certain general fund participation in program activity associated with auxiliary enterprise operations. The general fund contribution has been reported separately from the auxiliary enterprise, and the auditor recommended that all income and expense for these auxiliary operations--normally defined as self-supporting--be reported in the auxiliary enterprise accounts. The student union and field-house are the auxiliary activities identified. The institution did not agree that these activities are auxiliary or self-supporting by definition and defended the shared costs involved in maintaining programs involved. The university indicated that it is following general policy of all Regent universities relating to general fund support of these activities. For the University of Northern Iowa, the general fund support is the result of a previous redistribution of tuition and fees between the general fund and the auxiliary fund.

The business officers agreed that there are valid reasons for general fund support of shared objectives. Board staff added that a recent audit exception at the University of Iowa relating to where costs and income are reported for an auxiliary enterprise would indicate that it may be necessary to revise reporting requirements for these activities in the future at all Regent institutions.

The auditor noted that education and general fund expenditures for travel have increased 128.34 percent over costs five years ago and recommended that the university control travel costs "to the level of a necessary minimum." The institution responded that management decisions relating to the importance of an increased travel allotment, inflationary increases in mileage and meal allowances, more participants with need for educational experiences away from the university, and demands placed upon staff by increased governmental regulations impact expense levels. Business officers agreed that travel need is a function of institutional program emphasis and that travel decisions are typically made at the departmental level within the constraints of fund availability. Each institution has a general travel policy.

Board staff commented that since the audit report does not specify criteria for measurement of "a level of necessary minimum," it is impossible to determine what costs mean without review of institutional travel policy and analysis of the kinds of travel expense incurred, vis-a-vis program emphasis. Board staff indicated that the Unified Budget and Accounting Committee might consider pursuing this issue for all Regent institutions.

The auditor questioned the purging of inventory records relating to the residence hall system of equipment items costing less than \$200. While recognizing the costs of maintaining records for such items may be prohibitive, the auditor indicated that equipment items not on fixed asset records could result in nonreimbursement for fire loss through previously-established Executive Council policy. In addition, the auditor recommended that the Iowa Code (Chapter 17.30) be followed in accounting for fixed assets. The institution indicated that it believes it is following Chapter 17.30 in recording fixed assets. The inventory has been purged to make the required inventory reporting possible. Items remaining on the inventory are insured in part under insurance purchased to comply with bonding agreements. While noting that the auditor accepted the institutional response, board staff pointed out that any proposed change in equipment definition, now under review by Regent institutions, would require the approval of the director of the Department of General Services before implementation would be legal under the Code. Further, that any change in the definition of equipment impacting the equipment budget request formula should be acted upon by the Regents.

Executive Secretary Richey reported that the board's position regarding the policy issues is sound legally and operationally and that any problems will be worked out and reported to the board.

MOTION:

Mrs. Belin moved the board accept the report on policy issues relating to institutional audits. Mr. Bailey seconded the motion, and it passed unanimously.

TOUR OF BIOLOGICAL PRESERVES SYSTEM. Board members, institutional and Board Office personnel, and others were transported by bus following lunch to view the on-campus tracts of the University of Northern Iowa Biological Preserves.

President Petersen expressed the board's appreciation to the university for the tour and commented that members will now be aware of the growth of this facility as they visit the campus.

BOARD OFFICE PERSONNEL REGISTER. The following action was shown on the Board Office Personnel Register and was recommended for ratification:

Merit Increase:

Ellen L. Discher, Secretary II, after annual Merit evaluation to Grade 106, Step 9, \$423.20 bi-weekly, effective June 22, 1979.

In the absence of objections, President Petersen ratified the action shown on the Register of Personnel Changes for the Board Office.

NEXT MEETINGS:

September 13-14	University of Iowa	Iowa City
October 18-19	Iowa School for the Deaf	Council Bluffs
November 15-16	University of Northern Iowa	Cedar Falls
December 19-20	Iowa State University	Ames
January 17-18		Des Moines
February 21-22	University of Iowa	Iowa City
March 18-19 (Tues. & Wed.)	Iowa State University	Ames
April 17-18	University of Northern Iowa	Cedar Falls
	Iowa Braille & Sight Saving School	Vinton
May 15-16	University of Iowa	Iowa City
June 18-19	Iowa State University	Ames
July 17-18	University of Northern Iowa	Cedar Falls

President Petersen reported that although all future meetings are scheduled for two days, members will be notified as soon as possible if only one day is needed in which to efficiently accomplish the work of the board.

LEGISLATIVE EDUCATION VISITATION COMMITTEE. Board members and institutional executives were reminded of the schedule of visits by the Legislative Education Visitation Committee to the institutions:

Thursday, September 20	University of Northern Iowa
Thursday, September 27	University of Iowa
Wednesday, October 3	Iowa State University

President Petersen then asked board members and institutional executives if there were additional matters to be raised for discussion pertaining to the general docket. There were none.

EXECUTIVE SESSION. President Petersen announced that the board would meet in executive session for discussion on collective bargaining strategy and imminent litigation at Iowa State University.

On roll call vote as to whether to enter into executive session, the following voted:

AYE: Bailey, Belin, Brownlee, Harris, Jorgensen, Shaw, Wenstrand, Petersen.
NAY: None.
ABSENT: Neu.

The board, having voted in the affirmative by at least a two-thirds majority, resolved to meet in executive session at 4:25 p.m. and arose therefrom at 5:03 p.m.

STATE UNIVERSITY OF IOWA

The following business pertaining to the State University of Iowa was transacted on Wednesday, July 18, 1979.

UNIVERSITY HOSPITALS -- SOUTH PAVILION -- PHASE A PROJECT. The board was requested to approve the University Hospitals -- South Pavilion -- Phase A project and a preliminary budget of \$21,947,755 and to authorize the university to negotiate for architectural services on this project.

The University of Iowa presented for board approval the South Pavilion, Phase A project to add 161,1000 gross square feet to the University Hospitals complex consisting of two levels of inpatient facilities (91 beds) and three levels of clinic space and mechanical space immediately south of the Roy J. Carver Pavilion.

The university indicated that with the completion of Carver Pavilion--Phase B, it will have a total of 376 non-conforming beds; 91 of those beds would be replaced by the South Pavilion, Phase A project, leaving 285 non-conforming beds on the completion of the Phase A project.

The cost of constructing the project is \$21,947,755 to be funded from issuance of revenue bonds for \$18,000,000 (if authority is granted by the 1980 Legislature) and \$3,947,755 in University Hospitals Building Usage Fund.

The Board Office presented background material on the project, as well as information on the architect's contract, financing of the project, and operating costs for South Pavilion, Phase A project:

Background Information

At the August 1976 University of Iowa planning seminar, University Hospitals indicated a need for 460,000 gross square feet of additional space beyond Carver Pavilion, Phase B, at an estimated cost of \$46,000,000. The university did not indicate at that time how the cost for the project, then called Carver Pavilion II, would be funded.

At the June 1978 planning seminar, University Hospitals indicated that post-Carver, Phase B, program deficiency consisted of 392,550 gross square feet. Phase A, a project consisting of 161,100 square feet at an estimated cost of construction of \$16,110,000, was listed as going under construction in 1980, with funding from revenue bonds liquidated from University Hospitals' paying patients. The university anticipated board presentation (as part of the 1980 Session legislative program) in summer 1979 with bidding possible after January 1980. The remainder of the South Pavilion project would cost about \$40,000,000 that would represent perhaps freed monies from indigent patient care that could then be appropriated to the university.

In December 1978, by letter from Mr. Colloton to President Boyd, University Hospitals indicated that it planned to self-fund \$16,110,000 of the remaining program from University Hospitals' paying patients revenues. The first step

of the planning would involve consultation regarding west campus site interface consideration and all the details would be made available to the Regents when formal approval was sought in late 1979.

At the January 1979 board meeting, Mr. Colloton indicated that the university planned to ask the board in late 1979 for approval of construction of the first phase of the South Pavilion project which would be financed by University Hospital resources, the last major project the hospital will be able to do with its own resources.

At the February meeting, the board ratified a contract with Hansen-Lind-Meyer to conduct a preliminary study involving a site interface, a departmental space program, a departmental plan allocation, on an hourly rate basis with a maximum cost of \$24,500.

At the March meeting, the board received an updated capital replacement plan with associated financing. Phase A of South Pavilion is identified as a project consisting of 161,100 gross square feet at an estimated cost of \$16,110,000. Phase B, listed as post-1982, is a project consisting of 234,760 gross square feet at an estimated cost of \$40,000,000.

University Hospitals has now refined the project. Although the square footage remains at 161,100, the budget for the project has increased from \$16,000,000 to almost \$22,000,000. Part of the increase is due to application of a \$110 per gross square foot construction figure, rather than the \$100 assumed earlier. The construction cost estimate, generated from a number of sources, is projected up to the anticipated date of bidding of September 1980. The overall project budget includes, in addition to construction, all necessary utilities to service the South Pavilion, Phase A project (including approximately \$500,000 for additional chiller capacity) and construction of roadways, as well as about \$484,000 in movable equipment. The budget has a fairly large contingency of 10 percent of the cost of construction, which in this case gives a contingency of almost \$2,000,000. According to the university, no additional capital requests for utilities will be presented to either the 1980 or 1981 Legislative Sessions for this project. Both chiller capacity and electrical capacity have been improved by the last two sessions of the legislature and those capacities are sufficient to service the additional hospital space

Architect's Contract

The university is requesting approval to select an architectural firm and to negotiate a standard Regents' Owner/Architect agreement as the next step of the planning on this project. All work on this project to this point, as well as all major hospital new construction, has been done by the Hansen-Lind-Meyer firm in Iowa City.

The Hansen-Lind-Meyer firm, in conjunction with Hodne-Stageberg (the university campus planning firm) has completed the site interface. Results of that study include provision that the South Pavilion allow for the continuing development of a mall to the north of the hospital as a primary east/west pedestrian corridor; provide for a third module of hospital southerly expansion when and if needed; and provide for indefinite retention of the Armory. No additional parking is needed at this time for the South Pavilion project. These recommendations, presented to the Campus Planning Committee, were unanimously endorsed by that group.

Financing the Project

The university is proposing 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 which would be presented to the board later in the year for approval prior to presentation for action to the 1980 Legislative Session.

The board cannot sell bonds until the resolution has been adopted by a constitutional majority of the General Assembly. Bonds can be sold following the last action by the General Assembly and the resolution does not require a publication clause to become effective at that time.

The university is projecting sale of \$18,000,000 in 25-year revenue bonds at an assumed interest rate of 6.5 percent. University Hospitals previously sold a \$10,000,000 issue in 1973 (interest rate of 5.731 percent) and \$12,000,000, 25-years in 1978 (net interest rate of 6.02 percent).

Highlights of the schedule leading to the sale of bonds include:

- | | |
|--------------------|--|
| July 28, 1979 | - Application for South Pavilion Certificate of Need submitted to state planning agencies |
| September 1979 | - Board of Regents' action on architectural contract |
| November 1979 | - Anticipated Certificate of Need approval |
| December 1979 | - Presentation of final schematic design to board and approval of concurrent bonding resolution request by board |
| January-April 1980 | - Legislative approval of concurrent resolution |
| June 1980 | - Sale of bonds |
| August 1980 | - Receive bids on project |
| September 1980 | - Award contracts |
| January 1983 | - Complete project |

Operating Costs for Project

The projected operating costs for the South Pavilion, Phase A project, based on 1978-1979 costs per square foot, is \$956,000, with the cost to be divided between indigent and private paying patients according to the proportion of the operating budget supported by private paying patients. Currently, paying patients represent approximately 75 percent of the budget. Thus, appropriations would account for about \$237,000 and private paying patients the balance. Since constant dollars are being used, the appropriation's cost at the time of request is understated by perhaps one-third. There is a forecasted increase in paying patient rates of 2.7 percent when operations begin in 1982-1983. Incremental costs have been maintained in constant dollars.

Additional space and facilities to be provided by level includes:

- First Level - Surgery Clinic - Location provides an excellent interface with the Orthopaedic Clinic and will be adjacent to the Emergency-Trauma Center which is staffed by the Department of Surgery. Easy access to Radiology Suite and elevator access to hospital operating theatre will be provided.

