

The State Board of Regents met at Iowa State University, Ames, Iowa, on Thursday, July 21, 1983. Those present were:

Members of the State Board of Regents:

Mr. Brownlee, President	All Sessions
Mrs. Anderson	All Sessions
Mr. Duchen	Excused
Dr. Harris	All Sessions
Mrs. Jorgensen	All Sessions
Mr. McDonald	All Sessions
Mrs. Murphy	All Sessions
Mr. Neu	All Sessions
Mr. Stork	All Sessions

Office of the State Board of Regents:

Executive Secretary Richey	All Sessions
Director Barak	All Sessions
Director McMurray	All Sessions
Director Sonnenschein	Exc. 12:00 Noon
Director Volm	Exc. 12:00 Noon
Director Wright	All Sessions
Ms. Peters, Secretary	All Sessions

State University of Iowa:

President Freedman	Excused
Vice President Remington	Exc. 2:40 p.m.
Associate Vice President Small	Exc. 2:40 p.m.
Acting Associate President Mahon	Exc. 2:40 p.m.
Assistant to President Mears	Exc. 2:40 p.m.
Director Jensen	Exc. 2:40 p.m.

Iowa State University:

President Parks	Excused
Vice President Christensen	All Sessions
Vice President Hamilton	All Sessions
Vice President Moore	All Sessions
Associate Vice President Madden	All Sessions
Assistant to President Crawford	All Sessions

University of Northern Iowa

President Kamerick	Exc. 1:58 p.m.
Provost Martin	Exc. 1:58 p.m.
Vice President Stansbury	Exc. 1:58 p.m.
Assistant to President Voldseth	Exc. 1:58 p.m.
Assistant Director Grimes	Exc. 1:58 p.m.

Iowa School for the Deaf:

Superintendent Giangreco	Exc. 2:22 p.m.
Business Manager Kuehnhold	Exc. 2:22 p.m.

Iowa Braille Sight Saving School:

Superintendent DeMott	Exc. 2:26 p.m.
Business Manager Berry	Exc. 2:26 p.m.

## GENERAL

The following business pertaining to general or miscellaneous items was transacted on Thursday, July 21, 1983.

President Brownlee announced that Regent Duchon and Presidents Parks and Freedman were excused.

APPROVAL OF MINUTES. The minutes of the June 8, 1983, board meeting were approved as distributed by general consent of the board. President Brownlee stated that any additions or nonsubstantive changes could be turned in to the secretary.

INTERINSTITUTIONAL COMMITTEE ON EDUCATIONAL COORDINATION. a. Curriculum Items, University of Northern Iowa. It was recommended that the board approve: (1) the proposed additions and deletions of courses; (2) the proposed minor in Jazz; (3) the proposed change in name of the major and minor programs in the Department of Communication and Theatre Arts; (4) the approval of the proposed majors for Translation (M.A.), Biotechnician (B.A.), Dietetics (B.A.), and Vocational Technical Education (B.T.); and (5) deferral for further study of the programs in Family Services (B.A.), Natural History Interpretation (B.S.), and Counseling (Specialist).

In May, the University of Northern Iowa submitted its curriculum recommendations to the Board of Regents. At that time, the board referred the proposed curriculum changes to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation. The Interinstitutional Committee completed its review in June and recommended approval of all proposed programs, courses, and changes in program status.

The Board Office reported that it concurred with the Interinstitutional Committee with respect to the change in names of the current major and minor proposals in the Department of Communication and Theatre Arts (to reflect a change in departmental title previously approved by the board), the proposed additions and deletions of courses and dropped programs, and some of the proposed majors. The Board Office noted that some of the majors being proposed are inconsistent with the most recent UNI long-range plan and raised concerns about available resources and program duplication. Many of the proposed majors present an inconsistent long-range focus for the institution, as the proposed programs seem to lack a central focus.

Below is a Board Office summary of the programs recommended for approval:

Master's Degree, Major in Translation (Spanish/English). This new program is primarily an M.A. program dealing with the manipulation of linguistic

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skills. The program would focus on the preparation of students for positions outside the area of teaching in the hope of overcoming some of the critical shortages in this area.

This program appeared to be documented adequately with respect to most of the Regent program review questions. There were some concerns about the adequacy of resources.

This proposed program was not clearly noted in the long-range academic plan presented to the board last year.

Bachelor of Arts Degree Major in Biotechnology. This proposed program would provide a Bachelor of Arts degree with the training necessary for those seeking employment in the technological or applied biology fields. In addition, it provides the basis for advanced study in various biological and environmental sciences. According to the university, there are no programs in Iowa, including the other Regent institutions, that are identical with this one. This program apparently has grown out of the biology major - quality control biotechnician emphasis - and as such would not add greatly to the costs of implementation, since much of the program already exists.

The estimated marginal increases in expenditure are relatively modest, consisting of slightly over \$2,000 over several years. The university's proposal noted, however, that should enrollment increase as anticipated (i.e., quadrupling), the above cost would increase correspondingly. In this instance, the possible marginal increases would be closer to \$8,000. This is still a relatively modest sum; however, given the concerns expressed in the departmental long-range report about faculty resources in several areas, the Board Office wondered if this proposed program could accommodate an increase in students without additional faculty.

This proposed program was not specifically mentioned in the long-range plan presented to the Board of Regents a year ago.

Bachelor of Technology, Major in Vocational Technical Education. This proposed major would replace the two Bachelor of Technology majors, Trade and Industrial Education and Technical Institute Education. The major is designed to prepare teachers for secondary and postsecondary vocational and technical programs. It includes work experience requirements to reflect recent changes in Iowa certification guidelines and provides for greater flexibility in accommodating fields of teaching emphasis in trade and technical areas.

While the proposed program is similar to the industrial vocational technical program at Iowa State University, it is primarily consolidation of two existing programs at the University of Northern Iowa.

The only additional expenses for this program include the \$4,000 estimated for computer use. The Board Office noted that all costs for additional resources for this program will be absorbed by the Department of Public Instruction, and thus funded externally.

Bachelor of Arts Degree, Major in Dietetics. The university indicated that by introducing one additional course through its food and nutrition course offerings and utilizing other existing courses from other disciplines, it would be able to offer a Plan IV Dietetics Program. Similar programs are already offered at Iowa State University, the University of Iowa, Marycrest College, and Iowa Wesleyan University. Despite this apparent duplication, the program is said to be justified because nationally the supply of qualified dietitians does not meet the employment demands. According to the university, by 1985 there will be openings for nearly 10,000 dietitians, based on a publication of the American Home Economics Association.

An additional rationale for the duplication, according to the university, is that apparently a majority of the UNI students are from Northeast Iowa. Many prefer the smaller campus and student body. The university considered cooperative programs with one or more of the other institutions already offering this program as "not feasible."

The Board Office noted that this program would need to be accredited by the American Dietetic Association. The university stated that the proposed program was designed to meet the standards of the Association, and it was anticipated that accreditation would be forthcoming.

The university indicated that the probable marginal increases in expenditures for this program in the next three years would be under \$6,000. It was assumed that these resource projections included all resources that would be necessary to meet full accreditation requirements. The source of additional funds had been assured by the dean of the College of Social and Behavioral Sciences.

The Board Office recommended that approval of the following three proposed programs be deferred:

Specialist Degree, Major in Counseling. This proposed program is designed to serve graduate students in the noneducational counseling sector by affording students expanded specialized skills in a two-year program in pursuit of present and anticipated certification requirements.

The Board Office noted that there was little indication that a new graduate level program would be forthcoming less than a year after the college submitted its long-range plan to the board. The College of Education's long-range planning report submitted to the board in March 1982 indicated only that "decisions about more systematic programming for educating professionals in non-school (non-traditional) settings will need to be made and it should be possible to move in this general direction largely through resource reallocation/reassignment (and possible faculty development)."

When comparing the institution's long-range planning documents with the proposed program, there appeared to be some contradiction regarding the availability of resources. In the detailed long-range plan submitted to the Board Office, it was noted that "present counseling faculty are minimal,

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and thus we cannot at this time meet the demand for the natural growth of the program." Yet in response to the Regent questions on faculty resources for the proposed program the university noted that "existing faculty and resources are adequate since we already offer the Ed.S. program for school personnel." The Board Office said some clarification was needed to explain the situation regarding faculty resources.

The university indicated that there are no marginal increases in expenditures anticipated as a result of the development of this program. Yet the university stated that "our department has added one faculty member during the 1982-83 academic year . . . and is adding another faculty member during the 1983-84 academic year who also shares expertise in the non-school counseling area."

The certification requirements for this proposed program raised a question about future needed resources. In the program review questions, it was noted that a two-year program of studies in Counseling is being recommended for national program accreditation, and that several types of certification would be applicable for most students. Since the Board Office had not had an opportunity to review the various certification requirements being referred to, it was not known if the proposed program would be adequate to meet all of the certification requirements. The board was reminded that frequently certification requirements are demanding and inevitably result in incremental costs beyond those normally anticipated for a new program. The board should be fully advised of these potential costs at the time approval for the program is sought.

Bachelor's Degree Major in Natural History Interpretation. The proposed program is designed to provide the basic natural science background necessary for a beginning naturalist. Elevation of the existing biology major - interpretative naturalist emphasis - to major status would clearly identify students and provide recognition of the professional status of the program, according to the university.

The Board Office noted that a similar program already is offered at Iowa State University. The number of undergraduate major students projected by the university for this program appeared to exceed the number of existing positions for persons in this field in Iowa.

The university reported that there would be no incremental increases in expenditure as a result of implementing this program, given the existence of the emphasis in this particular program for several years. It did not appear that the number of courses being taught in this area would be increased as a result of the proposed major.

The university's long-range plan submitted to the board a year ago did not mention the possibility of this program being elevated to major status. However, the departmental report submitted only to the Board Office did mention the possibility of the development of this major. The Board Office said future long-range planning reports to the board should include all proposed programs likely to be implemented in the period covered in the long-range planning report.

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Bachelor of Arts Degree, Major in Family Services. The proposed major would replace the current General Home Economics major with a more in-depth and career-oriented program, according to the university. It would be comprised of course offerings which are already a part of the department and university offerings.

Both Iowa State University and the University of Iowa offer similar programs. While differing in specific course requirements, all of the programs prepare students for careers with agencies and services concerned with the total family and its functioning and for family life education. The university provided some documentation to indicate that there are favorable employment opportunities for students in this area. No problems were anticipated in accreditation, and the cost for implementing the program would be under \$4,000 with the cost going exclusively for graduate assistants in the third year of the program. Because this program is a substitute for an existing program, there were no other expenses anticipated.

This proposed program was not mentioned in the college's long-range planning report to the board.

Board Office review of the proposed majors raised a number of general and specific concerns. The general concerns included the apparent discrepancy with the university's long-range academic plan; the lack of any overall institutional focus or direction for the programs being proposed; and the apparent discrepancy regarding availability of resources between the proposed program statements and statements made in the long-range academic plan. The Board Office had specific concerns about the lack of advance notice to the Regents, the apparent unnecessary duplication of programs with programs already existing in Iowa, and the need for the Family Services and Natural History Interpretation programs. With respect to the Counseling program, there was a concern about possible understatement of costs for implementation and insufficient notice to the Regents in the long-range plan. Included in the concern about resources is the general need for additional library resources. Several of the proposed program statements indicated that additional library costs would be borne by the UNI library. The Board Office felt the modest increases for the library acquisitions budget would be insufficient to accommodate these new programs, plus several programs seeking accreditation, in addition to the needs of existing programs.

All of the new programs approved by the Board of Regents are subject to a post-audit review in five years. The university should ensure that appropriate data collection efforts were implemented now so a complete post-audit report could be made on the approved programs.

Vice President Martin stated that the chief reason for the proposed changes in program was to make them more attractive in terms of placement and job opportunities. He said the university wished to encourage curricular innovation to make the liberal arts graduate more attractive to prospective employers. Vice President Martin said the university would in the future respond to recommendations of the Board Office and the Interinstitutional

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Committee and the Board Office, bringing any program equivalent to an emphasis to the board for approval. In reference to long-range academic planning, Vice President Martin felt it worked well but obviously not perfectly. The university did wish to avoid surprising the board in its program proposals.

Vice President Martin introduced Fred D. Carver, Dean, College of Education; Mary Franken, head, Department of Home Economics; Robert Krajewski, head, Educational Administration and Counseling; and Daryl Smith, head, Department of Biology.

Dr. Franken said the university and department had attempted to restructure its General Home Economics major to a Family Services major to make it more career oriented and more marketable, partly in response to recommendations made during an accreditation study. She noted that the department already has strength; five doctoral level faculty are teaching in it and enrollment has remained stable. Dr. Franken said there would not be an additional major in the department; the General Home Economics major would be dropped and this would replace it.

Dr. Smith said the same applied to the proposed Natural History Interpretation major, which would replace the general Biology major. It was a repackaging as a major of an emphasis already in existence. With this major, students would be more employable to a number of public and private agencies such as county conservation boards, zoos, etc. He noted that this was an area of strength for UNI, which has a long tradition in the field of natural history.

Dean Carver stated that the proposed two-year program in General Counseling would be in addition to the Educational Specialist Counseling degree already offered by the university. He said the difference in the two programs lies in the area of the major. This program is necessary because the Educational Specialist Counseling degree is not acceptable to many employers. Responding to the Board Office concerns about adequacy of resources and faculty, he said faculty in this area serve a number of programs. Faculty was added in 1982-83 to support the master's and doctoral programs. An additional faculty member was added through reallocation. Like the other proposed programs being discussed, this program was to some extent a cosmetic change or a repackaging. Much of the course work already exists. As far as accreditation was concerned, that was not clearly resolved. Dean Carver thought within the decade counseling programs would be required to have accreditation; he felt the cost of such accreditation at the present time was between \$1,000 and \$1,500.

Dr. Krajewski added that the university felt there was a strong need for this program. In the future, counseling is headed for a two-year program beyond the baccalaureate as the basic entry program. The master's would become outmoded and be supplanted by the specialist. He reiterated that by adding the two faculty, as Dean Carver had explained, there now were enough human resources for the whole program even though the added personnel were not specifically for the proposed program. He believed the program was well designed to meet current and future needs, in the forefront of current thought and practice.

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Regent Anderson asked what disadvantages deferral of approval for these programs would cause the university. Vice President Martin said it would cause some inconvenience in regard to publishing the catalog, but the university did not wish to lean on this argument.

Regent Anderson said she did not see a substantial difference between the comments on the programs being recommended for approval and the programs being recommended for deferral. Mr. Barak said many of the same concerns were raised about all programs, but it was a matter of weighing the various factors; a matter of degree. All of the proposed programs had failed to give adequate advance notice to the board. Regent Anderson asked why the requirements for accreditation of the Counseling degree could not have been reviewed earlier. Mr. Barak told her that this information would normally be on file in the Board Office. However, this proposed degree is a new area and accreditation information was not available.