Second Level - Pediatric Clinic and Inpatient Facilities for 23 Infants and 29 Toddlers. Beds and bassinets in one and two-bed patient rooms with rooming-in capabilities for a parent in many rooms. Also, appropriate isolation rooms, play areas, and nurses' stations, utility rooms, pharmacy, examination, treatment and consultation rooms, offices, on-call quarters, and other supporting functions.

Third Level - Facilities for Older Children and Adolescents. Will contain 39 inpatient beds as well as appropriate support facilities. Access by pediatricians from second floor Pediatric Clinic to inpatient units, as well as a convenient access for inpatients requiring treatment from staff in the second level clinic.

Necessary mechanical spaces and an area for the eventual relocation of the Pediatric Cardiac Catheterization Laboratory will be located on the lower level.

Mr. Colloton introduced Mary E. Fuller, Director of Nursing; Sidney E. Ziffren, Head of Surgery; and Fred G. Smith, Head of Pediatrics. Director Colloton expressed appreciation to Drs. Ziffren and Smith for their patience in awaiting correction of deficiencies in their facilities.

Director Colloton noted that the Department of Pediatrics is the fastest growing department of the hospital and has been for the last five years as admissions have increased by 30 percent. He said the department has a critical mass of human resources, with faculty and staff growing from 29 to 36 and the house staff from 21 to 44. In addition to the 91 beds to be replaced by the project, Director Colloton said there are 115 additional pediatric beds in the Childrens' Health Care Center.

Director Colloton said the recommendations in the South Pavilion project have been reviewed and approved by multiple constituencies, including the Hospital Advisory Committee and the Campus Planning Committee. Incorporated in the project are:

Continued development of the mall to the north of the hospital as a primary east/west pedestrian corridor

Relocation of the helipad to the top of the Roy J. Carver Pavilion

Relocation of the emergency access road

Pedestrian walkways - Main route on south side of fieldhouse with an interior walkway planned between the South Pavilion and the Armory

President Petersen asked if there were a possibility of a walkway through the hospital complex. Director Colloton noted that individuals will have some access to walk through the hospital but potentially there may be large numbers of pedestrians. He said the hospital is working up an imaginative scheme to build a health science student commons in the next building phase and put a walkway through it. Three thousand students in University Hospitals need an area for a lounge, lunch facilities, and a study area. President Boyd said the board should not anticipate this--it is an architect's suggestion.

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Concerning the walkway, President Boyd said it is difficult to provide a pedestrian walkway from east to west. The small space between the armory and the South Pavilion necessitate such a walkway being very well planned.

Regent Bailey questioned the road which will be in close proximity to the Pavilion. Director Colloton said it will be a one-way emergency and fire lane route. President Boyd noted that student congestion is heavier on the east than on the west side. Director Colloton noted that the access would be maintained in periods of high utilization, such as during football games.

Regent Bailey asked what the hospital is planning to do about the 285 remaining non-conforming beds. Director Colloton explained that, from this point forward, once the hospital gets the basics completed, it can replace beds on a floor by floor basis.

Director Colloton directed the board's attention to project budget and financing information in docket materials and noted that the construction cost estimate was generated from consideration of data from three reference sources:

Cost data summary from current representative midwestern hospital construction projects updated to March 1, 1979, and escalated to September 1980, using an estimated 1 percent inflation per month.

Cost estimate provided by a cost consultant retained by Hansen Lind Meyer Architects who developed an estimate based on the preliminary schematics developed for this project.

An analysis of the Roy J. Carver Pavilion Phase A and B projects, with costs updated and projected as above.

Director Colloton noted that the hospital's financial ratios for the South Pavilion Phase A project fall well within the current Iowa Health Systems Agency Guidelines for determining project financial feasibility. The capital debt service capacity of University Hospitals is approximately two to three times above that which University Hospitals will have after sale of the South Pavilion revenue bonds.

Regent Wenstrand asked the impact of taking \$420,000 annually now available for new technology and diverting it to capital indebtedness. Director Colloton said that such an action will have a significant impact. Beyond depreciation reserves, the hospital has growth allowances from some parties. He said the hospital is developing internal space so expenses can be reduced and more funds put into new construction.

Regent Wenstrand questioned if in calculating patient days of service the hospital had used last year's figures. Director Colloton replied the hospital had used figures based on 1978-1979 data, although the trend is on increase in patient days and that it is reasonable to anticipate some growth. Executive Secretary Richey asked if the hospital estimated as high as possible an increase, and Director Colloton replied that the hospital had used current patient day volume, which is a conservative estimate.

Director Colloton also replied to other questions from Mr. Richey:

What procedure does the university plan to utilize for architectural selection? The university will utilize the standard board procedure for architectural selection in the Procedural Guide.

Why has the university said it will not finance other major projects with its own resources when the Health Systems Agency Guidelines (HSAG) indicate that more capital for self-financing is available beyond this project? The HSAG guidelines are too liberal or the hospital is too conservative. With the explosion in new medical technology (\$750,000 for one piece of equipment) it is risky to count on funding future capital projects.

President Petersen commented that part of the renovations are from a variety of funds (depreciation and others) not included in this scheme. The hospital is using a greater percentage of its assets for capital projects not under the bonded scheme. Some of these are taken up in individual projects.

Director Colloton then directed the board's attention to The University of Iowa Hospitals and Clinics Cost Containment Program and Record of Achievement, which had been distributed to board members. He noted that five factors are involved in increased costs at University Hospitals:

1. Inflation
2. Changing nature of patients being served
3. Reduction in length of stay results in compaction of more care in span of time
4. Increase in staff to patient ratio--lowest of any in the country
5. Debt service

Director Colloton indicated highlights from the Cost Containment report:

1. Last year the hospital admitted 40,569 patients, an all-time record.
2. In 1979 the hospital cared for 313,989 ambulatory patients, an 89.3 percent increase over 1960 figures.
3. Average length of stay has dropped almost two days since 1972 at University Hospitals to 7.8 days; the national average is 7.6 days.
4. Although the number of operating beds has decreased from 1,247 to 1,053 since 1965, the occupancy rate has increased to 82.6 percent.
5. Because University Hospitals is the only full-service tertiary care center in Iowa, it provides highly specialized services.
6. Live births have increased and the average daily newborn census has increased 140 percent since 1973. Two-thirds of these births involve intensive care of one nurse to two patients.
7. Infant deaths per 1,000 live births in Iowa have dropped from 19/1,000 to 13/1,000 since 1968--240 newborn lives have been salvaged as a result of the statewide perinatal program.
8. Numbers have increased in other special care units, e.g., kidney transplant, coronary care.
9. According to a study by the National Council of Teaching Hospitals, University Hospitals is third in the country in tertiarity of teaching hospitals.
10. Hospitals nationally have increased hospital service charges 82.9 percent since 1972; University Hospitals has increased charges 61.2 percent.

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In a discussion of rate increases, Director Colloton noted that the proportion of increased operating budget of University Hospitals has been funded through rate increases. He said the message the hospital is trying to convey is that the complexity and intensity of care have resulted in cost increases. Because of the changing nature of patients admitted, the cost per patient per day is outmoded as a relative measure. Although the length of stay has declined, there is no reduction in costs.

Regent Shaw commented that University Hospitals ranks low in cost per day for inpatient services in the 1977 study. Director Colloton noted that an April 1979 study ranked the University of Chicago Hospital first, with a figure of \$442 per day; University Hospitals' cost was \$287; in July, costs for those hospitals rose to \$500 per day and \$347 per day, respectively. University Hospitals is still in the lower quartile.

Dr. Smith responded to an inquiry by Regent Bailey concerning the hospital's program to expose residents to less complicated kinds of medical care. He said the university has developed clinics for well babies, for example, to expose residents to a variety of medical cases which provide outreach services and yet are preceptor relationships. These services are not noted in the tables, but are "buried in the statistics."

Regent Shaw said the University Hospitals program has overcome the disadvantage of being classified a rural hospital.

Regent Harris commended Director Colloton for an excellent presentation.

MOTION:

Dr. Harris moved that the board approve the University Hospitals -- South Pavilion -- Phase A project and a preliminary budget of \$21,947,755, authorize the university to negotiate for architectural services, and accept the hospital's report to its Board of Trustees. Mr. Brownlee seconded the motion.

Dr. Harris suggested that the hospital arrange some short tours for the board in areas where great strides have been made. He said tours of an hour or so could be exciting in terms of what the hospital is doing and recommended the board see the CATSCAN, cancer cell sorter, and the cardiovascular unit.

President Boyd said the board would meet on the west side of the campus in September and a tour could be arranged. He said that since some board members are asked to meet with accrediting agencies when visits are made, the time would be well spent.

VOTE ON MOTION:

The motion passed unanimously.

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

APPOINTMENTS. The board was requested to approve the following appointments:

Michael L. Teague, as Chair, Department of Recreation Education, for a three-year term, effective August 30, 1979, at a salary as budgeted.

John W. Fuller, as Director, Institute of Urban and Regional Research and professor in the Department of Urban and Regional Planning, effective August 20, 1979, at a salary of \$42,000 on a 12-month basis.

Chester S. Rzonca as Director of the Program in Health Occupations Education, effective September 4, 1979, at a salary of \$31,900 on a 12-month basis.

MOTION:

Mrs. Belin moved the board approve the appointments above. Dr. Harris seconded the motion, and it passed unanimously.

ADDITIONAL DEVELOPMENTAL ASSIGNMENTS, 1979-1980. The board was requested to approve of five additional faculty development leaves for the 1979-1980 academic year at an estimated replacement cost of \$54,400.

The university reported that opportunities only recently became available for these leaves and that there will be no net replacement costs to the university.

Vice President Brodbeck noted that the one doctorate which will be completed is in the College of Nursing.

MOTION:

Mr. Bailey moved the board approve five additional faculty development leaves for the 1979-1980 academic year. Mrs. Belin seconded the motion.

Executive Secretary Richey provided additional information on faculty development leaves for the benefit of the new Regents. President Petersen commented that the leaves provide an important part of the vitality of the institutions

VOTE ON MOTION:

The motion passed unanimously.

STUDENT TEACHING CONTRACTS. The board was requested to approve the contract form proposed by the university for the 1979-1980 academic year with the understanding that changes recommended in the general section of these minutes will be included in the next academic year and to ratify agreements for 18 additional school districts for the 1978-1979 academic year.

The Board Office noted that the University of Iowa has made only one change in the form of its contract from last year (other than the changes requested by the board last July): in section 4.0, the title is changed from "Supervision of Student Teaching" to "Supervision and Evaluation of Student Teaching." The title now reflects more accurately the content of the section which specifies that evaluation of student teachers shall be a shared responsibility among the various personnel involved but that final evaluation is the responsibility of the University of Iowa supervisor. No changes were made to the amounts of compensation to the cooperating school districts.

MOTION:

Mrs. Belin moved the board approve the student teaching contract form proposed by the University of Iowa for the 1979-1980 academic year with the understanding that other changes recommended will be included the next academic year and ratify agreements for 18 additional school districts for the 1978-1979 academic year. Mr. Bailey seconded the motion, and it passed unanimously.

COMMISSIONING OF SPECIAL SECURITY OFFICERS. The board was request to commission Robert Simonson, David Knaack, and Donald Hogan as permanent Special Security Officers. The university reported that all nominees have completed basic training courses at law enforcement academies.

MOTION:

Mr. Bailey moved the board commission Robert Simonson, David Knaack, and Donald Hogan as permanent Special Security Officers. Mr. Wenstrand seconded the motion, and it passed unanimously.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS FOR JULY 1979. Executive Secretary Richey reported the Register of Capital Improvement Business Transactions for July 1979 had been received by him, was in order, and recommended approval, with special action requested on the Hawkeye Sports Arena/Recreation project.

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

Medical Laboratories -- Roof Replacement

Award to: Western Waterproofing Company, Inc., West Des Moines, \$244,800.00
Iowa. Base Bid No. 2, Polyurethane Foamed-In-Place
Roof System (single bid received)

The Board Office noted that the irregularity of a single bid was waived by the executive secretary since a total of seven contractors had obtained plans and specifications but several chose not to bid because of the time factor in completion of the roof. The award recommended is within budget.

Revised project budgets and contract change orders in excess of \$25,000 were submitted on two related projects--Reconstruction of Boiler #7 and Reconstruction of Boiler #8.

The Board Office presented information on these projects. In March 1979, the board awarded a contract to Moorhead Machinery and Boiler Company, Minneapolis, Minnesota, to undertake the reconstruction of boilers #7 and #8 in the amount of \$149,300. The reconstruction of boiler #7 commenced in early June, with the intention to work on one boiler at a time so the other could serve as a standby in the event of trouble with either of the other two high-pressure boilers, #9 and #10. However, in the middle of June, boiler #8 developed some severe leaks and had to be shut down, leaving the power plant with only boilers #9 and #10 to supply high-pressure steam for the turbine generator and high-pressure steam for distribution to the campus. This represents an emergency

condition for the campus since these two boilers are only barely able to meet the high-pressure steam demand. If either boiler were to go down, a serious curtailment in the distribution of both steam and electrical power to the campus would be required.

In addition, after boiler #7 was opened up, a number of additional deteriorating components were discovered which require replacement. The board at its June meeting approved a contract change order for \$34,500 to partially correct these deficiencies. The university now requests approval of a revised project budget increasing this budget by \$65,000 to a total of \$300,000. The university also requests approval of a contract change order for \$31,400 to correct most of the rest of the deficiencies which have been determined at this point.

The Board Office reported that the two change orders, the one on the June docket and the one on the July docket, and the revised budget will ensure the total reconstruction of boiler #7 within six to eight weeks and enable the boiler to be ready for standby irregular use in addition to boilers #9 and #10. The emergency state of operation will then be eliminated.

On reconstruction of boiler #8, the budget approved initially by the board for this project in July 1978 was \$195,000. The university now requests approval of a revised budget for \$380,000 to correct other deficiencies which have now been determined to be present in boiler #8. Those deficiencies include replacement of the wall tubes in both the east and west sides of the boiler and the replacement of the super-header heater. The university also requests approval of a contract change order with the general contractor in the amount of \$204,500. The change order does not include the cost of the wall tubes themselves, as the university proposes to obtain those by purchase order at a price of about \$38,000.

The university has negotiated these change orders with the contractor who is on the job site. Approval of the revised project budget and change orders will eliminate delay in bringing boiler #7 back on line and end the emergency condition. The increased costs of the present and revised budgets can be funded from academic revenue bonds, as the university has effected some savings in other utility projects funded by the 1977 sale of bonds.

Seven new projects were recommended for approval:

Veterans Administration Hospital -- Renovate 3E-48 Area -- Diabetes Center
Source of Funds: U.S. Public Health Service Grant \$13,000.00

The physical plant department will act as engineer and inspection supervisor.

Oakdale Hospital -- Repair Roof, North Wing
Source of Funds: Oakdale RR&A \$24,000.00

The physical plant department will act as engineer and inspection supervisor.

Electric Distribution Line Crossing Washington Street
Source of Funds: Income from Treasurer's Temporary Investments \$39,000.00

The physical plant department will act as engineer and inspection supervisor.

Quadrangle -- Remodel 1102A for Undergraduate Academic Advising Center
Source of Funds: University Building Repairs \$12,500.00

The physical plant department is designated as engineer and inspection supervisor.

Medical Research Center -- Cardiovascular Research Addition -- Phase II

Source of Funds: Gifts to the U. of I. Foundation \$712,500.00

The Board Office reported that Phase I of this project, which consisted of construction of a two-story addition on top of the north wing of the Medical Research Center (providing approximately 20,100 gross square feet divided between the two floors) was essentially completed earlier this year. The cost, funded from Treasurer's Temporary Investments income and the Pearson Trust Fund, was about \$1.2 million. Phase II provides for completion of the interior finishing of the shell space constructed in Phase I. The installation of casework and equipment will be provided in a later phase.

The university also is requesting board approval of an agreement with The Durrant Group, Inc., Dubuque, Iowa, to provide architectural services for Phase II, beginning with the construction document phase and continuing through the bidding or negotiation phase and the construction phase. Compensation is on the basis of a fixed fee of \$45,000 for basic services and a maximum of \$2,500 for reimbursable expenses. This agreement would continue the involvement of The Durrant Group in this project, which was initiated in January of 1977 with a services contract to conduct a feasibility study on the project and continued through the construction of Phase I.

The Board Office noted that the university complied with the architectural selection process prescribed by the board in its initial selection of The Durrant Group. The firm was paid a lump sum amount of \$30,000 plus reimbursable expenses for the feasibility study and a contract of up to \$40,000 was approved for Phase I.

University Hospitals -- Fire Protection Improvements -- Third Floor General Hospital

Source of Funds: University Hospitals Building Usage Fund \$88,375.00

The Board Office reported that the board had previously ratified selection of Brown Healey Bock, Cedar Rapids, Iowa, to provide architectural services on the project at an estimated fee of \$6,375, with compensation based upon a fee of 8.5 percent of construction bids or upon the final approved project construction cost estimate, whichever was less, plus approved reimbursable expenses. The preliminary budget originally submitted does not evidently include any architectural fees, according to the Board Office.

Mr. McMurray reported that the university budget has now been reestablished at \$88,375, a sum which includes the architect's fees of \$6,375.

Dermatology Research Laboratory -- Medical Laboratories -- Rooms 271/276

Source of Funds: University Building Repairs	\$56,700
Dermatology Trust Fund	30,000
Marshall Fund-U. of I. Foundation	<u>40,000</u>
	Total <u>\$126,700.00</u>

The Board Office reported that this project will provide research space for the dermatology department in space recently vacated by the University Hygienic Laboratory in its move to the Oakdale Campus. The board in April ratified selection of Beling Consultants, Inc., Moline, Illinois to provide engineering services at a maximum amount of \$4,600 on an hourly rate contract. The university noted that the September register will contain an entry for additional engineering services. The rate at which this contract is being provided will be determined at that time.

The board was asked to ratify architectural/engineering services awards on five projects:

Computer Room Relocation -- Medical Research Center

The board was asked to ratify selection of Brooks Borg and Skiles, Des Moines, Iowa, to provide final design services for the project on an hourly rate basis at a maximum cost of \$6,600. The board has not approved this project or budget to date.

Emergency Power Supply -- Computer Room -- Medical Research Center

The board was asked to ratify selection of Brooks Borg and Skiles, Des Moines, Iowa, to provide final design services on an hourly rate basis at a maximum cost of \$5,600.

Feasibility Study of Hospital Computer Facilities

The board was asked to ratify selection of Kimmel-Jensen-Wegerer-Wray, Rock Island, Illinois, to provide a feasibility study on the computer facilities in University Hospitals on an hourly rate basis with a maximum of \$7,000. Rates range from \$40.00 an hour for principals to \$20.00 for secretaries.

Review and Investigation of General Hospital Roofing

The board was asked to ratify selection of Shive-Hattery and Associates, Iowa City, Iowa, to provide engineering services in two phases on the project. The first phase is a preliminary study which involves a physical examination of the roof and the preparation of a budget-type cost estimate without making test cuts or taking detailed measurements. The costs of those services are on an hourly basis at a maximum of \$4,700. The second part of the contract is the preparation of plans, specifications, and bid documents and includes a detailed examination of each roof area together with test cuts and taking detailed measurements. Maximum compensation based on hourly rates for the second phase is \$7,200.

Special Action -- Hawkeye Sports Arena/Recreation Project

The board was requested to ratify the selection of Caudill Rowlett Scott (CRS), Houston, Texas, for Phase I planning and design services and to approve the draft of the letter form contract between the Owner and Caudill Rowlett Scott setting forth the scope of services and fees for Phase I planning and design services on the Hawkeye Sports Arena/Recreation Project.

The Board Office reported on the architectural selection process. Letters were sent to all Iowa architects and to 16 selected non-Iowa firms inviting them to express any interest in the project. Responses received from 26 firms, were reviewed by a panel of three persons (Mr. B. L. Barnes, Mr. Richard Jordison, and Mr. Richard Gibson) and six firms were selected for the interview process. One of the six firms chose not to participate because of current work load. Interviews, conducted by the Architectural Selection Committee, supplemented by facility users, were held at the university on June 28.

The committee unanimously selected Caudill Rowlett Scott (CRS), Houston, Texas, as architect for the project. CRS has chosen The Durrant Group of Dubuque, Iowa, for services which can be most effectively performed by an Iowa-based architect and Geiger Berger Associates, P.C., New York, N.Y., as structural engineers.

Services to be provided by CRS in Phase I include programming, architectural design, preliminary engineering and cost estimating services to bring the complete project through schematic design. The fee for Phase I, expected to be completed by approximately September 15, 1979, is a lump sum of \$121,500 plus reimbursable travel expenses at a maximum cost of \$12,500. Any such reimbursable travel will, however, require prior approval by the university.

Vice President Bezanson noted that the university forwarded to the Board Office the letter form contract, which was signed by Executive Secretary Richey on July 12. He said that CRS has a team on the premises to put together information for programming and will begin its schematic concept which will be converted into drawings. He said the university hopes by late summer to have a schematic design and cost estimates to present for the fund raising feasibility study.

Mr. Bezanson reported that a letter of understanding, contractual in form, has been received from CRS setting up a total fee for full architectural services should the university and the board decide to contract with them beyond the schematic design and costing phase. The letter does not obligate the board to a future contract but gives a total fee for the project covering not only schematic design and costing but also design development, preparation of contract documents and bidding. The letter form agreement fee of \$121,500 does include an estimated \$31,000 or 1 percent for schematic design alone, of the projected project cost for recreation development.

Vice President Bezanson noted that the university is proceeding on the financial aspect and is considering a number of alternative means from fairly traditional models with Paul Speer for a public sale of bonds to private placement financing. He said the university will analyze these with the help of the Board Office and select the financing package that will fit the needs and keep costs to a minimum.

Regent Harris asked if a possibility exists that the building can be financed without use of student fees. Mr. Bezanson said that both student fees and surcharges are needed to support financing. The student fee is part of the tuition. President Boyd said the proposal is that a certain part of the tuition increase is being set aside for this financing beginning this fall.

Regent Shaw asked if the bonds would be academic building bonds and Mr. Bezanson replied that they will be other revenue bonds. Regent Shaw asked if the university would be obligated to collect enough money in 1989 to pay off the building. Vice President Bezanson said that one of the attractive features of the alternative financing is that the university might be able to limit the amount of the student fee backing it.

Regent Shaw commented that the university would have to pay off the bonds or would not be able to run the university. President Boyd said the same method was used for the union and the recreation building. Vice President Bezanson said the form of security is still to be determined.

President Boyd commented that the project is an expensive proposition and that, just like in any other part of the university, compromises will have to be made as the university proceeds. He said that, despite compromises, the state has a good set of public universities.

MOTION:

Mr. Brownlee moved the board approve the Register of Capital Improvement Business Transactions for July 1979; ratify award of construction contracts made by the board's executive secretary; approve revised project budgets and contract change orders as shown; approve the new projects; ratify award of consultants contracts services; approve an agreement with The Durrant Group, Inc., Dubuque, Iowa, to provide architectural services for Medical Research Center -- Cardiovascular Research Addition -- Phase II; approve selection of Caudill Rowlett Scott, Houston, Texas, for Phase I planning and design services on the Hawkeye Sports Arena/Recreation Project and approve the letter form contract between the Owner and Caudill Rowlett Scott which sets forth the scope of services and fees for Phase I planning and design services; and authorize the executive secretary to sign all necessary documents. Dr. Harris seconded the motion, and it passed unanimously.

JOHN F. MURRAY ENDOWMENT FUND. No activity was reported in the John F. Murray Endowment Fund for the quarter ending June 30, 1979.

PROPERTY LEASE WITH MARYCREST COLLEGE OF DAVENPORT. The board was requested to approve the agreement to lease 575 square feet of space for use by the University of Iowa Social Work Training Center for \$251.50 monthly or \$3,018 annually for the period beginning July 1, 1979, and ending at midnight June 30, 1980.

The Board Office noted that the agreement is a continuation of a long-standing mutually advantageous training center location. The center coordinates practicum placement for students in the Master of Social Work Program, and part-time study available may be used to meet all but the campus residency requirement in the master's degree program.