Regent Anderson felt that what the university was trying to do was a good thing. She hated to discourage an attempt to identify and enhance professional and career opportunities. The three programs in question have real validity. She felt it came down to balancing the university's inconvenience from delay with the importance of any additional information obtained by deferral.

Regent Neu felt that to approve these programs now would send a message to the institutions that programs will be approved even if there has not been enough advance notice. The board must be completely comfortable with its decisions. If Board Office staff felt the need for more time to study the programs, he felt the board should give it to them, and he would move the recommended action.

Drs. Franken and Smith noted that the proposed programs in their areas were replacement programs. If the board approved the proposed deletions, the Home Economics and Biology departments would be left in a limbo without their general majors and no new programs to replace them. It was decided to withhold deletion of these two programs until further action on the deferred proposed programs in September.

MOTION:

Mr. Neu moved that the board approve (1) the proposed additions and deletions of courses with the exception of the deletion of the General Home Economics and General Biology majors; (2) the proposed minor in Jazz; (3) the proposed change in name of the major and minor programs in the Department of Communication and Theatre Arts; (4) the approval of the proposed majors for Translation (M.A.), Biotechnician (B.A.), Dietetics (B.A.), and Vocational Technical Education (B.T.); and (5) deferral for further study the programs in Family



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Services (B.A.), Natural History Interpretation (B.S.), and Counseling (Spec.).  
Mr. McDonald seconded the motion.

President Kamerick noted that the type of accreditation under discussion was not vital to the offering of the degree. General accreditation of the university is complete through the specialist degree and extended to the doctoral programs. Professional accreditation is desirable but not particularly vital.

Dean Carver said in addition to the catalog publication delay, there was a problem of what to tell prospective students. They will have to wait until the last moment to make decisions on registration. This could be a serious inconvenience.

President Brownlee said it was sometimes necessary to make sacrifices in the interest of the larger principle. If the Board of Regents is to defend the universities from criticisms of duplication and inefficient management it has to do everything it can to enhance the reputation of the analysis process carried out by board staff. It is very important that the board proceeds with great caution so it can defend any decisions on the basis that they were studied in great depth.

VOTE ON MOTION: The motion passed unanimously.

b. Termination of the Master of Science Degree in Ophthalmology, University of Iowa. It was recommended that the board approve this termination.

In May, this request for termination by the University of Iowa was referred to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation. The Interinstitutional Committee reviewed the request and recommended approval.

The Board Office explained that this program is being terminated because of lack of demand for the degree which is a reflection of the trend away from the master's degree in this particular field. Post-graduate students in Ophthalmology are more inclined now to pursue specialty residency training rather than to work toward a graduate degree.

MOTION: Mrs. Jorgensen moved that the board approve the request of the University of Iowa for termination of the Master of Science degree in Ophthalmology. Dr. Harris seconded the motion and it passed unanimously.

POST-AUDIT REVIEW OF THE PH.D. DEGREE IN LINGUISTICS AT THE UNIVERSITY OF IOWA. It was recommended that the board accept the report.

Last spring the university provided the board with a post-audit review of the Ph.D. in Linguistics at the University of Iowa. The Interinstitutional Committee on Educational Coordination reviewed the post-audit report in May and recommended acceptance of the report.

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The Ph.D. program in Linguistics was approved by the board in 1978. The Board Office reported that the enrollment of majors in the program has not been large, but is in line with the original projections of enrollments at the time that the program was approved by the Regents. The relatively low productivity of this program is justified to some extent by the fact that the faculty for the program have other institutional obligations within the university.

The university reported that there have been no additional costs for the implementation of this program, which is consistent with the statements provided to the board at the time that the program was proposed.

The program appeared to be meeting adequately the objectives originally set at the time it was proposed. It was recommended that the program be approved for continuation.

MOTION:

President Brownlee stated that by general consent the board accepted the post-audit report on the Ph.D. degree in Linguistics at the University of Iowa and approved continuation of the program.

POST-AUDIT REVIEW ON THE BACHELOR OF ARTS DEGREE IN DANCE AT THE UNIVERSITY OF IOWA. It was recommended that the board accept this report and approve continuation of the program.

The Board Office reported that earlier this spring the University of Iowa provided a post-audit review report on the Bachelor of Arts degree in Dance as required by Regent policy. This report was referred to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation. The Interinstitutional Committee reviewed the program and recommended acceptance of the report.

The B.A. degree program in Dance was approved by the board in 1976. Since the time that the program was proposed, the university reported no increased costs related to the establishment of the program.

Enrollments in the program have been about the level projected by the university at the time the program was approved by the board. The Board Office noted that the employment record for students in this program has not been particularly good. According to the report, the success rate for obtaining jobs for graduates of the program showed that 17 students were employed in the field or related fields, 7 were in non-related fields, and 8 were unemployed.

Vice President Remington said the university shared the Board Office concern regarding the employment record for graduates of the program. The screening rate for the program is high; many are counseled out because they do not have sufficient talent to be competitive in the field. He noted that the market for professional dancers, as for all of the arts, is subject to economic conditions. It is very difficult to find employment

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in this field. Vice President Remington said that other than limiting enrollment, the university is at a loss to know how to improve this situation.

MOTION: President Brownlee stated that by general consent the board accepted the post-audit report on the B.A. degree in Dance at the University of Iowa and approved continuation of the program.

POST-AUDIT REPORT ON THE DEPARTMENT OF FAMILY ENVIRONMENT'S BACHELOR OF SCIENCE DEGREE PROGRAMS OF FAMILY SERVICES, FAMILY RESOURCE MANAGEMENT, AND HOUSING AND THE NEAR ENVIRONMENT AT IOWA STATE UNIVERSITY. It was recommended that the board accept this report and approve continuation of these programs subject to a follow-up report two years hence.

This report was referred to the Interinstitutional Committee on Educational Coordination and the Board Office in April. The Interinstitutional Committee recommended acceptance of the report but noted the program's enrollment difficulties.

In 1977, the Department of Family Environment had one B.S. degree program. The department then went to two degree programs, Family Services and Consumer Sciences. In 1981, these were formalized into the three programs being reviewed.

As reported by the university, the number of majors and student clock hours decreased in the last five years. Some of the decrease may be desirable. For a number of years this department had one of the highest student clock hour ratios in the university. The ratio is currently lower than the university would prefer, however. The university reported that it was difficult to factor out the causes from among three likely determinants: the decreasing enrollment in the college, the change from quarter to semester, and the present economic and social climate. The university expected that enrollment would increase once the economic situation improves but did not believe the situation would return to the extremely high student clock ratio of the mid-1970s.

The university reported that there was a very minimal increase in expenditures resulting from the adoption of these programs. A modest increase in expenditures (less than \$1,000) was now projected.

The Board Office recommended that the university provide close monitoring of these programs to see that they continue to meet the original objectives, and that a follow-up report on these factors be made to the board in view of the recent decline in enrollments.

Regent Jorgensen asked what effect the quality of the facilities might have on enrollment. Vice President Christensen said there had been no studies done on this subject, but the university felt there was a strong correlation and felt new facilities were very important.

MOTION:

President Brownlee stated that by general consent the board accepted the post-audit report on the Department of Family Environment's Bachelor of Science degree programs of Family Services, Family Resource Management, and Housing and the Near Environment at Iowa State University and approved continuation of these programs subject to a follow-up report two years hence.

FINAL REGENT OPERATING BUDGETS FOR FY 1983-84. It was recommended:

1. That fuel and purchased electricity appropriations to the Board of Regents of \$21.1 million be allocated to Regent institutions as shown on Table 2 (see following pages).
2. That the Western Iowa Continuing Education special purpose appropriation to the Regents be allocated to the University of Iowa and Iowa State University in the amounts of \$39,000 and \$61,000 respectively.
3. That Quad-Cities Graduate Studies Center special purpose appropriation to the Regents be allocated to the University of Iowa in the amount of \$7,300, and
4. That all other special purpose appropriations noted in Table 3 be given final approval.

President Brownlee stated that the board would follow its customary practice of considering the general docket item first and then taking up each institutional budget item before going on to other business.

At the May 1983 board meeting, the Regents gave preliminary approval to education and general operating budgets of \$536.7 million. Special purpose appropriations separately budgeted of \$4.1 million were also given preliminary approval at the May board meeting. The institutions were requested to make final adjustments in their 1983-84 budget plans and publish internal operating budget documents for 1983-84 for Regent and Board Office review. Board Office staff had reviewed the budget documents as well as the additional narrative materials supplied by the institutions.

The Board Office explained that the education and general income budget for Regent institutions was a revised \$537.1 million. When the approved Board Office final budget and nonduplicative special purpose appropriations are added to this, the Regent total general fund operating budget for 1983-84 becomes \$542.2 million. Table 1 (next page) summarizes the proposed final budget for Regent institutions at both the appropriations and budget levels for both FY 1982-83 and the current year. Appropriations are 0.3 percent above the 1982-83 level while institutional income is 4.2 percent greater than revised FY 1982-83 institutional income levels. Overall, the FY 1983-84 education and general budget is 1.9 percent greater than the revised 1982-83 budget.

TABLE 1  
INSTITUTIONAL BUDGETS PROPOSED FOR FY 1983-84  
(000's Omitted)

Institution/Organizational Unit	Institutional Income		Appropriations		Institutional Budgets	
	1982-83	Proposed 1983-84	1982-83 <sup>1/</sup>	Proposed 1983-84	1982-83 <sup>2/</sup>	Proposed 1983-84 <sup>3/</sup>
<b>UNIVERSITY OF IOWA</b>						
General University	\$ 46,362	\$ 47,935	\$ 115,788	\$116,480	\$162,150	\$164,415
University Hospitals & Clinics	102,115	106,861	25,096	25,298	127,211	132,159
Psychiatric Hospital	2,483	2,587	5,377	5,425	7,860	8,012
Hygienic Laboratory	758	762	2,059	2,087	2,817	2,849
Hospital School	551	586	3,845	3,890	4,396	4,476
Oakdale	307	332	2,277	2,349	2,584	2,681
Subtotal	\$152,576	\$159,063	\$ 154,442	\$155,529	\$307,018	\$314,592
<b>IOWA STATE UNIVERSITY</b>						
General University	\$ 38,501	\$ 40,092	\$ 97,326	\$ 96,440	\$135,827	\$136,532
Agricultural Experiment Station	3,378	3,455	10,230	10,385	13,608	13,840
Cooperative Extension Service	6,220	6,949	9,789	10,155	16,009	17,104
Subtotal	\$ 48,099	\$ 50,496	\$ 117,345	\$116,980	\$165,444	\$167,476
<b>UNIVERSITY OF NORTHERN IOWA</b>						
General University	\$ 10,258	\$ 10,203	\$ 37,371	\$ 37,565	\$ 47,629	\$ 47,768
IOWA SCHOOL FOR THE DEAF	\$ 191	\$ 178	\$ 4,549	\$ 4,537	\$ 4,740	\$ 4,715
IOWA BRAILLE & SIGHT SAVING SCHOOL	\$ 97	\$ 103	\$ 2,453	\$ 2,489	\$ 2,550	\$ 2,592
TOTAL	\$211,221	\$220,043	\$ 316,160	\$317,100	\$527,381	\$537,143

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<sup>1/</sup>The universities and schools are reverting for 1982-83 appropriations estimated at \$6,686,000 including \$6,325,000 as part of a reversion agreed upon to assure a state treasury balance June 30, 1983, \$23,000 in supplemental fuel appropriations at the special schools received through a supplemental appropriation and estimated to remain unused on June 30, 1983 (S.F. 2304, 1982 Session), and \$338,000 of utility refunds for usage during prior years. Appropriations shown include amounts to be reverted.

<sup>2/</sup>Includes budget ceiling changes approved by the Board of Regents at the May 1983 meeting.

<sup>3/</sup>Includes Western Iowa Continuing Education and Quad-Cities Graduate Studies Center special appropriations.

TABLE 2  
 RECENT INSTITUTIONS GENERAL PROGRAM FINAL OPERATIONS BUDGET FOR 1983-84\*  
 (000's omitted)

	University of Iowa							Iowa State University				UNI	ISU	IBSSS	TOTAL
	General Univ.	Univ. Hospital	Psych. Hospital	State Hygienic Lab.	Hospital School	Oakdale Campus	Subtotal SUI	General Univ.	Exp. Station	Coop. Ext. Service	Subtotal ISU	General Univ.			
EXPENDITURE BUDGET															
Faculty & Inst. Officials Salaries	\$ 85,513	\$ 383	\$ 1,228	\$ 0	\$ 242	\$ 0	\$ 87,366	\$ 69,346	\$ 7,622	\$ 4,515	\$ 81,483	\$ 22,825	\$ 1,983	\$ 712	\$194,369
Professional & Scientific Staff Sal.	16,657	48,847	3,273	1,311	1,829	184	72,101	15,209	1,301	7,641	24,151	5,031	275	102	101,660
General Service Staff Salaries	29,006	40,774	2,235	1,047	1,717	1,341	76,120	23,805	2,523	2,162	28,490	9,143	1,376	1,225	116,354
Fuel & Purchased Electricity	9,028	2,315	85	0	109	582	12,119	7,960	0	0	7,960	2,711	294	172	23,256
Supplies & Services Equipment	17,627	38,539	1,136	456	543	340	58,641	14,261	1,844	2,586	18,691	6,341	595	262	84,530
Equipment	1,490	844	32	35	17	48	2,466	1,857	400	200	2,457	485	86	58	5,552
Books	3,553	0	0	0	0	0	3,553	2,580	0	0	2,580	783	14	5	6,935
Building Repairs	1,541	457	23	0	19	186	2,226	1,514	150	0	1,664	449	92	56	4,487
TOTAL EXPENDITURE BUDGET	\$164,415	\$132,159	\$ 8,012	\$ 2,849	\$ 4,476	\$ 2,681	\$314,592	\$136,532	\$ 13,840	\$ 17,104	\$167,476	\$ 47,768	\$ 4,715	\$ 2,592	\$537,143
INCOME BUDGET															
Student Fees	\$ 37,942	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 37,942	\$ 36,687	\$ 0	\$ 0	\$ 36,687	\$ 9,663	\$ 0	\$ 0	\$ 84,292
Federal Funds	0	0	0	0	0	0	0	0	3,320	6,949	10,269	0	90	29	10,388
Sales and Services	0	106,650	2,387	687	584	162	110,470	1,605	135	0	1,740	0	39	62	112,311
Other Income	9,993	211	200	75	2	170	10,651	1,800	0	0	1,800	540	49	12	13,052
Subtotal	\$ 47,935	\$106,861	\$ 2,587	\$ 762	\$ 586	\$ 332	\$159,063	\$ 40,092	\$ 3,455	\$ 6,949	\$ 50,496	\$ 10,203	\$ 178	\$ 103	\$220,043
S.F. 533 - Omnibus Bill	\$106,624	\$ 24,702	\$ 5,324	\$ 2,063	\$ 3,738	\$ 1,747	\$144,198	\$ 87,415	\$ 10,280	\$ 9,859	\$107,554	\$ 34,361	\$ 4,213	\$ 2,292	\$292,618
S.F. 533 - Continuing Education	39	0	0	0	0	0	39	61	0	0	61	0	0	0	100
S.F. 533 - Fuel & Purchased Electricity	8,832	403	58	0	109	582	9,984	7,960	0	0	7,960	2,709	294	172	21,119
S.F. 533 - Quad Cities Grad Center	7						7								7
H.F. 646 - Salary Bill - Salaries	978	193	43	24	43	20	1,301	1,004	105	296	1,405	495	30	25	3,256
Subtotal - Appropriations	\$116,480	\$ 25,298	\$ 5,425	\$ 2,087	\$ 3,890	\$ 2,349	\$155,529	\$ 96,440	\$ 10,385	\$ 10,155	\$116,980	\$ 37,565	\$ 4,537	\$ 2,489	\$317,100
TOTAL - INCOME BUDGET	\$164,415	\$132,159	\$ 8,012	\$ 2,849	\$ 4,476	\$ 2,681	\$314,592	\$136,532	\$ 13,840	\$ 17,104	\$167,476	\$ 47,768	\$ 4,715	\$ 2,592	\$537,143

\*Difference with budgets approved for each appropriation amount due to rounding to the nearest thousand.