According to the Board Office, the lease rate includes janitorial services, all utilities including airconditioning, equipment use, all library privileges for faculty and students either employed by or enrolled in course work through the center.

Cost per square foot for the space is \$5.25, an 8.9 percent increase in cost over the previous lease. The university indicated that the rental rate appears to be fair and equitable.

MOTION:

Mrs. Belin moved the board approve a lease with Marycrest College, Davenport, for 575 square feet for the University of Iowa Social Work Training Center at \$251.50 monthly or \$3,018 annually for the period beginning July 1, 1979, and ending at midnight June 30, 1980. Mrs. Jorgensen seconded the motion.

Regent Bailey questioned whether the 8.9 percent cost increase conflicts with the President's guidelines and with the Governor's directive. Executive Secretary Richey said the guidelines apply to prices the institutions charge or what they pay employees. He said the Governor has not issued a directive or policy statement about prices the board pays but that a five percent increase in budget for sales and services was approved. The property lease fits into this category.

President Boyd commented that some factors cannot be controlled. The alternative is to give up the program.

VOTE ON MOTION:

On roll call vote, the following voted:

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

NAY: None.

ABSENT: Neu.

The motion carried.

PROPERTY LEASE WITH DRAKE UNIVERSITY. The board was requested to approve a lease with Drake University for 1,650 square feet of space at 2830 University Avenue, Des Moines, Iowa, and related services at a monthly rent of \$954.08, or an annual cost of \$11,449, for the period commencing July 1, 1979, and ending at midnight on June 30, 1980, to accommodate the SUI Social Work Training Center.

The Board Office noted that the proposed lease is a renewal of the same square footage and related services utilized for many years in support of the social work program at the University of Iowa. Comparison of proposed costs with 1978-1979 indicate a proposed total cost increase of 7.6 percent.

Space and services included in the lease include office and instruction space, equipment use, library services, all utilities except telephone, and janitorial service. Additional classroom space will be provided by Drake University as needed.

The Board Office reported that cost per square foot for the 2830 facility would amount to \$5.15 compared to \$4.86 in the previous lease, a 6 percent increase.

Cost of additional classroom space as needed will be adjusted at the end of the spring semester, if actual usage varies from planned usage, at the rate of \$18.50 per room per class meeting, according to the university. This procedure is a continuation of the previous lease arrangement, although the rate per class session has been increased \$1.00, or 5.7 percent.

Regent Bailey commented that instead of \$5.15 per square foot, the university will be paying close to \$7.00 a foot for the 1,650 square feet of space.

Vice President Bezanson commented that the cost also includes use of equipment, additional classroom space, and library services. President Boyd commented that the university accepts Regent Bailey's calculations.

MOTION:

Mr. Bailey moved the board approve a lease with Drake University for 1,650 square feet of space for a Social Work Training Center at 2830 University Avenue, Des Moines, Iowa, and related services for a monthly rental of

\$954.08, or an annual cost of \$11,449, for the period commencing July 1, 1979, and ending at midnight on June 30, 1980. Dr. Harris seconded the motion and, on roll call vote, the following voted:

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

NAY: None.

ABSENT: Neu.

The motion carried.

PROPERTY LEASE WITH CITY OF OTTUMWA. The board was requested to approve a lease with the City of Ottumwa Department of Health, in Rooms 201, 202 and 204, 317 Vanness Avenue, Ottumwa, for office and clinic space leased by State Services for Crippled Children for the period of July 1, 1979, through June 30, 1980, for \$228 per month or \$2,736 for the year.

The Board Office reported that the proposed lease represents a modification of leasing arrangements approved by the board for an indefinite period in November 1977. The amount of space to be leased has been reduced from 720 square feet to 523 square feet plus the use of clinic space. Utilities and janitorial services are included in the lease price.

According to the Board Office, although the total amount of the proposed lease is identical with that approved in November 1977, the cost per square foot for office space has increased from \$3.80 to \$5.20 per square foot and cost for clinic space has increased from a flat \$50 to a flat \$60 per month. The Board Office reported that the rates are considered to be fair, equitable, and competitive in terms of the Ottumwa rental market.

MOTION:

Mr. Bailey moved the board approve a lease with the City of Ottumwa Department of Health for 523 square feet of space for use in support of the Southwest Regional Office of State Services for Crippled Children in Rooms 201, 202, and 204, 317 Vanness Avenue, Ottumwa, Iowa, in the amount of \$228 per month or \$2,736 for the year. Mrs. Belin seconded the motion and, on roll call vote, the following voted:

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

NAY: None.

ABSENT: Neu.

The motion carried.

PURCHASE OF PROPERTY. The board was requested to approve the purchase of property located at 12 West College, Iowa City, Iowa, for a purchase price of \$32,000. Purchase is from Glenn P. and Ardys Wentzel.

The university is requesting purchase of a 40 foot by 52 foot lot containing an old one-story house in very poor condition. The purchase price is based on two appraisals--one for \$29,000 and the other, \$32,000. In each instance, the appraisals are based upon land value only and either assign no value to the house, which will be razed, or there is a reduction in value by the estimated amount of demolition cost.

The Board Office noted that the property is located well within campus boundaries and, with this purchase, the university completes ownership of the block bordered by Capitol, College, Madison, and Washington Streets. The property is contained on the list of parcels within the land acquisition policy presented to the board in 1974. The property would be utilized to replace university security parking, which will be lost to urban renewal. Other functions in the block include Engineering, Communications and Security Headquarters.

Executive Secretary Richey reported that the board policy for purchase is to pay the average of two appraisals plus five percent but not to exceed the high appraisal of the two.

MOTION:

Mr. Brownlee moved the board approve the purchase from Glenn P. and Ardys Wentzel of property located at 12 West College, Iowa City, Iowa, for a purchase price of \$32,000. Mrs. Jorgensen seconded the motion and, on roll call vote, the following voted:
AYE: Bailey, Belin, Brownlee, Harris,
Jorgensen, Shaw, Wenstrand, Petersen.
NAY: None.
ABSENT: Neu.
The motion carried.

President Petersen then asked board members and institutional executives if there were additional matters to be raised for discussion pertaining to the University of Iowa. There were none.

IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Wednesday, July 18, 1979.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for June 1979 were ratified by the board.

APPOINTMENT OF UNIVERSITY ADMINISTRATORS. The board was requested to approve the following appointments:

Dr. Jeanine R. Carithers as Chairperson of the Department of Veterinary Anatomy, beginning August 1, 1979, and ending June 30, 1984. Dr. Carithers is serving as Acting Chairperson of the Department of Veterinary Anatomy, as of July 1, 1979.

Larry H. Dietz as Acting Director of Financial Aid and Student Employment, effective July 15, 1979. Mr. Dietz replaces Mr. John Bannister, who has resigned.

MOTION:

Mr. Bailey moved the board approve the appointments listed above. Dr. Harris seconded the motion, and it passed unanimously.

MAJORS IN FAMILY RESOURCE MANAGEMENT AND HOUSING AND NEAR ENVIRONMENT. The Board Office recommended referral of the proposal to offer majors in Family Resource Management and in Housing and Near Environment by the Department of Family Environment to the Interinstitutional Committee on Educational Coordination and the Board Office for review.

The university reported that in May 1978, the Department of Family Environment was authorized to offer majors in Consumer Sciences and in Family Services, fields which had previously been options within a basic Bachelor of Science major in Family Environment. The department now believes that the program in Family Services can be presented better as two separate majors: Family Resource Management, and Housing and the Near Environment.

The university noted that the major in Family Resource Management would essentially be a change in title of the current major in Family Services; and the proposed major in Housing would be a new major, although it would incorporate areas of work currently being offered within the major of Family Services.

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MOTION:

Mr. Bailey moved referral of the proposal to offer majors in Family Resource Management and in Housing and Near Environment by the Department of Family Environment to the Interinstitutional Committee for Educational Coordination and the Board Office for review. Dr. Harris seconded the motion.

In response to a question from Regent Bailey, Vice President Christensen noted that the terms "housing and near environment" are used in professional circles and include all aspects of the environment--housing, interiors, furnishings, as well as social, economic, and other considerations.

VOTE ON MOTION:

The motion passed unanimously.

STUDENT TEACHING AGREEMENTS. The board was requested to ratify the 1978-1979 student teaching agreements with the school systems listed in docket materials and to approve the 1979-1980 contract form with the understanding that changes in the form recommended in the general section of these minutes will be included in the form for the 1980-1981 academic year.

The Board Office noted that Iowa State has made no changes in the form of its 1979-1980 contract from the 1978-1979 form (other than changes requested by the board in July 1978). The Board Office pointed out that the reference to Section 612A.8 of the Code (in line 10 of the opening paragraph of the agreement) should be 613A.8 and requested that the change be hand corrected and initialed on all future contracts sent to the Board Office. The Board Office noted that contracts already submitted will be corrected in the Board Office. Amounts of compensation to the school districts have not been changed.

The Board Office requested that contract forms for the universities for a given school year be submitted in sufficient time to allow for a review prior to the time the form is used. Board staff also suggested that the university review the wording of its contract to assure appropriate contractual terminology and to consider rewording any exclusive references to the male gender.

MOTION:

Mr. Bailey moved the board ratify 1978-1979 student teaching agreements with school systems and approve the form of the contract for 1979-1980 with the understanding that other changes recommended above will be included in the form for the 1980-1981 academic year. Mrs. Belin seconded the motion, and it passed unanimously.

INDUSTRIAL SECURITY AGREEMENT. The board was requested to approve a resolution entitled "Industrial Security Agreement," which is required periodically by the Industrial Security Manual of the Department of Defense.

Regent Bailey questioned whether the agreement is the redrafted statement previously approved by the board. Vice President Moore said the university intended to utilize the approved form, and he will verify that action. President Petersen noted that board approval is based on the university's use of the redrafted resolution. /Subsequently, the university reported that except for the changes in individual names and dates, this resolution is identical to one approved by the board in April, 1978 (Minutes, p. 636)/

MOTION:

Mr. Bailey moved the board approve a resolution entitled "Industrial Security Agreement," which is required periodically by the Industrial Security Manual of the Department of Defense. Mr. Wenstrand seconded the motion, and it passed unanimously.

FIRE DAMAGE AT THE PHYSICAL PLANT, JULY 2, 1979. The board was requested to:

1. Receive a report on the July 2, 1979, fire.
2. Approve a time and materials contract with a local contractor to accomplish emergency repairs to the structure and the roof, subject to review of that contract by the Board Office.
3. Direct Iowa State University to retain the services of an outside consultant to thoroughly investigate the circumstances surrounding the fire, as well as any factors in operations or maintenance of the plant which might be corrected to avoid future casualty losses.

The Board Office included both a university report dated July 18, 1979, and an update on actions since that time. Details of the fire were presented by the university:

At approximately 3:30 a.m. on July 2, 1979, a flexible connector in the lubricating oil system of Turbine Generator No. 5 failed, spraying oil on the turbine. After coming in contact with hot portions of the turbine, the oil was volatilized and ignited by electrical equipment in the general area causing extensive damage to the turbine generator, building and station power wiring.

The building structure has been damaged to the point that a portion of the roof and supporting beams must be removed immediately as their current condition is such that it is not safe to have personnel under the roof area. The damaged portion of the structure must be removed and replaced before work on the repair and/or replacement of the turbine generator can proceed.

Vice President Moore reported to the board that the university does not know the extent of the damage which may range from \$500,000 to \$2,000,000, because damage to the roof makes it unsafe to approach the machine.

The Board Office noted that it had advised the State Executive Council as to the extent of damage known to date and had received authorization from the Council to expend a maximum of \$150,000 to permit repairs and renovation of the roof and the upper part of the wall in the southwest corner of the building. The university has proceeded to contract without utilizing the normal procurement and bidding procedures utilizing instead Section 262.9(4) of the Code which provides the power in the Board of Regents to "manage and control the property, both real and personal, belonging to said institutions." Section 262.9(11) further provides authority to "perform all acts necessary and proper for execution of the powers and duties conferred by law upon it [the Board]."

According to information presented to the board, the university has negotiated a contract for repairs to the structure with James Thompson and Sons of Ames with a \$135,000 guaranteed maximum on a time and materials basis with the contractor's markup at 15 percent. The project will consist of:

(1) erecting a shoring platform to the underside of the fire damaged roof structure so that removal of the damaged portions of the roof can be safely accomplished with a minimum of destruction of undamaged portions of the building, and (2) replacement of structural steel members, concrete roof decking, roofing, steel windows, and brick masonry.