C/21/08 - 7/14/83 - w

## STATE BOARD OF REGENTS

TABL 3  
SPECIAL PURPOSE AND RELATED APPROPRIATIONS: FY 1983-84  
(Excluding Tuition Replacement Bonding Program)

	<u>Institution</u>	<u>1981-82</u> (Actual)	<u>1982-83</u> (Est.)	<u>1983-84</u> (Proposed)
<u>BOARD OF REGENTS<sup>1/</sup></u>				
Western Iowa Continuing Education	Regents	\$ 95,400	\$ 100,000	\$ 100,000
Quad-Cities Graduate Studies Center	Regents	---	---	7,300
Fuel and Purchased Electricity	Regents	---	---	21,119,269
Subtotal		<u>\$ 95,400</u>	<u>\$ 100,000</u>	<u>\$21,226,569</u>
<u>STANDING APPROPRIATIONS</u>				
Excess Quota Patients	SUI	\$ 18,159	\$ ---	\$ ---
Livestock Disease Research Fund	ISU	100,000	194,500	300,000 <sup>2/</sup>
Clothing & Transp. - Indigent Student	ISD	3,356	6,000	4,000
Clothing & Transp. - Indigent Student	IBSSS	738	3,000	2,500
School District Reimbursement	ISD/IBSSS	5,844	5,000	5,000
Subtotal		<u>\$ 128,097</u>	<u>\$ 208,500</u>	<u>\$ 311,500</u>
<u>BLOCK GRANT APPROPRIATIONS (FEDERAL FUNDS)</u>				
Maternal & Child Health				
Specialized Child Health Services (SCHS)	SUI	\$1,445,000	\$1,543,343	\$ 1,576,626 <sup>3/</sup>
Federal Emergency Jobs Act (SCHS)	SUI	---	---	522,144 <sup>3/</sup>
Price Laboratory School (PLS)	UNI	---	3,400	3,700
Subtotal		<u>\$1,445,000</u>	<u>\$1,546,743</u>	<u>\$ 2,102,470</u>
<u>OTHER APPROPRIATIONS</u>				
Family Practice Medical Training	SUI	\$1,182,530	\$1,372,000	\$ 1,382,080
Specialized Child Health Services				
Mobile Field Clinics (SCHS)	SUI	6,075	17,000	---
Categorical Programs (SCHS)	SUI	---	---	470,046 <sup>4/</sup>
Water Resources Research Institute	ISU	---	135,000	135,000
Fire Service Education	ISU	190,800	200,000	200,000
Equine Injuries & Disease Research	ISU	---	---	50,000
Subtotal		<u>\$1,379,405</u>	<u>\$1,724,000</u>	<u>\$ 2,237,126</u>
<u>TOTAL</u>		<u>\$3,047,902</u>	<u>\$3,579,243</u>	<u>\$25,877,665</u>

TABLE 3  
GENERAL  
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<sup>1/</sup>All appropriations to the Regents noted here are reported in appropriate campus operating budgets. A separate contingency appropriation for fuel and purchased electricity to the State Comptroller of \$250,000 for use by all state agencies is found in S.F. 551.

<sup>2/</sup>This amount is set by law as a standing limited appropriation. See Code of Iowa 267.8.

<sup>3/</sup>Appropriations shown here are for federal FY 1983-84. Only a portion of the primary block grant shown will be expended in state FY 1983-84 along with portions of federal FY 1982-83 block grant fund support. All of the federal Emergency Jobs Act support will be expended in state FY 1983-84. See University of Iowa institutional docket (July 1983) for details.

<sup>4/</sup>In addition to several categorical programs supported (see the SCHS proposed operating budget for 1983-84), there is a \$45,000 state funded contract available in support of the state Perinatal Program through the State Department of Health. Additionally, there is a reserve of \$74,500 established under HF 613 if certain categorical grant funds are not available for operations during FY 1983-84. C/33/03 - 7/8/83 - w

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The Board Office described changes that had occurred since preliminary budget approval in May and summarized the scope of education and general operating support for FY 1983-84.

Budget Issues. The overriding concern this year was how best to maintain existing levels of quality and service with essentially the same amount of appropriations as in 1982-83 and a modest increase in institutional tuition income. Clouding the funding picture was a pending review of fringe benefit costs budgeted into the state's salary adjustment fund, a portion of which is included in each Regent institution's operating budget plan. Specifically, health insurance costs increased 24 percent in 1983-84. Recently established carrier rates suggested that there might be excess funds budgeted for health insurance. At the same time, Regent institutions reported other fringe benefit changes not previously calculated in establishing the state salary adjustment fund appropriation. A revised state salary budget estimate for Regent institutions may be anticipated.

Budgeting for fuel and purchased electricity was based on revised fuel cost assumptions developed by the General Assembly prior to the close of the 1983 Session. This resulted in two budget reductions, the first being fuel and purchased electricity and the second being motor vehicle fuel. Coal contract bids suggested that Regent utility budgets might be in a strong position this year. It appeared the universities would absorb some costs related to motor vehicle fuel prices as the result of legislative action.

With the general economic conditions apparently improving but at a very slow pace, and with the institutions experiencing lower staff turnover, budgeted salary savings would be more difficult to achieve. As a consequence, the institutions might experience less flexibility as related to funding for enrollment changes and might be required to forego some opportunities to purchase equipment and repair buildings in 1983-84.

Enrollment. Enrollment forecasts for the Regent institutions remained as previously reported for this fall at 66,122 students for an overall increase of 3.3 percent.

Income. Income estimates were adjusted from those given preliminary approval in the amount of \$429,000. Student government at Iowa State University chose to allocate \$50,000, or \$2 per student, in special activity fees to the university's scholarship fund. Regent Harris commended them for this action. Also at Iowa State University, federal appropriations for the Cooperative Extension Service were revised upward \$418,000 to meet revised estimates of support under the Smith-Lever Program. At Iowa Braille and Sight Saving School, \$18,000 in institutional income was added as the result of an agreement with the Department of Public Instruction to reimburse the school for costs of producing large print media for visually impaired students in educational facilities throughout the state of Iowa. Concurrently, the Iowa General Assembly passed an amendment reducing Regent operating appropriations by \$57,000 based on revised estimates of motor vehicle and diesel fuel prices for FY 1984.

State appropriations for FY 1983-84 for education and general operations will be \$317.1 million while institutionally derived income will be \$220 million. Table 1 summarizes institutional income by source.



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Expenditures. The additional \$429,000 in income estimates would support additional staff and \$50,000 for student aid.

The Board Office said the Regent institutions were requested to supply all new tenure track faculty and other permanent positions for board review of final budgets. All but Iowa School for the Deaf were budgeting for net increases in staffing. Faculty, professional and scientific as well as general service staff were increased from 5 full-time equivalent positions (FTE) to more than 74 FTE at each appropriations unit. An analysis of FTE positions supported from the general fund would be available this fall for board review.

Final budgeted salaries and fringe benefits account for 76.8 percent of total proposed expenditures. Supplies and services utilize another 15.7 percent, fuel and purchased electricity account for 4.3 percent, library acquisitions 1.3 percent, equipment 1.0 percent, and building repairs 0.8 percent.

Regent institutions have implemented state salary policy which includes a range of fringe benefit increases. Salary changes that occurred were the result of promotions and minimum salary requirements negotiated for the organized faculty at UNI and improved shift differential allowances. A small number of salary adjustments were deemed necessary to meet external competition. As noted above, the salary and fringe benefit budget might be subject to change depending on a review of fringe benefit assumptions that were used to build the State Salary Adjustment Fund.

Fuel and purchased electricity increases approximated a modest price inflation assumption. Coal prices apparently would be less in FY 1983-84 than estimated.

The supplies and services budget of \$84.5 million reflected a 9.6 percent increase. While the increase was a little better than price inflation, it did not address the erosion of purchasing power based on state appropriations that had occurred over the last five years.

Supplies and services included general fund student financial aid. Regent universities budgeted approximately \$11.3 million for student financial aid in 1983-84 derived from tuition and fee collections. Additionally, it was reported by the universities that federal student aid had not declined as originally anticipated for 1983-84.

The FY 1983-84 equipment budget of \$5.6 million was 13.2 percent above that budgeted for FY 1982-83. This would cover price inflation for the current year. Yet, Regent institutions spent \$7.9 million in 1981-82 and an estimated \$7.4 million in 1982-83 for equipment. Given reduced flexibility in operating budgets in part because of higher employee retention rates and lower salary savings, actual equipment purchases in 1983-84 might not be at the levels reported for the two previous years.

The 10.7 percent budgeted increase in library acquisitions for 1983-84 might cover anticipated inflation. The \$6.9 million budget for this purpose should be considered a status quo figure.

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The building repair budget for 1983-84 of \$4.5 million was 9.1 percent larger than building repairs budgeted in 1982-83. It was, however, \$3 million less than actually expended for repairs in 1981-82 and \$2.1 million less than estimated expenditures for 1982-83. The Board Office noted that the tight funding picture for 1983-84 suggested that actual building repair outlays might be significantly less than in each of the two previous years.

President Brownlee said he was shocked by the budget decreases of 25.1 percent for equipment and 31.1 percent for building repairs. Mr. Richey pointed out that if the 1983-84 budget figures were compared with the amount originally budgeted for 1982-83, the change would not be so dramatic, but when compared to the amount actually spent in 1982-83 it was a large percentage decrease.

Essential program adjustments of \$923,000, which cut across expenditure categories and which support various programs, were reviewed in the preliminary budget proposal.

There were several modifications to special purpose and related appropriations given preliminary approval in May, as noted below:

Block Grant Appropriations (Federal Funds). A \$3,700 allocation through the Department of Public Instruction from the Education Consolidation and Improvement Act of 1981 funds was added to the Maternal and Child Health block grant funding. Block grant appropriations from federal sources were budgeted at \$2,102,470 in FY 1983-84.

Other Appropriations. In addition to the special purpose appropriation for the Family Practice Medical Training Program, the University of Iowa reported an estimated \$24,000 in institutional income in support of that program. The Family Practice Medical Training Program planned on \$1,406,080 in expenditures in FY 1983-84.

Subsequent to the preliminary budget approval in May, legislative action resulted in an additional \$470,046 being appropriated in support of categorical programs under the Hospitals & Clinics Specialized Child Health Services. Additionally, there was a reserve of \$74,500 established by statute if certain grants currently anticipated are not available for Specialized Child Health Services operations during FY 1983-84.

In Section 18 (Senate File 92) of the "Pari-mutuel Betting Bill," is found the following passage:

From the balance of the funds coming into the hands of the commission pursuant to section 99d11 (racing meets -- tax -- fees), \$50,000 shall be used by the Iowa State University College of Veterinary Medicine to develop further research on the treatment of equine injuries and diseases.

It was anticipated that subsequent to the Racing Commission's establishing an administrative organization, Iowa State University should be able to gain access to this research support. It appeared to be a one-time only amount.

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Regent Jorgensen noted that tuition and fees support 24.2 percent of the budget. As a board member, she was constantly asked about this figure. She did not think parents and students always realized they were paying such a small percentage of the cost of education.

Mr. Richey said the total operating budget that would be approved by the board for the Regent institutions was approximately \$839 million. This included all sources of funding. The exact amount would depend on the institutions' success in competing for federal funds and on enrollment.

MOTION:

Mrs. Anderson moved (1) that fuel and purchased electricity appropriations to the Board of Regents of \$21.1 million be allocated to the Regent institutions as recommended; (2) that the Western Iowa Continuing Education special purpose appropriation to the Regents be allocated to the University of Iowa and Iowa State University in the amounts of \$39,000 and \$61,000 respectively; (3) that Quad-Cities Graduate Studies Center special purpose appropriation to the Regents be allocated to the University of Iowa in the amount of \$7,300; and (4) that all other special purpose appropriations be approved as recommended. Dr. Harris seconded the motion and it passed unanimously.

ORAL REVIEW OF BUDGET REQUEST FOR 1984-85. Mr. Richey reported that the Regent institutions were reviewing their financial situation, including capital, for the second year of the biennium. The Legislature had acted on salary policy for the whole biennium but not the rest of the budget request. The Governor's recommendations for the second year of the biennium were standing before the Legislature. The usual practice was for a review of the supplemental requests and the Governor's recommendations; then supplemental adjustment appropriations were made. The Board Office believed there was no formal full-scale review process planned except for emergency situations. Board Office staff would work with the State Comptroller's office. Mr. Crawford said that once the session begins, the Regents would be called upon to make presentations to Legislative committees.

Mr. Richey reminded the board that the Board of Regents budget was based on the assumption that tuition would increase an average of 7 percent in the second year of the biennium. Therefore, tuition policy is a necessary part of this budget review. Under the present schedule, the supplemental budget request and tuition policy would come to the board for preliminary review in September, and final action would be taken at the October board meeting.

President Brownlee thought it likely that the state's fiscal problems would continue which would necessarily influence the supplemental request.

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He felt it would be wise to postpone board action as long as possible. Mr. Richey agreed but said at present there was a November 1 deadline unless there was an indication from the executive branch that requests could come in later. That was why October board action was necessary, both for the supplemental request and for tuition.

HEALTH INSURANCE, ORAL REPORT. Mr. Richey said that in June the Regents moved to transfer the nonorganized Regent Merit employees from the state health insurance group to the various institutional health insurance groups, assuming there would be no significant increase in costs. Blue Cross/Blue Shield had now made an initial calculation of rates which indicated a 4.86 percent increase in premium for employees remaining in the state group (23,500) if the 3500 affected Regent employees left the group. Mr. Richey said the Board Office would continue to review these figures. Consultants would be engaged to review these proposed rates objectively. There was no way at present of knowing the results of this review. The whole projected transfer was now in question.

Regent Anderson said it was obviously to the advantage of Blue Cross/Blue Shield to come up with a high figure that would keep these employees in the state group. President Brownlee said actually the change would be minimal for Blue Cross/Blue Shield. SUI and UNI university groups are already in Blue Cross/Blue Shield; only ISU would be changing insurers. He considered the proposed rates ludicrous.

President Brownlee urged institutional people to work with their campus groups to help them realize what the board and Board Office were trying to do. They must be informed that it was becoming increasingly difficult to cope with all the technicalities and complications.

REPORT ON TELECOMMUNICATIONS PROJECTS. It was recommended that the University of Iowa be authorized to engage consultants to study its communications needs, prepare specifications, and evaluate vendors' proposals subject to approval of the consulting agreement by the executive secretary.

The Board Office explained that there is a need for the Regent institutions and the state to consider modernizing its communications (telephone) system and consider integration of its voice, data, computer graphics, and video communications.

The communications industry is undergoing rapid change with respect to technology, available suppliers, and governmental regulation. Accordingly, a knowledgeable, experienced consultant is needed to design telephone communications systems that will meet the needs of the various operating entities, provide appropriate reliability, provide future expandability, and avoid early obsolescence.

Consideration by the consultant of the state communications facilities would likely recommend distributing telephone switching offices to locations in addition to Des Moines. Alternate sites might be the University of Iowa and Iowa State University. Such a recommendation would be expected to reduce telephone costs for state agencies such as the Regents that

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have activities at various locations throughout the state. It would be understood that costs of such a switching office located at a Regent institution would be borne from other than university funds. Financing of other communications facilities and operations on campus would however be the responsibility of the institution in accordance with the Code of Iowa.

Following is a Board Office summary of the status of the telecommunications projects:

Iowa State University. The consulting firm, Telecommunications International, Inc., of Denver, Colorado, has been engaged to conduct a three-phase project consisting of (1) assessment and design, (2) specifications and evaluation, and (3) installation. The first phase is nearing completion. The second phase needs to be completed by January 1984 in order that plans for the telephone system in the new Mechanical Engineering Building can be completed and equipment procured to ensure operation of the building in the summer of 1985.

State Communications Project. An agreement has been consummated with Telecommunications International, Inc., for a three-phase project for the Capitol Complex. The agreement calls for a project similar to that performed by the same consultant for Iowa State University. The first phase is to provide a system design which is to be completed by August 29. The second phase is scheduled to have bids opened on December 23, 1983, and vendor proposals reviewed and a recommendation provided by January 27, 1984.

According to the agreement, the consultant assumes responsibility for defining the load on the switching node at Iowa State University.

University of Iowa. The institution is obtaining proposals from consultants to perform a study similar to that for Iowa State University and the state system. The specifications for the study are similar to those for the other two projects but include unique requirements for the University Hospital and a review of the existing plan including the use of its broad-band coaxial cable system.

At this time, the institution expected that it would propose an agreement with a consultant for the study with Phase I completed during the period August 15 through October 15. Because there was no board meeting scheduled in August, it was recommended that the university be authorized to engage the consultants subject to approval of the consultation agreement by the executive secretary.

Governor's Efficiency and Effectiveness Program. The projects discussed above are expected to contribute significantly to the Efficiency and Effectiveness Program. Operating and capital costs should be reduced for the same level of service as is provided currently. Improved user efficiency and effectiveness should result from higher speed operation, conference call capability, call forward capability, electronic mail, and other features. Costs of system expansion for data communication should be reduced due to development of an integrated system plan.

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The Board Office noted that the Efficiency and Effectiveness Program also should include a report on communications status and plans at the University of Northern Iowa, Iowa School for the Deaf, and Iowa Braille and Sight Saving School.

MOTION:

Dr. Harris moved that the University of Iowa be authorized to engage consultants to study its communications needs, prepare specifications, and evaluate vendors' proposals subject to approval of the consulting agreement by the executive secretary. Mr. McDonald seconded the motion and it passed unanimously.

APPEALS BY FACULTY MEMBERS, UNIVERSITY OF NORTHERN IOWA: PROFESSOR HENRI CHABERT AND ASSOCIATE PROFESSOR HENRY PARKER.

MOTION:

Dr. Harris moved that the appeals of Professor Chabert and Associate Professor Parker be laid on the table and brought to the board for consideration no later than the December 1983 board meeting. Mr. McDonald seconded the motion.

Regent Harris stated that he believed this motion to be nondebtable. President Brownlee agreed that a motion to table was nondebtable but thought attaching a condition as to time for reconsideration was debatable because it then became a motion to postpone until a certain time. Regent Harris said the reason he made the time certain was because he felt it best to take up this matter at UNI, and the board would not meet there until December. He amended his motion.

AMENDED MOTION:

Dr. Harris moved that the appeals of Professor Chabert and Associate Professor Parker be laid on the table. Mr. McDonald seconded the motion. The motion passed with Mrs. Anderson voting no.

Regent Anderson believed not everyone had voted. She requested a show of hands.

AYE: Jorgensen, Harris, McDonald  
Murphy, Stork  
NAY: Anderson, Neu  
ABSTAIN: Brownlee

Regent Neu stated that this meant the item was now available for any Regent to put on the agenda at any meeting.

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CAPITAL PROCEDURES REPORT, PART I. Mr. Richey told the board he regretted the necessity of requesting deferral of this item once again, but the report was not yet ready. Part I and Part II would be presented to the board in September.

BOARD OFFICE PERSONNEL REGISTER. The board ratified the following personnel transactions by general consent:

Appointment:

Kathy Schaefer, Secretary I/Receptionist, Grade 104, Step 5, \$5.46 per hour with usual fringe benefits, effective July 5, 1983.

Promotional Appointment:

Carol Demko, Accountant, Grade 3, \$9.15 per hour, 60 percent FTE with usual fringe benefits, effective July 1, 1983.

Transfer Appointment:

Douglas E. Gross, Director of Business and Finance, annual salary of \$39,000 plus usual fringe benefits, effective August 12, 1983 (transfer from the Office of the Governor).

Resignation:

Cecelia K. Mininger, Accountant, effective July 1, 1983.  
Ms. Mininger had been on a leave of absence since August 9, 1982.

Mr. Richey said the Board Office was very happy to recommend the appointment of Douglas Gross. He was an outstanding person for the position.

WATER, AIR AND WASTE MANAGEMENT COMMISSION--WASTE WATER CONSTRUCTION GRANT POLICIES. Because of the potential great financial impact on the University of Iowa and Iowa State University, and thereby the state of Iowa, it was requested that the State Board of Regents authorize representatives of the Board Office and the Regent institutions, in cooperation with representatives from their individual cities, to seek modifications in the Department of Water, Air and Waste Management rules governing the distribution and allocation of funds from the Federal Waste Water Treatment Construction Grant Program.

The state of Iowa, through the Department of Water, Air and Waste Management (formerly the Department of Environmental Quality), receives federal funds to assist municipalities in constructing sewage treatment plants. This program is of great interest to the University of Iowa and Iowa State University because each university contributes to the capital expenditures for sewer projects in Iowa City and Ames.

The current federal allocation to Iowa totals approximately \$30 million per year. In accordance with existing Iowa rules, a municipality will receive, in priority order as determined by the state department, 75 percent of the cost of constructing a treatment plant. However, it was the best judgment that this program would be reduced in the near future, and there was a possibility that this program would be eliminated in its present form.



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The cities of Iowa City and Ames are on the priority list to receive federal funds in 1991 and 1993 respectively. However, it was assumed that under the existing rules, Iowa City and Ames might not receive federal funding because the city of Des Moines and several smaller projects have higher priority. If Ames does not receive a federal grant for its sewage treatment plant, the university will be required to pay more than \$1 million per year in capital costs over a 15-year amortization.

The department had scheduled a hearing for August 15 to discuss the Federal Waste Water Construction Grant Program. Both universities were asked by representatives of their cities to attempt to modify the department's policy. Representatives of the city of Ames suggested changes which would allow more projects to be started earlier and more communities to receive federal funds.

Associate Vice President Madden pointed out that the intent was not to take money away from the city of Des Moines but to change the timing of the flow of funds, spreading payment out over a longer period thus giving other municipalities an opportunity for this funding. He hoped there would be other communities supporting this effort.

President Brownlee asked about the possibilities of recriminations if the Regents supported this action. Mr. Richey said the chief danger of recriminations would come from the state of Iowa if the Regents failed to take action. There was potential liability for increased costs to the state in projects of this type if federal funding was not available.

President Brownlee asked if the rules to be changed were Iowa rules impacting federal funds. Mr. Crawford said they are Iowa rules with some federal limitations. The proposal being advanced would have the Department of Water, Air, and Waste Management adopt rules very similar to those adopted by surrounding states. For instance, in the next fiscal year only 55 percent of a project can be funded by federal money as opposed to 75 percent presently. He believed one of the recommendations was that the 55 percent limitation be adopted one year earlier. Another proposal was that no one city could receive more than half of the funds for any particular year. Under the present rules, it would take from 5 to 7 years to complete the Des Moines project; if the proposed rules were adopted that time would be extended about 6 years.

**MOTION:**

Mrs. Jorgensen moved that the board authorize representatives of the Board Office and the Regent institutions, in cooperation with representatives from their individual cities, to seek modifications in the Department of Water, Air and Waste Management rules governing the distribution and allocation of funds from the Federal Waste Water Treatment Construction Grant Program. Mr. McDonald seconded the motion and it passed unanimously.



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NEXT MEETINGS: President Brownlee noted that the new meeting schedule showed two-day meetings in September and October. Regent Duchon had raised a question as to whether some meetings could be rescheduled. President Brownlee said thus far it had not been possible because too many other meetings are scheduled around Board of Regents meetings.

August	NO MEETING	
September 14-15	University of Iowa	Iowa City
October 19-20	Iowa School for the Deaf	Council Bluffs
November 17		Des Moines
December 15	University of Northern Iowa	Cedar Falls
January 19, 1984	Iowa State University	Ames
February 16		Des Moines
March 22	Iowa State University	Ames

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

## STATE UNIVERSITY OF IOWA

The following business pertaining to the State University of Iowa was transacted on Thursday, July 21, 1983.

SALE OF \$10,000,000 STATE BOARD OF REGENTS OF THE STATE OF IOWA ACADEMIC BUILDING REVENUE BONDS, SERIES S.U.I. 1983. The Legislature and the Governor in Senate Concurrent Resolution 13 authorized issuance of \$63,780,000 in academic revenue bonds for the period beginning July 1, 1983, and ending June 30, 1985. Anticipated division of that amount by university is as follows:

University of Iowa	\$24,770,000
Iowa State University	30,495,000
University of Northern Iowa	8,515,000

A sale schedule was developed which proposed five sales over the next ten months with sales for the university tentatively scheduled for July 1983 and January 1984. All of the University of Iowa bonds will be utilized to finance the construction and equipment for the new Law Building.

The Board Office reported that the details of these bonds, as found in the resolution authorizing and providing for the issuance of said bonds, are as follows:

- The bonds shall be dated August 1, 1983, and will be issued as fully registered bonds without coupons in the denomination of \$5,000 and any integral multiple thereof. Bonds shall bear interest with such interest payable semiannually on January 1 and July 1 of each year commencing January 1, 1984. Bonds will mature in numerical order with the first principal payment of \$550,000 being made on July 1, 1986; the succeeding payments being \$550,000 in 1987 through 2201, and final payments of \$600,000 each in the years 2002 and 2003.
- Bonds maturing on or after July 1, 1994, are redeemable by the board from any funds regardless of source on any interest payment date on or after July 1, 1993, upon terms of par plus premium equal to one-half of 1 percent of the principal amount of any such bonds called for redemption for each year or fraction thereof between the redemption date and the stated maturity of such bonds, but in any event not to exceed 3 percent of the principal amount of such bonds.
- These are the first bonds to be issued in registered form by the Board of Regents. After extensive interinstitutional discussion, it was recommended that the treasurer of the State University of

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Iowa in Iowa City be appointed by the board as bond registrar, transfer agent, and paying agent.

The treasurer of the State University of Iowa has developed procedures and computer programs for transfers and exchanges of bonds and payment of principal and interest thereon. Access to information regarding ownership of bonds will be subject to strict security procedures. The new Iowa law authorizing the issuance of registered bonds provides for such confidentiality.

It was the belief of the Board Office that the University can provide superior services to bond holders throughout the entire registration, transfer, and exchange processes. Some of the duties and obligations of a bond registrar, as stipulated in Section 2.09 of the resolution are:

- to maintain a list of the names and addresses of the owners of all bonds and, upon any transfer, to add the name and address of the new bond holder and eliminate the name and address of the transferor and to keep such records confidential provided, however, that the board or a state or federal agency shall have the right of access to such records to the extent permitted by the laws of the state of Iowa;
  - to give notice of redemption of bonds, as provided herein;
  - to cancel and destroy bonds which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer;
  - to furnish the board at least annually a certificate of destruction with respect to bonds cancelled and destroyed;
  - to furnish the board at least annually an audit confirmation of bonds paid, bonds outstanding, and payments made with respect to interest on the bonds;
  - to have on file with the executive secretary of the board at all times a list of those officials authorized to authenticate bonds, which list shall contain specimen signatures of such authorized officials.
  - to maintain at all times an indemnity bond or bonds with respect to all persons performing any of the functions of the bond registrar in form and substance satisfactory to the board with one or more insurance companies satisfactory to the board and with coverage satisfactory to the board.
- Investment of bond proceeds is limited to direct obligations of the United States Government.
  - Additional bonds can be issued only when the aggregate student fees and charges collected by the university during the last pre-

ceeding fiscal year were equal to at least 125 percent of the maximum amount that would become due in any fiscal year during the life of the presently outstanding bonds and all payments into the bond reserve fund are in all respects current.