The university report explained other actions it had taken:

In addition to the repairs on the structure, the university has made temporary electrical connections in order to restore essential services to the campus and, at the present time, there is adequate power to supply these needs. However, the reserve capacity which existed before the fire no longer exists and it will be necessary to purchase reserve capacity from the City of Ames at approximately \$18,000 per month until such time as Turbine Generator No. 5 is repaired and placed back into service. It is, therefore, necessary to proceed with the repair and/or replacement of Turbine Generator No. 5 at the earliest possible date and, in order to determine the extent of the damage, the manufacturer will have to disassemble the unit and determine the cost of such work.

The Board Office noted that the earliest that the turbine could be placed back into service would be one year and that the purchase of electricity will cost approximately \$200,000 per year.

The Board Office concurred with the university's intention to retain the services of an outside consultant to thoroughly investigate the circumstances surrounding the fire and to report on the various factors which contributed to the loss. The Board Office suggested that the outside consultant should not only review the liability question of the manufacturers of the turbine and parts but should also examine whether there are operating or maintenance characteristics of plant operation which could or should be altered to avoid future occurrences. The board was reminded that an electrical fire in the plant's switch gear on August 25, 1978, resulted in a loss of \$260,000. The Board Office commented that the board and the state have invested a significant amount in the Iowa State University power plant--the only plant of the three university campuses totally self-sufficient in generation of steam and electrical power--and that a study by an outside consultant would be a timely investment.

The Board Office noted that the university undertook a project in 1976 on Turbine Generator No. 5 repairs, at which time the turbine rotor, diaphragms and valve gear were returned to the service shop in Chicago for repair and inspection. Considerable extra work was done to correct the controls on the unit and, finally, the governor on the unit was replaced. According to the Board Office, the final report for this project indicates that an expenditure of \$116,100 was incurred. The university further noted in its report on the fire that the unit had been taken down for a routine inspection a month before the fire and there was no evidence of leakage in the oil piping and connectors at that time.

The Board Office noted that the course of action appears to be:

1. Enter into a time-and-materials contract to repair emergency structural damage.
2. Investigate the extent of damage to the equipment.
3. Determine through an outside consultant the extent of the liability of the state and/or of the manufacturer of the turbine.

4. Issue report to State Executive Council for review and action.

The Board Office noted that if the state is determined to be liable under its self-insurance program, it is probable that the loss will be referred by the Executive Council for action by the 1980 Legislative Session. That determination will be made at the time the report is presented to the council. The Board Office recommended that the university move quickly to determine questions of liability, so that, if the matter is referred to the Legislature, it can be handled in an orderly manner as it does impact potentially upon any type of capital request to be submitted to the 1980 Session.

Regent Shaw suggested that the occasion should be used to examine broader aspects. He asked if the university belongs to a power pool and whether an alternative source of power is available. Vice President Moore said the university will investigate this possibility. Regent Shaw also said the matter of burning coal in small volumes should be reviewed. He agreed that co-generation has some advantages but the university should explore alternatives.

Dr. Harris moved the board receive the report; approve the time and materials contract with James Thompson and Sons of Ames to effect structural repair work resulting from the fire of July 2, 1979, to the Heating Plant, with the contractor's markup at 15 percent and a guaranteed maximum of \$135,000; and direct Iowa State University to retain the services of an outside consultant to thoroughly investigate the circumstances surrounding the fire, as well as any factors in operations or maintenance of the plant which might be corrected to avoid future casualty losses. Mrs. Belin seconded the motion, and it passed unanimously.

ALLOCATION OF CAPITAL APPROPRIATIONS FOR EQUIPMENT. The board was requested to allocate \$1,800,000 for equipment to Iowa State University as follows:

Horticulture Addition	\$1,054,260
Music Building	<u>745,740</u>
	\$1,800,000

The Board Office reported that the university had requested \$2,216,000 but the Legislature had appropriated \$1,800,000 to equip the Music Building and the Addition to the Horticulture Building. Neither the Governor nor the Legislature allocated the money between the two buildings and the appropriation was simply titled "New Building--Movable Equipment." The university noted that the split was arrived at by calculating the same percentage of the reduced appropriation for each project as was contained in the original appropriations request.

The first use of funds, according to the Board Office, is to award the fixed equipment contract on the Horticulture Building for which funds were insufficient last October when contracts were awarded for construction of the addition.

MOTION:

Mr. Bailey moved the board allocate the appropriation of \$1,800,000 for equipment to Iowa State University with \$1,054,260 to the Horticulture Addition and \$745,740 to the Music Building. Mrs. Jorgensen seconded the motion, and it passed unanimously.

EASEMENT REQUESTS FROM THE CITY OF AMES AND IOWA ELECTRIC COMPANY. The board was requested to grant six permanent street right-of-way easements, two drainage easements and two temporary easements for railway right-of-way to the City of Ames and an easement on a gas main to Iowa Electric Light and Power Company.

The Board Office noted that on July 3, 1972, the State Executive Council approved an agreement between the State Board of Regents and the City of Ames for the extension of 13th Street from Stange Road to Ontario Street and the widening of 13th Street to four lanes from Stange Road to Harding Avenue. Under this agreement:

1. The university agreed to widen 13th Street to four lanes and completed the project in 1975 at a construction cost of about \$845,000.
2. The city agreed to design, plan, supervise, and construct an extension of 13th Street between Stange Road and Ontario Road and to maintain that section thereafter with no obligation by way of assessment against university land or otherwise, except as provided in the agreement or by law.
3. The city paid the university a sum not to exceed \$293,428 for a parcel of land crossing the university golf course for the planned 13th Street extension. The sum included both land and golf course relocation.

The Board Office reported that the city has not completed its portion of the project because of a disagreement with the Chicago and North Western Railroad Company over a proposed grade crossing. The Iowa Commerce Commission upheld the railroad's objection and is requiring that the city construct a grade separation instead of a grade crossing.

The Board Office noted that the city now has the necessary funding to undertake the project and to construct an underpass structure which will require additional right-of-way. The university is proposing to provide this right-of-way by easement in order that it may retain surface use of the property contained in the easements.

Other details were provided by the Board Office:

The easements are in standard form and contain the uniform liability clause used in easements of this type. Consideration in each instance is payment of \$1,00.

The city will construct and maintain chain link fences on both sides of the 13th Street Extension to protect motorists from golf balls, wildlife, persons that might stray onto the right-of-way and to deter access from the street right-of-way to the university's property.

Construction and maintenance of the fencing and hazard barriers are subject to the minimum requirements of the university.

The Board Office reported that the only unusual feature in the easements is in the railway right-of-way temporary easements, in that while the easements are granted to the City of Ames, the city is permitted under Section 11 to assign the easements in whole or in part to the Chicago and North Western Railway Company. These are temporary easements and the city asked that the easements be granted directly to the railroad; the university determined that liability should be limited to the City of Ames. The Board Office reported that agreement was reached that an assignment was proper in this case, reserving liability with the City of Ames.

Regent Bailey asked if the agreement makes the City of Ames responsible in the case of liability, and Vice President Moore replied that all parties agreed to this stipulation.

MOTION:

Mr. Brownlee moved the board grant a series of easements to the City of Ames, consisting of six permanent street right-of-way easements, two drainage easements and two temporary easements for railway right of-way and granting an easement to Iowa Electric Light and Power Company on a gas main on the 13th Street Extension project. Mrs. Belin seconded the motion. On roll call vote, the following voted:

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

NAY: None.

ABSENT: Neu.

The motion carried.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS FOR PERIOD OF JUNE 22 THROUGH JULY 18, 1979. Executive Secretary Richey reported the Register of Capital Improvement Business Transactions for the period of June 22 through July 18, 1979, had been received by him, was in order, and recommended approval with an exception noted on approval of the budget for energy management.

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

Friley Hall -- West Dining Room Floor Replacement

Award to: Hawkeye Flooring Company, Davenport, Iowa.

\$26,500.00

(single bid received)

The Board Office noted that the irregularity of a single bid was waived by the executive secretary since three firms indicated an interest in the work by taking out plans and specifications. Two firms chose not to bid because of their busy summer work load. In addition, the Board Office reported, the single bid is from a well-established and reputable company and is below the estimated project cost.

The university also submitted a revised project budget reducing the cost from \$45,000, as originally budgeted in the June register, to \$30,000, reflecting the lower than estimated bid. Source of funds is the Dormitory System Improvement Fund.

Horticulture Building Addition and Remodeling

Award for fixed equipment to:

Hamilton Industries, Division of American Hospital Supply Corporation, Two Rivers, Wisconsin \$197,805.00

The Board Office reported that bids were taken on the overall addition and remodeling project on September 12, 1978, and contract awards for general, mechanical and electrical work were awarded at the October 5, 1978, Board of Regents' meeting. Because of funding constraints, the contract on fixed equipment could not be awarded at that time, but provisions were made with the single bidder, Hamilton Industries, to hold open that bid until July 15, 1979. The fixed equipment funding was made part of the \$1,800,000 appropriation from the 1979 Legislature for equipment for Music and Horticulture, of which \$1,054,260 was allocated by the board to Horticulture (see pp. 851-852). Because the contract had to be picked up by July 15, the executive secretary awarded the contract on July 11.

The Board Office noted that the single bid received was analyzed and was determined to be a fair bid and that to rebid this equipment would result in substantially increased cost.

The university also submitted a revised project budget on the Horticulture Building Addition and Remodeling project which reflects the funding of the equipment by the legislature (\$1,054,260) and the award of contract on laboratory furniture to Hamilton Industries (\$197,805). The laboratory furniture amount on the expenditure side is deducted from the equipment allocation leaving a balance for movable equipment of \$858,455.

Four new projects were recommended for approval:

Plant Introduction Station Improvements

Source of Funds:	U.S. Department of Agriculture Grant	\$125,000	
	North Central Region Agriculture	350,000	
	Experiment Stations' Grant (NCRAES)		
	Total		<u>\$475,000.00</u>

The Board Office reported that the university received authorization in February 1978 to negotiate agreements with the two organizations for the planning, design and construction of a project at the Plant Introduction Station. Agreements have now been reached whereby USDA will fund construction of a 9,000 square foot shop and machinery storage building and NCRAES will fund a 13,500 square foot field headquarters and seed processing laboratory building. For each building, the university agrees to maintenance and operation for a period of not less than ten years. The Board Office noted that the buildings will be valuable to the university in terms of carrying out the research mission of the Agriculture Experiment Station. Bids will now be taken by the university on the project.

Communications Building -- Interior Painting

Source of Funds: WOI-TV Revenue (non-appropriated funds) \$40,500.00

Physical Plant Shops and Stores Building -- Roof Repairs

Source of Funds: To be determined \$15,000.00

The Board Office reported that the university has determined a need to correct roof leaks on a wing of a building less than six years old and is investigating the liability of the contractor and the company which guaranteed the roof for

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20 years. A revised project budget will be submitted when negotiations with the guaranteeing company have been completed and bids, if required, have been taken.

Energy Conservation Program -- Phase I

Source of Funds: Allocation of 1979 Capital Appropriations \$1,740,000.00

The university is proposing for 1979-1980 that six buildings be tied to the centralized computer control system at a cost of \$90,000 and that these six buildings be retrofitted. The buildings would be identified through a detailed energy audit by an outside consultant and would be those buildings that would yield the highest capital investment repayment in energy savings within a year's operation following retrofitting.

The university notes that it is negotiating with the firms of Brooks Borg and Skiles, Des Moines, Iowa, and Brown Engineering Company, West Des Moines, Iowa, regarding their participation in the development of the program. According to the university, this participation would include undertaking a detailed energy audit on selected buildings and then undertaking project design for buildings selected for inclusion in the Phase I portion of the program. The Board Office recommended that the executive secretary be authorized to approve these design projects prior to the September board meeting, if the terms and conditions are in order and subject to ratification of this action at the September meeting.