- There is a new provision which allows the board to take action without notice to or consent of any owners or holders of academic revenue bonds to permit bonds to be issuable as coupon bonds upon receipt by the board of an opinion of a nationally recognized municipal bond counsel to the effect that the issuance of such bonds in coupon form is permitted by the act and will not adversely affect the tax exempt status of interest on any of the bonds or parity bonds then outstanding. There is evidently some opinion still holding that there might at some point be a return to bearer bonds.

The board has had five prior issues for the University of Iowa before the current issue--1971, 1972, 1977, 1981, and 1982. Total academic revenue bonds issued for the university in prior years has been \$36,865,000 of which \$29,370,000 will remain outstanding as of June 30, 1984.

President Brownlee called the meeting to order at 11:00 a.m., central daylight time, on July 21, 1983. The roll being called there were present S. J. Brownlee, president, in the chair, and the following named board members: Anderson, Harris, Jorgensen, McDonald, Murphy, Neu, and Stork. Regent Duchen was absent.

President Brownlee stated that the meeting was for the purpose of receiving separate sealed bids on the sale of \$10,000,000 Academic Building Revenue Bonds, Series S.U.I. 1983 of the State Board of Regents of the State of Iowa.

President Brownlee requested the filing of all sealed bids. After making a second and third call for the filing of sealed bids, President Brownlee announced the closing of receipt of sealed bids.

President Brownlee introduced Mr. Richard Pavia of Speer Financial, Inc., the board's bond consultants. President Brownlee directed the executive secretary to open the sealed bids and asked Mr. Pavia to read the sealed bids.

The bids were as follows:

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<u>Bidders</u>	<u>Price</u>	<u>Coupon</u>	<u>Rates</u>	<u>Net Interest</u>
John Nuveen & Co., Inc. - Chicago and	100.0237	1986-1990	8.60 %	7.5815%
Dean Witter Reynolds, Inc. - New York and		1991-1992	7.40 %	\$8,716,217
Shaw, McDermott & Co. - Des Moines and	AWARDED	1993	7.10 %	
R. G. Dickinson & Co. - Des Moines and		1994	7 1/4%	
Blunt Ellis & Loewi, Inc. - Chicago and		1995	7.40 %	
Norwest Bank Des Moines, N.A. - Des Moines and		1996-2003	7 1/2%	
Securities Corporation of Iowa-Cedar Rapids - Jt. Mgrs.				
McDonald & Company - Cleveland				
American Fletcher National Bank - Indianapolis				
Juran & Moody, Inc. - St. Paul				
Robert W. Baird & Co., Inc. - Milwaukee				
Chiles, Heider & Co., Inc. - Omaha				
Geo. B. Gibbons & Company, Inc. - New York				
Indiana National Bank - Indianapolis				
Dain Bosworth Incorporated - Minneapolis and	100.0000	1986-1992	9.00 %	7.8209%
E. F. Hutton & Company, Inc. - New York and		1993	8.00 %	\$8,991,458
Merrill Lynch White Weld Capital Markets Group-NY-Jt. Mgrs.		1994-2003	7 1/2%	
Blyth Eastman Paine Webber, Inc. - New York				
Dougherty, Dawkins, Strand & Yost, Inc.-Minneapolis				
Hawkeye-West Bank & Trust - Des Moines				
Lowell H. Listrom & Co., Inc. - Kansas City				
United Central Bank of Des Moines, N.A. - Des Moines				

Mr. Pavia stated that the bids had been calculated and verified. He recommended that the board accept the best bid of 7.581 percent. He commented that the bids were extraordinarily good, well below the current bond buyers' index of 9.54 percent. Board of Regents bond sales had been below the index for quite some time. However, these successes had the effect of discouraging other bidders, who felt they were not competitive. Mr. Pavia said this was not a good situation. Therefore, while this was an excellent sale, he hoped for more bidders in future Regent bond offerings.

MOTION:

This being the time and place fixed by published notice, the board took up for consideration the matter of bids for the purchase of \$10,000,000 Academic Building Revenue Bonds, Series S.U.I. 1983, of said board. After all sealed bids had been opened, the results thereof were incorporated in a resolution entitled, "Resolution providing for the sale and award of \$10,000,000 Academic Building Revenue Bonds, Series S.U.I. 1983, and approving and authorizing the agreement of such sale and award," which was introduced and caused to be read.

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Dr. Harris moved that said resolution be adopted, seconded by Mr. McDonald and the roll being called the following voted:

AYE: Anderson, Harris, Jorgensen,  
McDonald, Murphy, Neu, Stork,  
Brownlee

NAY: None

ABSENT: Duchen

Whereupon the president declared said resolution duly adopted and signed his approval thereto.

MOTION:

The board took up for consideration the matter of authorizing and issuing \$10,000,000 Academic Building Revenue Bonds, Series S.U.I. 1983. Whereupon Member Anderson introduced and caused to be read a resolution entitled "A resolution authorizing and providing for the issuance and securing the payment of \$10,000,000 Academic Building Revenue Bonds, Series S.U.I. 1983, for the purpose of defraying costs of buildings and facilities on the campus of the State University of Iowa," and moved that said resolution be adopted. Member Stork seconded the motion and after due consideration by the board the president put the question on the motion and upon the roll being called the following voted:

AYE: Anderson, Harris, Jorgensen,  
McDonald, Murphy, Neu, Stork,  
Brownlee

NAY: None

ABSENT: Duchen

Whereupon the president declared the motion duly carried and said resolution adopted.

MOTION:

Mr. Neu moved that all certified checks submitted by bidders, except that of the best bid, be returned. Mrs. Anderson seconded the motion and it passed unanimously.

MOTION:

Mrs. Anderson moved that the firm of McGladrey Hendrickson & Co., Iowa City, Iowa, be employed as bond auditor. Dr. Harris seconded the motion and it passed unanimously.

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

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OTHER PERSONNEL TRANSACTIONS. The board was requested to approve the following appointments:

Carol A. Aschenbrener, M.D., as Acting Associate Dean for Student Affairs and Curriculum in the College of Medicine, effective September 1, 1983. Salary: \$32,800 plus commutation fraction.

Florence Babb as Chair of the Women's Studies Program, College of Liberal Arts, effective August 22, 1983, for a two-year term at an annual salary of \$19,600.

John Birch as Acting Chair of the Department of Statistics and Actuarial Science, College of Liberal Arts, at an annual salary of \$32,000, for a one-year term, effective August 22, 1983.

Phillip E. Jones as Dean of Student Services, effective July 1, 1983, at the current salary of \$52,000.

Jimmy R. Pinkham, D.D.S., as Head, Department of Pedodontics, College of Dentistry, effective August 1, 1983, at an annual General Fund salary of \$65,000 plus commutation fraction.

Vice President Remington said the university was pleased that Dr. Pinkham was returning to Iowa for this important appointment.

Regent Anderson asked who had been Dean of Student Services before Dr. Jones' appointment. Vice President Remington said there was none. Years ago there had been an executive dean of student services but the position had not been filled for quite some time. Dr. Jones, who had been Assistant Dean for Student Services, was promoted into this long-vacant position. He told Regent Anderson the university did not plan to fill the position of Assistant Dean at the present time.

MOTION:

Dr. Harris moved that the board approve the appointments of Drs. Aschenbrener, Babb, Birch, Jones, and Pinkham. Mr. Neu seconded the motion and it passed unanimously.

CHANGE OF NAME OF THE MASTER OF SCIENCE DEGREE IN ORAL SURGERY TO THE MASTER OF SCIENCE DEGREE IN ORAL AND MAXILLOFACIAL SURGERY. It was recommended that this change of name be referred to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

MOTION:

President Brownlee stated that the change of name of the M.S. degree in Oral Surgery to the M.S. degree in Oral and Maxillofacial Surgery was referred to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation by general consent of the board.

PROFESSIONAL AND SCIENTIFIC CLASSIFICATION SYSTEM. It was recommended that the board approve the university's request to:

1. establish a new classification, Data Communications Coordinator, in grade 6 (\$15,410-\$24,420) and
2. change the pay grade assignment of Director of Security and Parking from grade 12 to grade 13 (\$26,410-\$42,240).

The Board Office explained the proposed changes as follows:

1. The classification of Data Communications Coordinator is proposed to consolidate duties, which now are performed on a part-time basis by different data processing specialists, in order to meet increasing needs in an efficient manner. The classification initially will be used in University Hospitals where there presently are over 600 terminals. The pay grade assignment of the proposed class has been determined by application of the university's point count evaluation system and funds are available from University Hospital income.
2. An increase in the scope and responsibility of the Director of Security and Parking is reflected in a point count which justifies the proposed increase from grade 12 to grade 13. The classification was established in grade 12 in 1976. Since then substantial growth has occurred in facilities, budgets, and operations. Funds for the proposed change are available within existing resources.

MOTION:

Mrs. Jorgensen moved that the board approve the university's request to (1) establish a new classification, Data Communications Coordinator, in grade 6 (\$15,410-\$24,420); and (2) change the pay grade assignment of Director of Security and Parking from grade 12 to grade 13 (\$26,410-\$42,240).

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

The board was requested to ratify executive secretary award of the following construction contracts:

University Hospital School--Reconstruction of Entrance Drive--Contract II--Site Development

Award to:

Contract IIA--Paving:	Metro Pavers, Inc., Iowa City, Iowa	\$237,337.50
Contract IIB--Landscaping:	Hoskins Landscaping & Nursery, Des Moines, Iowa	\$31,564.00

The Board Office noted that this project is funded in part from the State Parks and Institutional Roads Fund. The Iowa Department of Transportation concurred in these contract awards.



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<u>Oakdale Campus--Parking Lot Resurfacing</u>	
Award to: B.L. Anderson, Inc., Cedar Rapids, Iowa	<u>\$59,048.11</u>
<u>University Hospitals--Boyd Tower--Whole Body CT Scanner Replacement Project</u>	
Award to: TRICON, Iowa City, Iowa	<u>\$119,800.00</u>
<u>Van Allen Hall--Basement Ventilation and Air Conditioning</u>	
Award to: AAA Mechanical Contractors, Inc., Iowa City, Iowa	<u>\$75,931.00</u>
<u>Lower Finkbine Recreation and Athletic Field Toilet Service Building</u>	
Award to:	
Division I: Schoff Construction Co., Lisbon, Iowa	<u>\$22,685.00</u>
Division II: Burger Construction Co., Iowa City, Iowa	<u>\$23,821.00</u>
<u>Medical Laboratories--Renovate Corridors</u>	
Award to: Schoff Construction Co., Lisbon, Iowa	<u>\$58,240.00</u>
<u>University Hospitals--Nuclear Medicine Remodeling</u>	
Award to: Burger Construction Co., Inc., Iowa City, Iowa	<u>\$53,637.00</u>
<u>Macbride Hall--Exterior Refurbishment</u>	
Award to: William Sewell & Co., Solon, Iowa	<u>\$49,400.00</u>
<u>Halsey Gymnasium--Exterior Repairs</u>	
Award to: Bert M. Lafferty Co., Rock Island, Illinois	<u>\$36,851.00</u>
<u>Armory--Replace Wing Roofs</u>	
Award to: Jim Biese & Co., Inc., Dubuque, Iowa	<u>\$28,298.00</u>
<u>Oakdale Campus Water Tower Renovation</u>	
Award to: Midwest Cleaners and Applicators, Monmouth, Ill.	<u>\$29,409.87</u>
The Board Office noted that all three bids received on this project were from non-Iowa firms.	
<u>University Hospitals--OR Support Laboratory--General Hospital</u>	
Award to: Schoff Construction Co., Lisbon, Iowa	<u>\$149,287.00</u>
<u>Medical Research Center--Remodel Laboratories 354-357A</u>	
Award to: Burger Construction Co., Inc., Iowa City, Iowa	<u>\$96,995.00</u>
<u>Mayflower Apartments--Swimming Pool Modifications</u>	
Award to: AAA Mechanical Contractors, Inc., Iowa City, Iowa	<u>\$31,271.00</u>
<u>Museum of Art--Air Conditioning Renovation</u>	
Award to: Universal Climate Control, Iowa City, Iowa	<u>\$25,200.00</u>

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

Steindler Building--Reoccupancy Remodeling--Phase VI  
Bids were taken on this project on June 16. Six bids were received. The apparent low bidder was B.A. Westbrook Construction, Inc., Marion, Iowa,

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in the amount of \$304,496. This bidder phoned just prior to the bid opening time of 2:00 p.m. to request that the bid not be opened due to a mathematical error. The bid, however, was read, as the specifications stipulated that no bid could be withdrawn after the time set for receipt of bids which, in this instance, was 1:30 p.m. The bidder had since provided information sufficient to prove that there was a mathematical error and, further, had documented that the telephone call was placed prior to the bid opening time of 2:00 p.m. The bidder requested that its bid be withdrawn and bid security be returned.

The Board Office and the university recommended that bid security be returned to B.A. Westbrook Construction Co., inc., Marion, Iowa, and that the bid be allowed to be withdrawn. Unlike prior cases of request for return of bid security, the bidder did note a significant mathematical error prior to the bids being opened. The bidder was obviously low because of this serious mathematical error since the other five bidders on the project were grouped within 1 percent with a range of \$396,950 to \$409,750.

The executive secretary awarded the contract to the second low bidder: Schoff Construction Co., Liston, Iowa, in the amount of \$396,950. That award letter went out of the Board Office on June 30, 1983. If timely action to award had not occurred, the funds for the project would have reverted. The Board Office recommended ratification of this award.

Seashore Hall--Environmental Improvements E212 Area

Bids were taken on this project on June 20, 1983. The two bids received substantially exceeded the approved project budget. The low bid was \$59,663 compared to an estimated construction budget of \$38,700. It was recommended that the board reject all bids received and direct the university to review the project scope and bid the project at a later date.

College of Law Building

Award to: PCL Construction, LTD, Minneapolis, Minnesota \$15,338,670.00

The executive secretary awarded this contract on June 20, 1983. That action was subject to litigation in Polk County District Court. District Court Judge Luther T. Glanton, Jr., ruled on Monday, July 18, 1983, that the university and executive secretary had legally awarded the contract to PCL Construction and he dismissed the case against the Board of Regents.

Mr. McMurray noted that the Law Building award included an alternate concerning the type of siding to be used for the building. President Brownlee said board members had received a letter on this subject and asked Acting Associate Vice President Mahon to explain the matter. Ms. Mahon said when the Law Building was planned there was much concern about costs. The current competitive bidding environment was not envisioned. Therefore, the university had the architect design an alternative involving the siding material. The architect believes the better siding for this building to be a solid aluminum plate. However, since it is more expensive, the base bid included laminate aluminum siding. The alternate under discussion

was for the solid aluminum at a cost of \$266,370. It was the architect's view that because of savings in general on the project, the university should take this alternate. Ms. Mahon said she understood the laminate had been in use for 15 years but the architect felt more comfortable with the solid aluminum as a more known quantity. Nevertheless, if the board wished, the university would indicate to PCL Construction that it would like an option to take either material, and then have further discussions with the architect. President Brownlee asked if board members agreed to this suggestion to keep options open pending investigation and consultation with specialists as to the wisdom of the material to choose. The board concurred with this stipulation.

President Brownlee introduced Attorney Mark Schantz and Assistant Attorneys General Merle Fleming and Howard Hagen. He thanked them and the entire staff of the Office of the Attorney General for their hard work and their kindness and loyalty to the Board of Regents in the recent litigation concerning the Law Building bidding.

The board was requested to approve the following revised budgets or revised sources of funding:

University Hospital School--Reconstruction of Entrance Drive

The board was requested to approve a revised budget totaling \$481,612 following receipt of bids, which represented a reduction in the overall budget approved in November 1982 of \$557,300.

Renovation for Handicapped Access--Phase IV--Museum of Art

Upon completion of the project, total costs were \$151,300 compared to a budget approved in November 1981 of \$224,400. Savings would be utilized for other handicapped barrier removal projects.

University Hospitals--Internal Medicine Faculty Offices

University Hospitals--Medical Intensive Care Unit

University Hospitals--Chilled Water Expansion

University Hospitals--Air Care Support Area

In each of the above four projects, the budget amount remained as approved by the board, but the sources of funding were changed to split funding between Hospital RR&A and Building Usage Funds rather than sole use of the latter source.

The board was requested to approve four final reports:

Recreation Building Addition on which total expenditures were \$650,243.63, which represented a \$40,243.63 overrun from the budget approved by the board with the deficit covered by allocation from Treasurer's Temporary Investment Income.

Power Plant--Repair and Installation of Breeching Boilers 5 and 6 funded by Academic Revenue Bonds, 1977, on which expenditure was \$45,296.69

There were two other final reports on projects in the hospital area. All were in order and recommended for approval.

The board was requested to approve the following new projects:

University Hospitals--Psychiatric Research Offices  
Source of Funds: Psychiatric Hospital Building Usage Funds \$42,550.00

The University Architect's Office was selected as architect and inspection supervisor. All of the work is to be completed by Physical Plant Department or by competitive quotations and purchase orders. Since \$1,850 was set aside for planning and supervision, in-house construction work will total approximately \$41,000.

University Hospitals--Rheumatology Faculty Office Space  
Source of Funds: University Hospital Building Usage Funds \$70,063.00

The University Architect's Office was selected as inspection supervisor. Previously the board selected Pierce King Associates, Iowa City, Iowa, as architect.

Van Allen Hall I and II-- Replacement of Heating and Cooling Piping Systems  
Source of Funds: Treasurer's Temporary Investments \$1,960,000.00

The Physical Plant Department was designated as inspection supervisor. The board previously approved the selection of Shive-Hattery & Associates as engineer for the project. There is a budget line of \$216,000 for construction management for which a contract has not come to the board. It was assumed that contract would come to the board following award of contract.

Field House Remodeling--Part 2, Phase I  
Source of Funds: General University Building Repairs or  
Treasurer's Temporary Investments \$553,700.00

This project replaces the roof over the north and east face wings and associated demolition.

Part 2, Phase II, will include at a minimum the replacement of the offices, laboratories, and racquetball courts in the north wing which must be removed as part of the solution to the weight problem and reconstruction of a laboratory and activity rooms in the south wing of the building.

The board was requested to approve a comprehensive architectural services agreement with Bussard/Dikis Associates, Des Moines, Iowa, to provide such services for both phases of the part 2 project. The agreement provides for basic services at a fixed fee of \$124,000 plus reimbursables not to exceed \$5,000. Ms. Mahon said the university estimated that the total cost of Part 2 would be \$1,576,000. The consultant fee of \$124,000 would be 7.87 percent of that amount.

Communications Facility--Furnishings and Equipment

The university indicated initially that the total amount of equipment needs for this building would be \$2.3 million. A capital appropriation of \$1.5 million was made by the 1983 Session, and approximately \$800,000 was to come from the construction budget (academic revenue bond funding). Of that \$800,000, \$440,155 was identified at this time as being available for furnishings and equipment. Additional funding would be made available as construction proceeds. The Board Office noted that the university needs to follow special procedures for purchasing any equipment funded by academic revenue bonds (which includes the \$440,155).

Macbride Hall--General Remodeling--Phase 3--Home Economics and Departmental Offices

Source of Funds: General University Building Repairs \$132,730.00

The Physical Plant Department was selected as engineer and inspection supervisor. The board previously selected an architect on the project.

University Hospitals--Nuclear Magnetic Resonance Installation

Source of Funds: University of Iowa Building Usage Funds \$849,330.00

The University Architect's Office was selected as inspection supervisor.

The board was also requested to approve a contract for architectural services on the project with Hansen Lind Meyer, Iowa City, Iowa. The firm was also approved by the Campus Architectural Selection Committee. Basic services are to be compensated on the basis of a fixed fee of \$42,000. Reimbursable services shall be an additional \$25,000. The Board Office recommended approval of this agreement.

University Hospitals--Center for Digestive Diseases Procedures Unit

Source of Funds: University of Iowa Building Usage Funds \$888,000.00

The University Architect's Office was selected as inspection supervisor. The project involves developing shell space on the fourth floor clinic wing of the new South Pavilion--Phase B project.

The university also requested permission to negotiate for architectural services on this project. The Board Office recommended approval.

University Hospitals--Hospital Information Systems Remodeling

Source of Funds: University Hospital RR&A \$199,950.00

The University Architect's Office was selected as architect and inspection supervisor.

Hancher Auditorium--Stage Rigging Replacement

Source of Funds: Hancher Auditorium Equipment Replacement and Building Renewal \$98,540.00

The Physical Plant Department was selected as inspection supervisor. The board previously approved the architect. The board was now requested to ratify additional services through final design, bidding, and construction with the firm of Buerki Brennan Associates, Milwaukee, Wisconsin. Services would be provided at a fixed fee of \$14,500.

Hydraulics Laboratory--Wind Tunnel Annex

Source of Funds:	Institute of Hydraulics Research Reserves	\$175,000.00
	Income from Treasurer's Temporary Investments (to be repaid by the Institute)	175,000.00
	TOTAL	<u>\$350,000.00</u>

The Physical Plant Department was selected as inspection supervisor.

The board was also requested to ratify the selection of Shive-Hattery & Associates, Iowa City, Iowa, as project engineer to conduct a preliminary study and site survey services on an hourly rate basis to a maximum of \$5,796.

The board was requested to take action on the following additional consultant contracts.

Mayflower Apartments--Repairs and Improvements

Approve an increase in compensation to CPMI, Inc., Des Moines, Iowa, for additional services including providing project management services during the construction on the project with compensation to be on a guaranteed maximum fee not to exceed \$36,000. Construction contracts on this project were awarded at the June meeting.

University Hospitals--General Hospital--Two Tower Patient Room Utilities

Ratify selection of Design Engineers, Cedar Rapids, Iowa, to provide final design services on this project on the basis of a fixed fee of \$4,850. The board had not yet approved a project budget. The estimated project budget, according to the engineer's proposal, is \$70,000.

Oakdale Campus Water Tower Renovation

Ratify selection of Hall Engineering Company, Iowa City, Iowa, to provide contract administration on this project on an hourly rate basis to a maximum of \$1,445. The contract is awarded as part of this register.

Bowen Science Building--Pharmacology Space Renovation

Ratify selection of Pierce King Architect and Associates, Iowa City, Iowa, to provide full-range architectural services on an hourly basis to a maximum of \$6,077.50. The board had not yet approved a project budget.

Psychiatric Hospital Office Stairway

Ratify selection of Miner Consulting Engineers, Rock Island, Illinois, to provide mechanical and electrical engineering services on this project on an hourly basis to a maximum of \$1,056.

The board was also requested to ratify selection of Marske-Schardein & Associates, Bettendorf, Iowa, to provide general engineering services on this project on an hourly rate basis to a maximum of \$3,600.

Campus Planning Consultant

The university has had an agreement for campus planning services since April 1972 with Thomas Hodne Architects, Inc., Minneapolis, Minnesota.

This agreement consists of two contracts. The first is a technical assistance contract to provide for short and simple consulting services. Those services are not to exceed \$2,500 per month, unless authorized by the university, and no case shall total services exceed \$30,000 per year. The board is requested to approve this contract annually. The Board Office noted that the university intended to report to the board and Board Office on services rendered under the 1982-83 agreement.

A second contract, which has no termination date, is for professional services for larger projects which require more time and higher costs than provided by the technical services contract. The consultant provides professional services described on a work order. Each of these work orders comes to the board.

Health Science Library--Roof Repairs

Ratify selection of Harvey W. Henry & Associates, Coralville, Iowa, to conduct a preliminary study on an hourly rate basis to a maximum of \$891.

Lindquist Center--Phase II--Mechanical Systems Review

The university requested the board to ratify selection of Skidmore, Owings, & Merrill, Chicago, Illinois, the original architects on the Lindquist Center project, to provide a preliminary study to review the mechanical systems to determine the cause for their unsatisfactory performance and recommendations for remedial work. The Board Office questioned the advisability of hiring a firm to review its own work. Ms. Mahon said these are very sophisticated systems. The university has not been able to determine if the problem is with the design, the construction, or perhaps the university's own mismanagement. The university felt that Skidmore, Owings, and Merrill, as architects of record, could tell the university if the systems were being mishandled. Mr. Richey said the concern was that the firm would not be objective about reviewing its own work. Ms. Mahon said the university would be happy to postpone this item for further consideration.

MOTION:

Mr. McDonald moved that the board approve the Register of Capital Improvement Business Transactions for July 1983; ratify award of construction contracts made by the executive secretary; approve return of bid security to B.A. Westbrook; reject all bids on the Seashore Hall project; approve the revised project budgets and changes in sources of funding; approve the final reports; approve the new projects; approve and ratify the consultant contracts; approve negotiations for architectural services; take alternative actions agreed to on two items; and authorize the executive secretary to sign all necessary documents. Mrs. Murphy seconded the motion and it passed unanimously.

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1983-84 FINAL OPERATING BUDGETS FOR THE UNIVERSITY OF IOWA. It was recommended:

1. That the final appropriation unit budget ceilings be approved as follows:

<u>Appropriation Unit</u>	<u>1983-84 Proposed Budget</u>
General University	\$164,415,644
University Hospitals & Clinics	132,159,668
Psychiatric Hospital	8,012,807
Hospital School	4,475,800
State Hygienic Laboratory	2,848,592
Oakdale Campus	2,681,421
<u>TOTAL</u>	<u>\$314,593,932</u>

2. That the University Specialized Child Health Services (SCHS) budget be approved for 1983-84 operations at \$3,291,800 subject to the provision of a supplemental appropriation of \$107,809 by the 1984 Legislature.
3. That the 1983-84 proposed operating budget for the university residence system be approved at \$18,526,493 in income and an equal amount for operating expense plus mandatory and voluntary reserve requirements.
4. That the Western Iowa Continuing Education appropriation of \$39,000 and Quad-Cities Graduate Study Center appropriation of \$7,300 given preliminary approval in May be incorporated from special purpose Regent appropriations.
5. That the fuel and purchased electricity allocations given preliminary approval in May be incorporated from special purpose Regent appropriations.
6. That the 4.6 percent rate increase given preliminary approval for the University Hospitals & Clinics, Psychiatric Hospital, and University Hospital School in May be given final approval, and
7. That the indigent patient quotas established for 1982-83 be continued in 1983-84.

The Board Office reported that the university 1983-84 operating budget document had been reviewed. Salaries were in accordance with policies established for faculty and institutional officials and professional and scientific staff.

There was a reduction of \$24,917 in appropriations from that approved at the May board meeting for the general university, the result of an appropriation reduction approved at the close of the 1983 Legislative Session cutting motor vehicle fuel allocations based on revised price assumptions.



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The only other modification of funding by expense category since the May meeting was the reclassification of certain faculty and general service staff positions to professional and scientific staff positions at the University Hospitals and Clinics with transfers amounting to \$41,500.

In addition to the \$314.6 million general fund operating budget, \$174.9 million would be expended in restricted funds in 1983-84. This includes both contract and grant activity along with auxiliary enterprise support and support from the medical and dental practice plans.

Other funds managed by the university are stores, service, and revolving funds, which overlap in part expenditures approved elsewhere. Estimated expenditures for these funds in 1983-84 would be \$60.7 million. Funds for which the university acts in an agent capacity, including student organizations, medical service practice plans, tax and other employee withholding accounts, were estimated to be \$153.4 million for 1983-84 excluding medical and dental practice plans.

#### General University

Enrollment. The university enrollment estimates remained as previously reported; that is, 30,138 headcount for the fall of 1983 or almost 2,000 headcount more than that reported for fall 1982, a 7 percent increase.

Income. Appropriations with the \$24,917 reduction (noted above) leaves a total general university appropriation of \$116,480,244 or an increase of \$692,000 over original 1982-83 appropriations. Institutional income remained as approved in the preliminary budget or \$47,935,400. This is an increase over revised 1982-83 estimates of \$1,623,000.

Tuition income associated with the 7 percent projected enrollment increase had not been budgeted at this time. It was anticipated that when fall enrollment and the associated revenue increases were known, the university would seek a budget ceiling change.

Operations. Aggregate expenditures proposed are \$164,415,644. There were no reallocations among expenditure categories other than a reduction of \$24,917 associated with reduced motor fuel support in the supplies and services category. The Board Office noted that even with the limited salary policy this year, salaries and fringe benefits accounted for 79.8 percent of the total planned education and general expenditures.

The university reported that the 1983-84 budget included 17 new tenure-track faculty positions. All are related to enrollment increases.

Program Support. The university received no new program support through essential program adjustment appropriations other than \$338,000 for opening new buildings. This leaves such difficult problems as stabilizing funding for the College of Medicine in the same precarious position it was a year ago. Through infusions of institutional income, primarily new tuition funds, some changes were possible.

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A review of program shares confirmed that instruction and academic support account for 73.2 percent of total of education and general operating support, which is consistent with the 1982-83 original budget plans.

Within the instructional program, all units but one received some additional funding. The increases were modest, ranging from 1 through 7.9 percent.

The university had budgeted and would administer for the Regents the Quad-Cities Graduate Studies Center program support at \$120,000 for 1983-84.

Student Aid. Budgeted student aid for FY 1983-84 was 9.8 percent greater than that budgeted initially in 1982-83. In total, the university had budgeted \$5.8 million in general funds for student aid for 1983-84. It was estimating an additional \$7.1 million in restricted funds in support of student financial aid, approximately 2 percent more than that estimated to begin FY 1982-83.