The university also noted a planned expenditure of up to \$300,000 for building temperature control modifications in accordance with the Presidential implementation on cooling and heating limits for public buildings. The Board Office recommended that the board withhold approval of that portion of the program, including budget, until such time as necessary interinstitutional and interagency consultation has taken place on how the state of Iowa plans to undertake implementation of the temperature restrictions. Further information is provided on energy management in the general portion of these minutes.

The following construction contract was recommended for approval:

Friley Hall Renovations -- Phase II

The board was asked to approve an amendment to the Owner/Architect agreement with Brooks Borg and Skiles, Des Moines, Iowa, to provide full architectural services for the second phase of Friley Hall Renovations on an hourly rate basis with a maximum compensation of \$65,000.

The Board Office noted that Phase I of this project rehabilitated the five floors in the north wing of the complex at a cost of \$640,000, which included about \$80,000 for installation of and complete updating of the fire alarm system throughout the entire Friley Hall complex. Architectural compensation was an hourly rate basis with a fixed maximum of \$36,000 for basic services and reimbursable expenses.

The Board Office noted that Phase II will continue those improvements into the next unit to the south which involves approximately 77 rooms on 5 floors and also includes handicapped renovations necessary to provide space in the dormitories for handicapped students. The amendment with Brooks Borg and Skiles provides compensation at a rate of 9.3 percent of the total project cost, a figure which appears to be somewhat higher than normal. The amendment increases

the fixed rate for principals from \$40.00 to \$45.00, and keeps the multiple for employees' time other than principals at 2.15 of the employees' direct personnel expense but at current rates.

The university proposed that the project would begin after the end of winter quarter in 1980 and be completed in time for occupancy in the fall quarter, September 1980. Source of funds is the Dormitory Systems Surplus Fund.

Vice President Moore reported that the Phase I contract for architectural services was for a fixed maximum of \$36,000 but that the architect spent \$51,000 because he made a mistake and underestimated what he would have to spend.

The architect has provided the following information for the Phase II services:

\$50,020	expenses through the time the drawings are done
11,580	construction expenses
2,500	reimbursement for documents
2,000	reimbursement for computer expense
<u>\$66,100</u>	total

The upset figure is \$65,000.

Vice President Moore said the university has confidence that the architect has estimated fairly. He said a problem in renovation is that one does not know what is behind the wall when such a project is undertaken.

In response to a question by Regent Bailey, Mr. McMurray said the Board Office is satisfied with the contract as further explained.

Quadrangle Remodeling

The board was requested to approve an amendment to the architect's contract with Frevert-Ramsey-Drey, Architects and Engineers, Des Moines, Iowa, increasing compensation on the Quadrangle Remodeling project in the construction documents, bidding, and construction on an hourly rate basis with a maximum of \$192,000. Thus, total compensation authorized at this point is \$260,500.

The Board Office noted that Article 6 of the agreement provides that if the project is suspended for more than six months, the architect shall be paid compensation for services performed prior to the receipt of written notice from the owner of such suspension. If the project is resumed after being suspended for more than six months, the architect's compensation shall be subject to renegotiation. The renegotiation has now been completed and changes recommended in the agreement are:

1. Principals' time is increased from \$30.00 per hour to \$39.00 per hour.
2. Employees' time other than principals remains at a multiple of 2.5, but is now taken against the current rates of employees' direct personnel expense.
3. Maximum compensation is increased by \$82,400, thus increasing the total design services maximum to \$342,900, which is approximately 8.5 percent of the estimated construction cost, or 7.6 percent of the overall project budget of \$4,525,000.

The Board Office reported that the fee appears to be within reasonable guidelines for remodeling-type work. Further, the architect will probably have additional work during the construction phase because of certain phasing of the project necessitated by continued occupancy of portions of the Quadrangle during the construction period.

The university listed a schedule for the project: October 1979--receive bids; November 1979--initiate construction of Phase I; March 1981--complete Phase I and initiate Phase II; December 1981--complete Phase II.

Visitor Information Booth -- Elwood Drive

The board was requested to ratify an agreement with Ames Engineering and Testing Company, Ames, Iowa, for engineering services for the referenced project on a time-and-materials basis with a guaranteed maximum cost of \$5,000, including reimbursable expenses. The Board Office noted that the board approved a \$50,000 project at its April meeting and engineering services are approximately at 10 percent of that overall project cost. The project is funded in part from a gift from the class of 1929. According to the Board Office, originally, engineering services were to be provided by the university, but the workload of the university physical plant precludes providing those services on a timely basis; thus, the university now has entered into this contract for outside engineering services.

MOTION:

Mr. Bailey moved the board approve the Register of Capital Improvement Business Transactions for the period of June 22 through July 18, 1979; ratify award of construction contracts made by the board's executive secretary; approve the new projects; approve the consultant contracts shown above; authorize the executive secretary to approve design contracts for the Energy Conservation Program -- Phase I project prior to the September board meeting if terms and conditions are in order but withhold approval of building temperature control modifications until it is known how the state of Iowa will undertake implementation of the temperature restrictions; ratify agreement of a consultant contract; and authorize the executive secretary to sign all necessary documents. Mr. Wenstrand seconded the motion, and it passed unanimously.

President Petersen then asked board members and institutional executives if there were additional matters to be raised for discussion pertaining to Iowa State University. There were none.

UNIVERSITY OF NORTHERN IOWA

The following business pertaining to the University of Northern Iowa was transacted on Wednesday, July 18.

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

APPOINTMENTS. The board was requested to approve the following appointments:

Dr. Ernest K. Dishner, Professor of Education and Head of the Department of Curriculum and Instruction, with tenure, effective August 23, 1979, at a salary of \$26,000.

John D. Mixsell, Personnel Director, effective July 1, 1979, at a salary of \$22,300.

Dr. Larry R. Routh, Director of Counseling, Placement, and Career Services, effective July 1, 1979, at a salary of \$28,000.

Dr. William R. Thrall, Professor and Director of School of Health, Physical Education, and Recreation, effective August 20, 1979, at a salary of \$32,000.

MOTION: Mrs. Belin moved the board approve the appointments listed above. Mrs. Jorgensen seconded the motion, and it passed unanimously.

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

Donald Tiernan, Director of Data Processing, effective July 3, 1979.

MOTION: Mrs. Belin moved the board approve the resignation of Donald Tiernan, Director of Data Processing, effective July 3, 1979. Mrs. Jorgensen seconded the motion, and it passed unanimously.

TRANSFER OF DEPARTMENT OF BUSINESS EDUCATION AND CHANGE IN NAME. The board was asked to refer to the Interinstitutional Committee on Educational Coordination and the Board Office for review the proposal to transfer the Department of Business Education to the School of Business and to change the name of the College of Business and Behavioral Sciences to the College of Social and Behavioral Sciences.

The university presented details on the proposed reorganization under which the Department of Business Education will transfer to the School of Business and the College of Business and Behavioral Sciences will become the College of Social and Behavioral Sciences.

Although faculty in the School of Business have proposed a College of Business with separate departments and a dean as its chief administrator, the administration has retained the School concept. The Faculty Senate has agreed to allow curricular proposals from the School of Business to move directly to the University Curriculum Committee (not through a College) and the administration has agreed to deal directly with the School of Business on budgetary matters. For purposes of faculty governance, however, Business and Social and Behavioral Sciences will be considered as a unit. The degree of autonomy proposed will suffice to meet accreditation standards of the National Association of Colleges and Schools of Business, according to the university.

The faculty of Business Education has asked to become part of the School of Business unit, a request approved by the Faculty Senate and endorsed by both the faculty of the School of Business and the Executive Committee of the College of Business and Behavioral Sciences. A new designation has been proposed and approved by the Faculty Senate for the College of Business and Behavioral Sciences.

The university noted that the administrative head of the School of Business will have the title of director. The Department of Business Education will be the only formal department in the School, but continuing with the informal divisional arrangements in Business for the other areas seems to be satisfactory. No cost increases are anticipated for the transfer, although the name change will necessitate changes in letterhead stationery.

The university stated that combining Business and Business Education seems logical in terms of curriculum, staffing and student advising and desirable in considering significant enrollment increases in both units.

Regent Bailey voiced objections to the proposal. He said he did not approve of the name "School" and noted that three different colleges at the University of Northern Iowa all have areas of cross study. He suggested that the whole general picture should be examined and that colleges should be combined.

Vice President Martin reported that the Faculty Senate had proposed a review but that reorganization into a College of Business was rejected. Historically, he noted, large colleges split into smaller units or departments. The structure proposed by the University of Northern Iowa is unique.

Regent Bailey also asked how the School would be listed in the catalog and Vice President Martin said the catalog will highlight the independence of the School of Business and provide more visibility. Vice President Martin reiterated that in curriculum and budget the School would have autonomy.

Regent Shaw pointed out that Business and Business Education have a much larger impact than in years past because they are in an area of growth. It is therefore important to give proper consideration to accreditation standards, effective organization, and image.

President Kamerick commented that making the School of Business autonomous will be an enormous aid in recruiting faculty because autonomy is an important criterion.

Vice President Christensen said that the Iowa State University School of Business will not be autonomous.

MOTION:

Dr. Harris moved referral to the Inter-institutional Committee on Educational Coordination and the Board Office for review the request to transfer the Department of Business Education to the School of Business and to change the name of the College of Business and Behavioral Sciences to the College of Social and Behavioral Sciences. Mrs. Belin seconded the motion, and it passed unanimously.

President Boyd commented that by 1990 more fragmentation will occur and there will be a College of Finance, a College of Marketing, and a College of Accounting. He said he is opposed to establishing a College of Accounting because a School of Accounting should be in the College of Business. He said that the accrediting body has attempted to deal with Accounting without dealing with the institutions.

ESTABLISHMENT OF AN EDUCATIONAL RESEARCH AND DEVELOPMENT CENTER IN THE COLLEGE OF EDUCATION. The Board Office recommended the board refer to the Inter-institutional Committee on Educational Coordination and the Board Office for review the request to establish an Educational Research and Development Center in the College of Education at the University of Northern Iowa. The Board Office requested information concerning other similar units within the state and the full cost of implementing this proposal.

The university noted that although the statement of institutional mission recently drafted and approved by the faculty demonstrates a continuing interest in and concern for the research function, a coordinated college-wide approach to basic and applied research efforts does not exist. The Educational Research and Development Center (ERDC) is being proposed to provide for the development of such an approach.

The university proposed a careful planning period under the direction of a 10-member advisory board composed of one representative from each of the eight departments in the College of Education, the Associate Dean of the College of Education, and the Director of the ERDC.

Two major objectives and two minor objectives for the proposed center were listed:

- Major - The ERDC should encourage and provide assistance for the research efforts of the faculty members of the College of Education (basic technical assistance on design problems, etc.; development of workshops; and formation of small groups to undertake a coordinated approach to problems).
- The ERDC should make every effort to obtain contract work from other agencies with the hope that outside consulting

activity will make the ERDC partially, if not totally, self-supporting.

- Minor - The ERDC should facilitate graduate research in various ways ranging from financial to technical assistance.
- The ERDC should be responsible for initial planning related to establishing a journal and other regularly issued publications.

The university proposed that during the first year a part-time director, a secretary on an "as needed" basis, and a graduate assistant staff the center and in the second year a full-time director, a full-time secretary and two graduate assistants are proposed.

MOTION:

Mrs. Belin moved the board refer to the Interinstitutional Committee and the Board Office for review the establishment of an Educational Research and Development Center in the College of Education. Dr. Harris seconded the motion.

Regent Bailey asked if it is a usual function of universities to provide research services. President Petersen commented that the proposal will develop a coordinated approach to research efforts. Vice President Christensen noted that Iowa State University has research functions, as opposed to instruction and extension, in each college.

In response to a question from Regent Bailey about the assistance provided to faculty, Vice President Martin said the center will not perform the research function for the faculty members but will provide technical assistance (supply information, expertise, etc.) to help them in research efforts.

VOTE ON MOTION:

The motion passed unanimously.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS FOR THE PERIOD OF JUNE 8 TO JULY 2, 1979. Executive Secretary Richey reported the Register of Capital Improvement Business Transactions for the period of June 8 to July 2, 1979, had been received by him, was in order, and recommended approval.