Residence System Budget. In accordance with bond covenant requirements, the board reviewed and acted upon a preliminary budget in March 1983. The final income budget for the residence system was \$18,526,493, an increase of \$3,204 which is attributed to marginal adjustments.

Oakdale Campus

Income. The facility proposed to operate with \$2,681,421 in 1983-84. All but \$332,000 is state appropriations.

Operations. The university reported no new permanent positions being established for 1983-84 operations. The only significant change in 1983-84 operating support was an increase of \$77,000 in fuel and purchased electricity. It appeared that for the first time in several years the Oakdale Campus would have a fuel and purchased electricity budget that should be adequate to meet forecast needs.

University Hospitals and Clinics

Rates and Quotas. Preliminary approval was given for a 4.6 percent rate change for 1983-84. Additional, approval was given to maintaining the 1982-83 indigent patient quotas in 1983-84.

Income. Income approved in the preliminary budget totaled \$132,159,668. Final approval was sought for the same income budget. Indigent patient appropriations of \$25,298,716 amount to 19.1 percent of total hospital income. The balance is from paying patient revenues.

Operations. The total planned expenditures remained estimated at \$132,159,668. Approved essential program adjustments for 1983-84 were limited to the opening of the Colloton Pavilion-Phase A and the Carver Pavilion-Phase C. There were no new appropriations authorized for operating these new facilities. New positions for maintaining and securing these facilities were established from paying patient revenues.

The University Hospitals & Clinics continued to move toward the target of 5.3 staff positions per occupied bed. Concurrently, the Hospitals and Clinics was enjoying a much higher staff retention rate.

### Psychiatric Hospital

Rates. Preliminary approval to a 4.6 percent rate increase was given in May. This rate increase was necessary in order to meet planned operations for FY 1983-84.

Income. Preliminary estimates of income of \$8,012,807 remained unchanged. Estimated institutional income of \$2,587,437 would account for 32.3 percent of total revenues compared to 31.6 percent estimated for 1982-83.

Operations. The proposed expenditure budget of \$8,012,807 remained as approved in the preliminary proposal, both in total and in detail.

### State Hygienic Laboratory

Rates. The Regents approved a 10.3 percent rate change at the March 1983 meeting, effective July 1, 1983.

Income. The preliminary approved income of \$2,348,592 remained unchanged. Laboratory income was estimated at \$761,570 or 26.7 percent of total income. Along with the rate increase for the current year, the laboratory forecast a declining level of contract service income. In total dollars, estimated income for 1983-84 was approximately the same as that estimated for 1982-83.

Operations. Total proposed operating budget expenses match that given preliminary approval in May. Salaries and fringe benefits account for 82.7 percent of planned expenditures, the same proportion as that estimated for 1982-83.

### Hospital School

Rates. The Regents gave preliminary approval to a 4.6 percent increase in rates for the Hospital School.

Income. The approved preliminary operating income of \$4,475,800 remained unchanged in both total and source. Hospital School income was estimated at \$586,278. Incorporating the 4.6 percent rate increase, there is an overall increase of 6.5 percent. Hospital School income would account for 13.1 percent of operating revenues in 1983-84. Almost all of the school income is from patient earnings.

Operations. Planned expenditures remained unchanged from the preliminary totals approved in May. Salaries and fringe benefits for 1983-84 were budgeted at 84.6 percent of total planned expenditures.

### Specialized Child Health Services (SCHS)

Beginning in 1982-83, the university has treated the Iowa Specialized Child Health Services (SCHS) as if it were an appropriation unit for operating budget review purposes. It was not currently recognized as a separate appropriation unit and might require statutory action to be recognized as an education and general appropriation unit as are the other units reviewed above.

The university proposed a SCHS budget for 1983-84 of \$3,291,800. The university reported that there are items omitted from this proposed budget that are financed directly through contracts with the Department of Health or through service charges. These include genetic counseling service costs of \$269,000 and perinatal care program costs of \$295,000 plus an additional \$91,000 for the Iowa Newborn Service funded through charges to participating Iowa hospitals and patients. Because the Iowa Newborn Service screening service budget was not yet firmed up, the university's estimate of total resources was \$3,947,000.

In addition, there was \$343,940 budgeted income from grants, fees, and support from the University Hospitals and the Department of Pediatrics. Should certain budgeted federal grants not be available during FY 1983-84, a contingency reserve of \$74,450 in state appropriations was established by statute to offset these potential losses.

The Board Office said a supplemental appropriation request of \$107,809 would be necessary to maintain existing SCHS programs at their current level of operations. Correspondence supplied by the university suggested that if current support is insufficient, Senate leadership would support a supplemental appropriation. Should a supplemental appropriation not come to pass, the university was committed to establish SCHS operations at a level for which funding was available. This would be considered by the board in September or October.

Operations. The proposed final operating budget for the SCHS Program was \$3,291,800.

MOTION:

Dr. Harris moved (1) that the final appropriation unit budget ceilings be approved as recommended; (2) that the University Specialized Child Health Services budget be approved for 1983-84 operations at \$3,291,800 subject to the provision of a supplemental appropriation of \$107,809 by the 1984 Legislature; (3) that the 1983-84 proposed operating budget for the university residence system be approved at \$18,526,493 in income and an equal amount for operating expense plus mandatory and voluntary reserve requirements; (4) that the Western Iowa Continuing Education appropriation of \$39,000 and the Quad-Cities Graduate Study Center appropriation of \$7,300 be incorporated from special purpose Regent appropriations; (5) that the fuel and purchased electricity allocations given preliminary approval be incorporated from special purpose Regent appropriations; (6) that the 4.6 percent rate increase for the University Hospitals & Clinics, Psychiatric Hospital, and University Hospital School be given final approval; and (7) that the indigent patient quotas established for 1982-83 be continued in 1983-84. Mr. McDonald seconded the motion and it passed unanimously.

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JOHN F. MURRAY ENDOWMENT FUND. There was no activity for the year ending June 30, 1983.

PROPERTY RENTALS, 1983-84 MONTHLY RATES. It was recommended that the board approve the schedule of monthly rental rates.

At its meeting in June 1982, the board approved a rental schedule for properties on and near the Iowa City campus which are rented to tenants. The board approved a rental period of September 1, 1982, to August 31, 1983. The university now proposed to adjust the rental period to run from August 15 of a given year to and including August 14 of the subsequent year. In order to accomplish the change the university needs to treat two groups differently. The first group is those tenants who have leases on properties which will terminate on August 31, 1983. For these tenants the next lease period will be 11½ months, i.e., September 1, 1983, to August 14, 1984. The second group is those tenants who do not have leases expiring on August 31, 1983. For this second group of tenants the university wishes to establish leases that begin on August 15, 1983, and end on August 14, 1984.

The university rents the properties covered by this recommendation at fair market value, with the exception of the preschool, day-care, and student senate co-op units for which the rental is intended to cover only average repair and maintenance costs consistent with the university's interest in those activities. The range of changes from the current rental schedule ranges from 0 to 36 percent. Approximately 47 of the 138 units covered by this action will have rental increases averaging 5 percent.

The university noted that six units had been removed from the rental schedule for use in connection with University House Programs and three new units were added to the schedule as a result of property purchases during FY 1983.

MOTION:

Mr. McDonald moved that the board approve the schedule of monthly rental rates for residences, apartments, rooms, preschool, and day-care centers either for the period commencing September 1, 1983, and ending August 14, 1984, for tenants who currently have leases for subject properties terminating on August 31, 1983; or for the period of August 15, 1983, to August 14, 1984, for tenants who do not have leases ending on August 31, 1983. Mrs. Murphy seconded the motion and upon the roll being called, the following voted:

AYE: Anderson, Harris, Jorgensen,  
McDonald, Murphy, Neu, Stork,  
Brownlee

NAY: None

ABSENT: Duchon

LEASES OF PROPERTY. It was recommended that the board approve (a) the lease with G.W.G. Investments, a partnership, for the use of the property at 307 East College Street, Iowa City; and (b) the lease with Drug Fair, Inc., for the use of 22,759 square feet of heating warehouse and office space in a building located on Industrial Park Road, Iowa City.

In each of the leases the board is the tenant for the use and benefit of the University of Iowa. The university, pursuant to Executive Order No. 44, inquired about the availability of vacant schoolhouses in Iowa City to see if there were any such schoolhouses available for the university's use. There were no vacant schoolhouses available in Iowa City at this time.

The Board Office described each lease as follows:

- a) G.W.G. Investments, a partnership (new). The lease is for the 23,400 square foot building at 307 East College Street, Iowa City, which is the former Public Library. The property will be used for educational and educational-related activities including offices, studios, library, and storage. The lease requires landlord to make some initial building repairs and equipment replacements. The university will pay all maintenance, repairs, real estate taxes, utilities, and services.

At the June board meeting, it was reported by the university that the building contained 20,000 square feet which the university hoped to rent for less than \$1 per square foot. The rent on the 23,400 square foot building is \$1.90 per square foot per year. The difference between what was anticipated in June and what the university was able to negotiate is found in the capital improvements the university has required the landlord to make.

The university reported that the building has not yet been placed on the tax rolls because it did not pass into private hands until February of this year. Hence, the university does not know what its tax bill might be. The lease clause assigning responsibility between the landlord and tenant for special assessments is left open. The university reported that it would like to negotiate with the landlord on any special assessments which may occur.

The board has customarily approved leases only for the duration of a given biennium. If a lease was proposed that went beyond a biennium, the board has required a clause which permitted the lease to be terminated if funding was not available. This lease is for three years and contains no cancellation clause. The university reported that the need for this property is so critical that it cannot contemplate a reduction in funds sufficiently severe to cause it to be willing to terminate this lease.

- b) Drug Fair, Inc., (new). The lease is for 22,759 square feet of heated warehouse and office space at a rate of approximately \$1.30 per square foot per year for the initial eight-month period of the

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lease. The tenant pays all utilities, care, maintenance and repairs, real estate property taxes, special assessments, fire and extended coverage, and public liability insurance. The property is needed by University Hospitals for warehouse operations as a result of a sudden change in operations by a hospital vendor, Drug Fair. Before July 1, Drug Fair, as one vendor of supplies to the hospitals, provided receiving, storage, and delivery services for the hospital for supplies purchased from several other vendors. Drug Fair is no longer willing to provide these services and is making the warehouse space available to the hospital on a lease basis.

The lease was presented for board approval after its beginning date because of the late notice given by Drug Fair to the university of the change in Drug Fair's operations.

MOTION:

Mrs. Anderson moved that the board approve (a) the lease with G.W.G. Investments, a partnership, for the use of the property at 307 East College Street, Iowa City, consisting of the former Public Library comprising 23,400 square feet of space, at an annual rent of \$44,400, commencing July 1, 1983, and ending June 30, 1986, with options for renewal; and (b) the lease with Drug Fair, Inc., for the use of 22,759 square feet of heating warehouse and office space in a building located on Industrial Park Road, Iowa City, at a beginning rate of \$2,430 per month (\$29,160 annualized) and increased by 4 percent on March 1, 1984, and by a like percent each March 1 thereafter, commencing July 1, 1983, and ending February 28, 1989. Dr. Harris seconded the motion and upon the roll being called the following voted:

AYE: Anderson, Harris, Jorgensen,  
McDonald, Murphy, Neu, Stork,  
Brownlee

NAY: None

ABSENT: Duchon

RAZE BUILDINGS. It was recommended that the board authorize the university to raze three buildings identified in the inventory as buildings #348, #349, and #350.

As part of this month's capital register, the university requested board approval of a new project to construct a 6,600 square foot building to house a Hydraulic Research Wind Tunnel Annex. The site for this building contains three marginal buildings identified on the inventory as #348, #349, and #350. All three buildings were acquired incidentally to the related land purchase and were currently being used for miscellaneous Physical Plant and Hydraulics Institute storage.

MOTION:

Dr. Harris moved that the board authorize the university to raze three buildings identified in the inventory as buildings #348, #349, and #350. Mr. Neu seconded the motion and it passed unanimously.

SUPPLEMENTAL ITEM: FACULTY DISPUTE PROCEDURES. The university requested clarification to changes in Faculty Dispute Procedures.

The university stated that in the course of integrating the changes to the Faculty Dispute Procedures approved by the board in May into the existing provisions of the Faculty Dispute Procedures, it was discovered that some of the changes which were approved by the board differed slightly from the changes that were intended by the Faculty Senate. These changes concerned Sections 20.265.IV.A, Request for an Investigation; and 20.265.IV.B, Nature of the Investigation. The current and past presidents of the Faculty Senate agreed that the changes now being suggested reflected the changes that were, in fact, intended.

Assistant to President Mears said these changes were chiefly editorial and were non-controversial. The Faculty Senate officers wished to have this approved so new Senate members could receive their copies of the Faculty Dispute Procedures when the school year opened in September.

Since there had been no time for the board or Board Office to study this item, Mr. Richey suggested that the board approve it subject to review by the Board Office.

MOTION:

Mr. Stork moved that the clarification to changes in Faculty Dispute Procedures be approved by the board subject to review by the Board Office. Mrs. Murphy seconded the motion and it passed unanimously.

[The Board Office staff subsequently completed its review and found the changes satisfactory. Therefore, the conditional board approval became unconditional approval.]

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



## IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Thursday, July 21, 1983.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for June 1983 were ratified by general consent of the board.

OTHER PERSONNEL TRANSACTIONS. The board was requested to approve the following appointments:

Jacqueline Dupont (reappointment) as chair of the Department of Food and Nutrition effective July 1, 1983, through June 30, 1988. Salary - \$49,650.

David L. Williams as head of the Department of Agricultural Education effective July 1, 1983. Salary - \$44,100.

Col. Charles E. Malcom as professor and chair of the Department of Air Force Aerospace Studies effective July 11, 1983, through June 30, 1986. Salary elsewhere.

Trevor G. Howe as chair of the Department of Industrial Education and Technology effective August 15, 1983, through June 30, 1988. Salary - \$48,500.

Lawrence E. Evans as professor and acting chair of Veterinary Clinical Sciences effective August 1, 1983, until the position can be filled on a permanent basis. Salary - \$48,400.

### MOTION:

Mrs. Anderson moved that the board approve the reappointment of Dr. Dupont, and the appointments of Col. Malcom and Drs. Williams, Howe, and Evans. Dr. Harris seconded the motion and it passed unanimously.

PROPOSED JOINT MAJOR PROGRAM BY THE DEPARTMENT OF TEXTILES AND CLOTHING AT IOWA STATE UNIVERSITY. It was recommended that the request to offer a Ph.D. degree as a joint major with other departments, by the Department of Textiles and Clothing at Iowa State University, be referred to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

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MOTION:

President Brownlee stated that the request to offer a Ph.D. degree as a joint major with other departments by the Department of Textiles and Clothing was referred to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation by general consent of the board.