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

West Campus/Hudson Road Overpass Extension

Award to: Paul G. Christensen Construction Company, Waterloo, Iowa
Base Proposal of \$18,846, plus Alt. #1 of \$890 =
Total Award of \$19,736.00

1979 Roof Repairs -- Auditorium Building and the Cultural Center

Award to: Cardinal Construction Company, Waterloo, Iowa
Base Bid "E," Old Auditorium - \$75,389.00
Base Bid "G," Cultural Center - 21,867.00
Total Award of \$97,256.00

1979 Roof Repairs -- Art II

Award to: Iowa Falls Roofing Company, Iowa Falls, Iowa
Base Bid "F" of \$25,900, plus a ten-year guarantee
of \$520.08 = Total Award of \$26,420.08

The Board Office noted that on both of the preceding roof repair contracts, the awards are made on bids held from the initial bidding date of March 20, 1979, until appropriations made by the 1979 Session for roof repairs in the amount of \$136,000 were available on July 2, 1979. Contracts have now been signed to permit all roofing work on which bids were taken on March 20 to be undertaken.

The Board Office noted that the board at its June meeting allocated \$3,998,000 to the University of Northern Iowa to undertake the following utility projects:

Turbine Generator -- Plant #2 -- 7500 KW	\$3,400,000
Steam Line Improvements	158,000
Relocation of Steam Line C-40 at the UNI-Dome	140,000
Electrical System Improvements - Phase I	300,000

New utility projects and consultant action funded from the above allocations were recommended for approval:

Turbine Generator -- Plant #2 -- 7500 KW
Source of Funds: 68th G.A. Capital Appropriations \$3,400,000.00

The board has previously approved a contract to undertake this work with Brown Engineering. The plans and specifications for the turbine will be issued shortly with an anticipated award at the September board meeting.

Steam Line Improvements
Source of Funds: 68th G.A. Capital Appropriations \$298,000.00

The Board Office reported that this project combines two of the allocations: those for Steam Line Improvements of \$158,000 and Relocation of Steam Line C-40 at the UNI-Dome of \$140,000. The Steam Line Improvements project as proposed now consists of five subprojects, two of which were in the original consideration on capital askings for this purpose. Since those capital askings were put together, the university has identified three small urgent steam line improvement projects totaling \$63,600, which it desires to undertake at this time in lieu of undertaking the third project in the capital request titled Vault 15-A Renovation, which was anticipated to cost approximately the same amount. These projects now have a higher priority than the vault 15-A renovation. The Board Office noted that it is possible that the vault 15-A project can be undertaken later this year after savings in the coal-fired boiler project have been more clearly identified.

The Board Office noted that the University of Northern Iowa, as is the case at the other universities, has a continuing need for capital funding for recurring utility needs. The appropriation on utilities was put together in such a way as to permit flexibility for substitution of more urgently needed projects. Board action in June provided that projects could be substituted with expressed board approval.

The board was also asked to approve an agreement for engineering services with Brown Engineering Company, Des Moines, Iowa, on the steam distribution improvements. The agreement is on the standard form with acceptable deviations. Compensation for basic services and reimbursable expenses is on an hourly rate basis at a maximum of \$30,100. The university noted that this compensation is 11.24 percent of the estimated construction costs and 10.1 percent of the total project costs. This is somewhat higher than normal, but this project consists of a series of small, stop-and-start-type projects, the largest of which is for \$141,800 ranging downward to a \$12,000 project. The university reported that it intends to undertake as many of these projects before next winter as is possible.

President Petersen commented that the engineer's percentage--11.24--appears to be excessive. Mr. McMurray replied that it is necessary to pay more on small engineering projects in comparison with more normal architect's percentages of between 6 and 9 percent. Director of the Physical Plant Paulson added that these smaller projects require more time per dollar. He said that the project is complicated.

Electrical System Improvements -- Phase I

Source of Funds: 68th G.A. Capital Appropriations \$300,000.00

The Board Office reported that this project provides for the consolidation of existing fragmented electrical distribution lines and supplying feed from the new turbine generator, to be constructed over the next two years. Some of this project will be directly connected to the turbine project and cannot be undertaken until that project is near completion.

The university requested authority to negotiate a consultant contract with Brown Engineering Company, Des Moines, Iowa, to provide engineering services for this project. Brown Engineering Company is the engineer on the turbine project and is also familiar with other utility expansions and improvement needs of the campus, according to the university. The university anticipates that the consultant contract will be before the board for approval in September.

Handicapped Accessibility Program

The Board Office noted that the board allocated to the University of Northern Iowa at its June meeting \$920,000 of the \$3,500,000 appropriated for handicapped accessibility. The university indicated that modifications will take place in 18 buildings on campus, with the major cost element the installation of 9 new elevators. Other modifications include exterior ramps to 9 buildings and installation of 7 accessible water fountains. Upon completion of this phase of the program, the university reported, the campus will be minimally accessible to the handicapped.

The university requested authority to negotiate an architectural agreement for consultant services on all except the elevator portion of the handicapped accessibility improvements. (The Board Office indicated that a solution will be sought interinstitutionally for the installation of the 32 new elevators at the 5 institutions.) The university requested that the Board Office be given authority to sign the negotiated agreement, subject to ratification by the board in September, which would be negotiated with a local firm on a series of small projects in a large number of buildings. The request was made to eliminate delay in undertaking improvements mandated by Section 504 regulations of the Rehabilitation Act of 1973 requiring that all structural changes be completed by June 30, 1980.

Energy Management Program

The university requested board approval for the executive secretary to execute an agreement for engineering services on its energy management program prior to the September board meeting. (The board approved a university request at its June meeting to negotiate for engineering services on its energy management program for which the 1979 Legislature provided an initial capital appropriation for all three universities of \$4,675,000. Allocation of those funds to the University of Northern Iowa is accomplished in the general portion of these minutes and includes \$325,000 for acquisition of a central control computer and \$870,000 for connection of that system to selected buildings and retrofitting selected buildings.) According to the Board Office, the executive secretary would either execute the agreement, if it falls within acceptable guidelines, or provide a procedure for informal board approval, if there are questions on the agreement.

MOTION:

Mr. Bailey moved the board approve the Register of Capital Improvement Business transactions for the period of June 8 to July 2, 1979, ratify award of construction contracts made by the board's executive secretary; approve new projects; approve consultant contracts recommended above; authorize the university to negotiate consultants contracts on the Electrical System Improvements -- Phase I, and Handicapped Accessibility Improvements projects; authorize the executive secretary to execute an agreement for engineering services on the Energy Management Program to be ratified by the board in September; and authorize the executive secretary to sign all necessary documents. Mrs. Belin seconded the motion, and it passed unanimously.

STUDENT TEACHING CONTRACTS. The board was asked to ratify the 1978-1979 student teaching contracts with school systems listed in docket materials and to approve the form of contract for the 1979-1980 school year with the understanding that changes in the form recommended in the general section of these minutes will be included in the form for the 1980-1981 academic year.

The Board Office noted that the university has made minor word changes in the form submitted for the 1978-1980 academic year plus changes requested by the board in July 1978.

MOTION:

Mr. Wenstrand moved the board ratify the 1978-1979 student teaching contracts and approve the student teaching contract form for the 1979-1980 school year with the understanding that changes in the form recommended in the general section of these minutes will be included in the form for the 1980-1981 academic year. Mrs. Jorgensen seconded the motion, and it passed unanimously.

MISCELLANEOUS FEES. The Board Office recommended the board approve all fees proposed for 1979-1981 (below) excepting the Iowa Lakeside Laboratory fee and approve the latter fee for the summer of 1980 and 1981 at \$159 per session.

	<u>Current</u> 1978-79	<u>Proposed</u> 1979-80
Applied Music		
Students enrolled for other work, per hour	\$35	\$35
Students enrolled for applied music only, per hour	70	70
Group voice & group piano (groups of 4 or more)	20	20
Late Enrollment	5	5
Change of Registration (after grace period)	5	0
Credit by examination, university courses, per course	20	20
Correspondence, per semester hour	22	22
Extension or TV class, per semester hour		
Undergraduate	36	36
Graduate	36	36
Transcript of Academic Record		
One transcript	2	2
Multiple copies, same order	2 plus 1 for each add'l copy	2 plus 1 for each add'l c
Application for admission to the university	10	10
Reinstatement after cancellation	10	10
Replacement of ID card or registration certificate	3	3
Iowa Lakeside Laboratory fee - per session	130	130
Visitors		
by the week	15	15
by the course	¼ of fee for credit	¼ of fee credit
CLEP Fees		
General Examinations		
one examination	20	20
two examinations	30	40
three examinations	40	60
four examinations	40	80
five examinations	40	100
Subject Examinations		
one examination	20	20
two examinations	30	40
three examinations	40	60
four examinations	40	80
five examinations	40	100
six examinations	60	120
seven examinations	70	140
eight examinations	80	160
nine examinations	80	180
Price Laboratory School Summer Session	5.	58 ⁵⁸

The Board Office noted that the Iowa Lakeside Laboratory at Lake Okoboji, a summer cooperative program in teaching and research in the biological sciences, is attended primarily by graduate students from the Regent universities. Program and administration are coordinated through an interinstitutional committee. Previously, the fee has been pegged at the summer session hourly fee schedule established for graduate students at Iowa State University carrying five or more credit hours. That rate for 1979-1981 is \$159; however, the interinstitutional committee did not take action on fees for 1979-1981.

The Board Office reported that the fee of \$130 proposed by the institution represents the 1978 summer fee; the 1979 summer fee for all universities is \$143. The Board Office recommendation to increase the fee from \$143 to \$159 represents a percentage increase of 11.2 percent which falls within the range of tuition increases approved for all three universities for 1979-1981.

MOTION:

Mr. Brownlee moved the board approve all fees proposed for 1979-1981, as shown, except for the Iowa Lakeside Laboratory fee which should be set at the rate of \$159 per session. Mrs. Belin seconded the motion, and it passed unanimously.

TRANSLATOR SERVICE - KUNI/CLINTON, IOWA. The Board Office recommended that consideration of the installation of a 10-watt translator at Clinton, Iowa, for rebroadcast of KUNI by the Board of Regents be deferred for development of pertinent policy and that the executives of the Board of Regents, Department of Public Instruction, and IPBN propose a policy for very low power radio broadcast or cable distribution for consideration by their respective boards.

The Board Office presented background information on a previous and the present university request.

At its April 1977 meeting the University of Northern Iowa requested approval of the installation of a translator (repeater station) in Davenport which would pick up the UNI radio signal and rebroadcast an amplified radio signal in the Davenport area for improved reception. Because the development of the plan had not involved the other institutions or the board, the board then adopted a policy that no institutional licensee under board jurisdiction plan further expansion of its radio facilities without specific board approval. Further, that KUNI be authorized to proceed with the installation in Davenport, because the plan is well advanced, although such installations may not be approved in the future; and that the matter of public radio be considered after the state study is completed and a state plan for public radio is in the process of development.

Institutional materials presented at this time reveal considerable planning for the proposed station including analysis of area to be served, cultural opportunities, service proposal, costs, and supporting letters. This planning has proceeded without board approval as required by the 1977 action.

The Board Office recommended that development of policy to cover extremely low power translator stations and other related applications of radio signal pick-up for cable distribution should be referred to executives of the Board of Regents, Department of Public Instruction, and the State Educational Radio and Television and Facility Board. When such a policy has been adopted by the three boards, the UNI proposal can be considered.

Vice President Stansbury countered that the university has not done extensive planning but simply collected some information to support the proposal for the translator. He said the university recognized the previous board action but that the action does not specify any way to approach the board with a request except to bring the matter before the board as is being done. Mr. Stansbury also proposed that KSUI-FM join KUNI on the translator, so that for a very small cost the Clinton area would be provided with two distinct public radio programming options.

Douglas Vernier, Director of Broadcasting, also responded to the Board Office recommendation. He said the station is proud of developing a budget from non-state funds, an approach utilized in consideration of the Clinton proposal. Mr. Vernier commented that the request "fits well within all current state plans and policies" and the "IPBN position statement which listed as its first priority 'that a public radio signal should be available to all Iowans as soon as practically possible.'"

President Boyd said that he had spoken with Mr. Vernier the previous week and had relayed information on the UNI request to Vice President Brodbeck and suggested discussion by the vice presidents on the proposal. Vice President Brodbeck said the recommendation to defer would allow such consultation. President Boyd added that he is concerned about unilateral proposals. He said that the University of Iowa had acted unilaterally last year and that, since that time, he had indicated to all deans that matters of this nature should be sent to the Interinstitutional Committee on Educational Coordination. Such referral will insure that each institution has input.

Executive Secretary Richey suggested that a policy needs to be developed in conjunction with other agencies and also that the Interinstitutional Committee designate persons to talk to about public radio and public FM radio.

MOTION:

Dr. Harris moved the board defer consideration of the installation of a 10-watt translator at Clinton, Iowa, for rebroadcast of KUNI until pertinent policy is developed and that executives of the Board of Regents (with interinstitutional consultation), Department of Public Instruction, and IPBN propose a policy for very low power radio broadcast or cable distribution for consideration by their respective boards. The motion was seconded by Mr. Shaw.

Regent Shaw stressed that the policy for very low power radio broadcast should be compatible with the public radio policy now being submitted for approval by the board and the Department of Public Instruction.

Mr. Vernier urged the board to make clear in the consultation that KUNI has the funds and wishes to implement its proposal quickly. Mr. Richey said that such speed may not be possible because the Board Office had only heard of the

proposal ten days ago. It might not be that simple to hurry the action.

MOTION: The motion passed unanimously.

LEASE OF STORAGE SPACE. The board was requested to approve an agreement with Iowa Laser Technology, Inc., to lease for one year 2,400 square feet at 6122 Nordic Drive, Cedar Falls, Iowa, for \$3.00 per square foot or \$600 per month.

The Board Office reported that the university would utilize the space for temporary storage of equipment related to the new Boiler Plant project and storage of large supply orders. Space available on campus is inadequate currently for the storage of large paper supply orders. The tight paper market and shipment delays, and economies realized by quantity orders are reasons listed by the university for storage of such orders. The university indicated that it will consider the one-year lease a temporary arrangement and will, during that period, determine whether better facilities, more conveniently located are available.

Mr. McMurray noted that he has copies of the lease agreement if board members wished to examine same. He said that the lease will be effective August 1, 1979, and terminate July 31, 1980. The rental rate is as stated and reflects marketplace conditions in terms of what is available currently in the Cedar Falls/Waterloo area contiguous to the university.

MOTION: Mr. Bailey moved the board approve an agreement with Iowa Laser Technology, Inc., to lease 2,400 square feet at 6122 Nordic Drive, Cedar Falls, Iowa, at a rate of \$3.00 per square foot or \$600 per month, effective from August 1, 1979, to July 31, 1980. Mrs. Jorgensen seconded the motion.

Mr. McMurray said that as he developed this lease, he noted that the board has a whole series of leases or agreements among the institutions. He commented that an effort will be made to work out a standard lease agreement, because all are with the board. As it stands now, it is difficult to examine all the various lease terms in the time available during docket preparation.

President Petersen suggested that the effort be done in consultation with the business officers.

VOTE ON MOTION: On roll call vote, the following voted:
AYE: Bailey, Belin, Brownlee, Harris,
Jorgensen, Shaw, Wenstrand,
Petersen.
NAY: None.
ABSENT: Neu.
The motion carried.

Vice President Stansbury said that the university will be bringing in another lease for approval in September. Although the institution had hoped to present it in July, negotiations had just been completed. He said the lease will be forwarded to the Board Office for analysis.

President Petersen then asked board members and institutional executives if there were additional matters to be raised for discussion pertaining to the University of Northern Iowa. There were none.

IOWA SCHOOL FOR THE DEAF

The following business pertaining to the Iowa School for the Deaf was transacted on Wednesday, July 18.

REGISTER OF PERSONNEL CHANGES FOR THE MONTH OF JUNE. The actions reported in the Register of Personnel Changes for June 1979 were ratified by the board.

NEW COURSE PROPOSAL. The Board Office recommended the board 1) refer the proposed new course, "Language Enrichment and Communication," to the Iowa School for the Deaf Advisory Committee and to the Board Office for review and recommendation; 2) grant provisional approval so the institution can implement the course, if necessary to do so prior to Advisory Committee review; and 3) direct the superintendents to present items requiring Advisory Committee review in sufficient time before the planned implementation date to permit adequate consideration by the Advisory Committees.

The Board Office reported that the Iowa School for the Deaf is proposing an elective course for the 1979-1980 school year for students in grades 9-12 in communications skills. The course offering will be structured in four basic units consisting of Conversational Sign Language, Telecommunications, Leadership Training, and Drama. The development of the course has been encouraged by various review and evaluation panels.

The Board Office noted it had been unable to discuss the course with institutional officials and is, therefore, making a flexible recommendation should delay caused by referral cause undue problems for the institution.

The Board Office requested that the two special schools plan submission of such items in sufficient time to allow appropriate review before the planned implementation date, since most of the requests for new courses, units, etc., will be referred to the appropriate advisory committee. Advance planning on the part of the institutions will be required because the advisory committees meet quarterly.

MOTION:

Mrs. Belin moved the board refer the proposed new course, "Language Enrichment and Communication," to the Iowa School for the Deaf Advisory Committee and to the Board Office for review and recommendation; grant provisional approval for implementation prior to Advisory Committee review; and direct the superintendents to present items requiring Advisory Committee review in sufficient time before implementation to permit adequate Advisory Committee consideration. Dr. Harris seconded the motion, and it passed unanimously.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS FOR JUNE 1979. Executive Secretary Richey reported the Register of Capital Improvement Business Transactions for June 1979 had been received by him, was in order, and recommended approval.

The following construction contract awarded by the executive secretary was recommended for ratification:

Roof Replacement -- Gymnasium

Award to: Ak-Sar-Ben Roofing, Omaha, Nebraska \$25,980.00
(single bid received)

The Board Office noted that the irregularity of a single bid was waived because this bidder had previously been awarded a contract for \$97,840 for other roof work and, therefore, the single bid was anticipated. Further, as part of the prior award, the bidder had been asked to furnish unit prices for this project, which were reviewed by the architect on this project and were determined to be fair. The bid submitted was substantially below the estimated cost furnished earlier on the unit prices.

The Board Office noted that an amended project budget is in order, as follows:

Construction	\$25,980.00
Architect's Fees	500.00
Contingencies	<u>2,000.00</u>
Total	<u>\$28,480.00</u>

Source of Funds:

1978-1979 RR&A	\$26,480.00
1978-1980 Building Repairs	<u>2,000.00</u>
Total	<u>\$28,480.00</u>

MOTION:

Mr. Bailey moved the board approve the Register of Capital Improvement Business Transactions for June 1979; ratify award of the construction contract made by the board's executive secretary; approve the amended project budget; and authorize the executive secretary to sign all necessary documents. Mr. Wenstrand seconded the motion, and it passed unanimously.

ARCHITECTURAL CONTRACTS ON NEW PROJECTS. The board was requested to authorize Iowa School for the Deaf in conjunction with the Board Office to negotiate for architectural services on the Handicapped Accessibility project and the Vocational Building Addition project, both funded by capital appropriations in the 1979 Legislative Session, and authorize the executive secretary to execute these agreements, if they fall within acceptable guidelines, subject to ratification by the board of the agreements at its September meeting.

The 1979 Legislative Session provided capital appropriations to undertake two projects at the Iowa School for the Deaf:

Handicapped Accessibility Modifications. The board at its June meeting allocated \$230,000 to the school to complete its handicapped accessibility modifications. The modifications involve

six buildings and include installation of four new elevators, provision of exterior ramps to two buildings, and modification of the shower in the boys' dressing room in the Gymnasium.

Vocational Building Addition. Estimated cost of the Vocational Building Addition project is \$660,000. The project includes construction of a 10,000 gross square foot addition, modifications either in existing space or in new space to make the facility totally accessible to the handicapped, and provision of necessary equipment for the new space in the Vocational Building.

The Board Office reported that architectural contracts will be negotiated on both projects and recommended that the executive secretary be authorized to execute the agreements subject to board ratification at the September meeting.

MOTION:

Dr. Harris moved the board authorize Iowa School for the Deaf in conjunction with the Board Office to negotiate for architectural services on the Handicapped Accessibility and the Vocational Building Addition projects, both funded by 1979 Legislative Session capital appropriations, and authorize the executive secretary to execute these agreements, if they fall within acceptable guidelines, subject to board ratification of the agreements at its September meeting. Mr. Shaw seconded the motion, and it passed unanimously.

President Petersen then asked board members and institutional executives if there were additional matters to be raised for discussion pertaining to Iowa School for the Deaf. There were none.

IOWA BRAILLE AND SIGHT SAVING SCHOOL

The following business pertaining to the Iowa Braille and Sight Saving School was transacted on Wednesday, July 18.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for June 1979 were ratified by the board.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. Executive Secretary Richey reported the Register of Capital Improvement Business Transactions for June 1979 had been received by him, was in order, and recommended approval.

The following construction contract awarded by the executive secretary was recommended for ratification:

Service Building Addition and Site Clearance

Award to:	B.A. Westbrock Construction, Marion, Iowa	
	Base bid (A)	\$90,543
	Alternate A-1 (omit new pressure valves)	-12,200
	Alternate A-2 (revised tunnel)	<u>-8,300</u>
	Total Award	<u>\$70,043</u>

The Board Office presented information concerning the contract award. Four sets of specifications were issued to contractors. Non-bidders were contacted and bidder's choice was involved in decision not to bid. The bid received has been carefully evaluated and determined to be competitive. Further, the need to proceed quickly to correct the safety hazard posed by the deteriorated buildings makes it highly desirable to award this contract. The award is conditional on issuance of a deduct contract change order for \$10,527 to eliminate certain grading to the site area. The contract change order to be ratified by the board at its September meeting brings the contract award within the amount provided by transfer from the 1978-1979 tuition replacement account of \$60,000.

The institution also submitted an amended project budget for the overall project of \$200,000 which shows the contract as awarded. The contingency fund will be increased to reflect the deduct change order mentioned above, according to the Board Office.

The Board Office reported that grading will need to be carried out on the Service Building Addition site utilizing either building repair funds or project funds. The other two alternates include an alternate route for the utility tunnel which, according to the architect, is probably a more desirable route than was in the base bid, and omission of the \$12,200 bid to replace pressure-reducing valves on the utility lines in the tunnel. The Board Office noted that the values will be replaced at a later date and that demolition and tunnel reconstruction can proceed without valve replacement at this time.

The Board Office reported that also on June 28, the institution received bids, as part of the same project listed as Base Bid "B," for Demolition of the Old Smoke Stack and Ash House at the Power Plant. A single bid was received for \$93,787, which it has since been determined is not a competitive bid. The Board Office recommended that the board reject this bid and that the institution work with the Board Office and review the project and determine a means to carry out the project at a later date.

Handicapped Accessibility Program

The Board Office noted that at its June meeting the board allocated \$275,000 to carry out handicapped accessibility modifications at the school which involve three new elevators, two exterior ramps, two chair lifts, five rest-room modifications. The Board Office recommended that the school be authorized to negotiate for architectural services on this project and that the executive secretary be authorized to execute a contract, if the contract is within acceptable limits, subject to board ratification at its September meeting.

MOTION:

Dr. Harris moved the board approve the Register of Capital Improvement Business Transactions for June 1979; ratify award of construction contract made by the board's executive secretary; approve the amended project budget as shown; reject the bid for Demolition of the Old Smoke Stack and Ash House at the Power Plant and direct the institution and the Board Office to review the project and determine a means to carry out the project at a later time; authorize the school to negotiate for architectural services on the Handicapped Accessibility Program and authorize the executive secretary to execute a contract on this program, subject to board ratification at its September meeting; and authorize the executive secretary to sign all necessary documents. Mr. Bailey seconded the motion, and it passed unanimously.

APPROVAL OF FINAL BUDGET, TITLE I, 1979-1980. Final action on the Title I program will be sought in September. A line budget is not available at this time.

President Petersen announced that Superintendent DeMott is still attending the university but will be present at the September board meeting. She then asked board members and institutional executives if there were additional matters to be raised for discussion pertaining to Iowa Braille and Sight Saving School. There were none.

ADJOURNMENT. The meeting of the State Board of Regents adjourned at 4:25 p.m., Wednesday, July 18, 1979.



R. Wayne Richey, Executive Secretary