CHANGE IN NAME. It was recommended that the request to change the name of the Veterinary Diagnostic Laboratory to the Department of Veterinary Diagnostic Medicine within the College of Veterinary Medicine be referred to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

The Board Office noted that the primary purpose of this review was to determine if there were any broader implications of the proposed change than that indicated by just the change in name.

MOTION:

President Brownlee stated that the request to change the name of the Veterinary Diagnostic Laboratory to the Department of Veterinary Diagnostic Medicine was referred to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation by general consent of the board.

IOWA STATE UNIVERSITY FINAL BUDGET 1983-84. It was recommended that the final operating budgets for 1983-84 be approved as follows:

General University	\$136,532,196
Experiment Station	13,840,050
Cooperative Extension Service	<u>17,103,558</u>
Total - General Program Operations	<u>\$167,475,804</u>

University Housing System	\$ 21,643,835
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General University

Income. The total income budget of \$136,532,196 includes \$96,439,978 of appropriations and \$40,092,218 of institutional income. The proposed final operating budget was increased by \$28,568 over that approved by the board in May due to an increase in estimated student fees of \$50,000 and a reduction in appropriations by the General Assembly in the last days of the session by \$21,432 for an estimated reduced cost of motor vehicle fuel.

Operations. The institution reported changes from the preliminary budget which included reductions of about \$41,000 for supplies and services and \$497,000 for general service staff salaries; and increases of \$61,000 for faculty and institutional officials' salaries and \$506,000 for professional and scientific staff salaries.

The increase in faculty and institutional officials' salaries was due to budgeting additional graduate assistant funds in high enrollment departments such as Engineering, Business, and Computer Science to assist in meeting teaching needs. The additional \$506,000 for professional and scientific staff salaries was primarily to increase staff in computer and data processing operations and to provide for physical plant construction, fire safety, and building repair projects. The general service staff reduction resulted from attrition of positions in the physical plant due to utilization of outside contractors, establishment of increased engineering staff, and new employees being hired at lower steps on the pay matrix. The supplies and services reduction was due to salary adjustments and to reduced state appropriations for motor vehicle fuel. Salary lapses are budgeted at the same level as for FY 1982-83.

The budgets for instruction, research, public service, and academic support amounted to 68 percent of the total budget.

#### Agriculture and Home Economics Experiment Station

Income. The total proposed budget of \$13,840,050 was to be funded with \$10,384,945 of appropriations and \$3,455,105 of institutional income. The institutional income consisted of \$3,320,105 of federal funds and \$135,000 of sales and services. All income figures remained unchanged from the preliminary budget.

Operations. The amount allocated for salaries decreased with respect to the preliminary budget by 2.2 percent in order to provide \$261,000 for non-salary items. Most of the reduction was accomplished by dropping between 10 and 15 percent of the graduate student positions, according to the university. There were also staff changes due to resignations, retirements, and appointment changes which were coordinated with the general university's instructional classroom needs.

The institution increased the proposed supplies and services budget by about 6 percent over the preliminary budget because of the rising prices of agricultural products and other research materials. The increased budget was still about \$65,000 below the amount spent in 1982-83 as estimated for the preliminary budget analysis in May.

The proposed budget for equipment was increased by \$50,000, to \$400,000, in order to replace major pieces of agricultural research equipment such as farm machinery, electron microscope, and equipment applicable to genetic engineering.

The proposed building repairs budget was increased by \$100,000, to \$150,000, in order to accomplish seriously needed building maintenance and upgrade and/or replace research facilities.

#### Cooperative Extension Service in Agriculture and Home Economics

Income. The institution proposed a budget of \$17,103,558 consisting of \$6,948,583 of federal funds and \$10,154,975 of state appropriations.

Recent information led the university to increase the estimate of federal funds by \$417,880 compared to preliminary budget estimates.

Operations. The institution proposed to increase expenditures for salaries by \$553,755 (4.0 percent) over the preliminary budget in order to carry

out priority programs. The institution planned to reduce the supplies and services budget by \$135,825 (5 percent) in order to accomplish the funding of the additional positions and the related employee benefits.

#### Other Programs

Restricted program operations consist of contracts and gifts for special purposes and auxiliary enterprises such as the university housing system, concert series, and intercollegiate athletics. The proposed auxiliary enterprise budget of \$66.8 million compares with the estimated \$64.3 million for 1982-83.

The amount estimated for contracts and gifts for 1983-84 amounted to \$33.8 million as compared with \$32.7 million for 1982-83. The Board Office said it is particularly difficult to estimate federal funds because of the uncertainty of federal budget policies.

The proposed final budget for the university housing system amounted to \$21,643,835 of total income which would cover expenditures of \$13,493,835 for operations with the remainder for debt service, reserves required by the bond covenants, plant improvements, and other voluntary reserves.

#### MOTION:

Dr. Harris moved that the final operating budgets for Iowa State University for 1983-84 be approved as follows:

General University	\$136,532,196
Experiment Station	13,840,050
Coop. Extension Serv.	17,103,558
Total	<u>\$167,475,804</u>

Univ. Housing System \$ 21,643,835

Mr. McDonald seconded the motion and it passed unanimously.

TELECOMMUNICATIONS PROJECT - PROGRESS REPORT. It was recommended that the report be accepted by the board.

At the March 1983 Board of Regents meeting the university outlined a plan to undertake a detailed study of its communications needs, including the engagement of the firm Telecommunications International, Inc., of Denver, Colorado, to provide consulting services. The consulting firm was to report to the university's ad hoc communications advisory committee in July on Phase One: Assessment and Design. The committee would review the report and make a decision regarding continuing the contract with the consultant for Phase Two: Development of Specifications and Evaluation of Vendors.

The university reported that because of the need for coordinating telecommunications needs and the potential savings from the development of a coordinated set of specifications and purchasing larger volumes of equipment, the consultant indicated that it would be advisable for Iowa State University to wait for completion of at least Phase One of the state of Iowa project before proceeding. If the University of Iowa should sign a similar agreement to review its communications (see general docket item on this subject), Iowa State would need to evaluate the advisability of

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dovetailing its study with both the University of Iowa and the state projects to achieve even greater economies. Although Iowa State University wants to move forward as rapidly as possible with this project, it does not believe that any delays resulting from the coordination with the state of Iowa and the University of Iowa would affect major construction projects on the campus or timely completion of its project.

The university stated that as it evaluates the Phase One recommendations from the consultant and considers alternatives for Phase Two it would provide the board with further information regarding the university's telecommunications project.

Mr. Richey said Iowa State University has provided leadership for the whole state in the area of telecommunications. The university should be commended for its excellent judgment.

**MOTION:**

President Brownlee stated that the progress report on the Telecommunications Project was received by general consent of the board.

**EASEMENT REQUEST FROM THE CITY OF AMES FOR UTILITY EXTENSIONS TO BUS MAINTENANCE AND STORAGE FACILITY.** It was recommended that the board approve granting three easements for utility extensions including water to the bus maintenance and storage facility over land owned by the state of Iowa.

The Board Office explained that the city of Ames requested a series of easements over land at Iowa State University adjacent to Sixth Street between Elwood Drive and Wallace Road. The city intends to extend certain utilities including a water main to serve the new bus maintenance and storage facility. The board was requested to grant a permanent easement, a two-foot wide utility easement, and a water main easement, all in the location stated in the body of the easement.

The consideration for this grant is the fact that the utility extensions to be constructed may at some future date also serve the requirements of facilities constructed or operated by Iowa State University.

The easement is in standard form and contains a standard liability clause. No cost of the facilities to be constructed within this easement would be assessed or charged to the state of Iowa. The easement also required approval by the State Executive Council.

**MOTION:**

Mrs. Jorgensen moved that the board approve granting three easements to the city of Ames for utility extensions including water to the bus maintenance and storage facility over land owned by the state of Iowa. Mrs. Murphy seconded the motion. Upon the roll being called, the following voted:  
AYE: Anderson, Harris, Jorgensen, McDonald, Murphy, Neu, Stork, Brownlee  
NAY: None  
ABSENT: Duchon

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WATERLOO AREA EXTENSION OFFICE LEASE: CHANGE IN NAME OF LANDLORD. It was recommended that the board approve the modification of the lease it approved in June 1983 to reflect a change in the name of the landlord.

The Board Office explained that in June 1983 the board approved a lease with Community Mortgage and Investment Company to provide space for the Waterloo Area Extension Office. The university had for many years negotiated the lease with Max E. Guernsey who specified that the lease show Community Mortgage and Investment Company as the landlord. Subsequent to the June 1983 board meeting, it was learned that Community Mortgage and Investment Company had been dissolved and that the lease should show Max E. Guernsey as the landlord.

MOTION:

Mrs. Anderson moved that the board approve the modification of the lease it approved in June 1983 for the Waterloo Area Extension Office to reflect a change in the name of the landlord from Community Mortgage and Investment Company to Max E. Guernsey. Mr. Stork seconded the motion and upon the roll being called the following voted:

AYE: Anderson, Harris, Jorgensen,  
McDonald, Murphy, Neu, Stork,  
Brownlee

NAY: None

ABSENT: Duchon

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office reported that the final register for the period of June 10 through July 21, 1983, had been received, was in order, and was recommended for approval except for deferral of action on the budget for the Mechanical Engineering and Engineering Science and Mechanics Building.

The board was requested to ratify award made by the executive secretary of the following construction contracts:

Mechanical Engineering and Engineering Science and Mechanics Building  
Awards to:

<u>General:</u>	PCL Construction Ltd., Minneapolis, Minn.	<u>\$6,148,995.00</u>
<u>Mechanical:</u>	Sweeney-Manning-Seivert, Inc., Granger, IA	<u>\$1,800,000.00</u>
<u>Electrical:</u>	Sweeney-Manning-Seivert, Inc., Granger, IA	<u>\$1,023,200.00</u>
<u>Fire Protection:</u>	Schwickert, Inc., Mankato, Minnesota	<u>\$ 105,900.00</u>
<u>Mechanical System Balancing:</u>	Systems Management and Balancing, Inc., Des Moines, Iowa	<u>\$ 32,750.00</u>

Some questions had been raised about the bids on the general construction portion in that the apparent second low bid, from an Iowa-based firm, came in at \$6,153,078 or \$4,083 higher than the bid of PCL Construction as awarded. The Iowa preference clause, Section 73.1, gives preference to products and provisions grown within the state of Iowa when they are found in marketable quantities in the state and are of a quality reasonably suited to the purpose intended and can be secured without additional cost over foreign products or products from other states. This has been widely interpreted to mean that the preference clause is operative in cases of tie bids between out-of-state and in-state firms and in instances where Iowa firms bid lower than out-of-state firms.

The university presented a revised project budget for board approval. The university had subsumed the entire projected savings in construction bids of \$1,860,028 within the Mechanical Engineering project. The university had not provided justification for any of the changes. The Board Office said that while the Mechanical Engineering Building might be the best source to utilize some of these funds, the bonds funding the project were sold with the understanding that the building would not expand to fit the funds available.

These funds could be utilized for any items approved in Senate Concurrent Resolution 35 from the 1979 Session, such as fire protection improvements, energy conservation, and heating plant projects. The 1983 Legislative Session provided \$3,000,000 for movable equipment for this building, the amount requested. The board could reallocate the 1983 capitals to other projects if the construction budget could now support \$1,000,000 in additional equipment, as proposed by the university.

The Board Office said decisions on the use of these funds and recommendations needed to be jointly discussed by the Board Office and the university. It was recommended that the board defer any decision on this project budget until the September board meeting. The university concurred in this recommendation, providing it could continue to expend the funds necessary to carry out the normal project activities between now and the September board meeting.

Accessibility Modifications for the Orthopedically Handicapped--Phase III--  
Nuclear Engineering Elevator

Award to: Brad Construction Co., Des Moines, Iowa \$72,695.00

The university also presented an amended project showing this project within the overall Phase III scope. The budget is funded by \$1,225,000 capital appropriation. With the exception of contingencies and miscellaneous of \$36,937, the budget will be expended with the above contract.

Agronomy Addition--Greenhouse Replacement Contract

Award to: PCS, Inc., Burlington, Iowa \$1,794,000.00

The Board Office noted that this is the first contract on the Agronomy Addition project.

The university also presented the initial project budget on the Agronomy Addition showing this contract award. The budget is funded by \$26,050,000 in proposed academic revenue bonds, as approved in SCR 13, and by \$650,000 Alumni Achievement Foundation grant which was utilized for initial consultants and design services.

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Elwood Drive Extension--Sixth Street Relocation

Awards to:

Contract I--Culverts: Iowa Bridge and Culvert, Washington, Iowa  
\$127,827.49

Contract II--Grading and Drainage:

McAninch Corporation, Des Moines, Iowa \$275,845.29

The Iowa Department of Transportation concurred in these contract awards.

The university also presented a revised project budget of \$1,680,000 which was to come from the State Parks and Institutional Roads Fund except for \$41,500 which was to come from Treasurer's Temporary Investments. The university said the \$41,500 would pay for parts of the project which IDOT declared ineligible for Institutional Roads funding or for currently projected cost overruns from amounts programmed for the project.

Roof Replacements--1983--Two Buildings

Awards to:

Contract 1--Physics Addition and Food Technology:  
Iowa Falls Roofing, Iowa Falls, Iowa \$47,514.00

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

Roof Replacements--1983--Office and Laboratory Building and  
Knapp-Storms Commons

Bids were received on these two projects on June 24, 1983. The award was made by the executive secretary on both buildings on June 27 to Cross Roofing Company, Urbandale, Iowa, for a total of \$121,850.

On July 8, 1983, Cross Roofing Company indicated that it was unable to meet the specifications for the Knapp-Storms Commons portion of the project and, therefore, returned the contract unsigned. The firm enclosed a check in the amount of \$1,785 as the difference between its bid and the second low bid in accordance with the bid documents. It was recommended that the board accept the bid security submittal of Cross Roofing Company of \$1,785 as the full measure of liquidated damages which owner sustained by failure of the bidder to deliver a signed contract.

The board was requested to ratify executive secretary action to revise the contract on the two buildings as follows:

Office and Laboratory Building: Cross Roofing Company, Urbandale, Iowa  
\$32,430.00

Knapp-Storms Commons: Brockway Company, Inc., Burlington, Iowa  
\$91,206.00

Brockway Company was the second low bidder on the Knapp-Storms Commons portion of the project.

The board was also requested to approve a revised project budget for all four roofs noted above totaling \$315,000 rather than the \$400,000 approved in June.



July 21, 1983

Utilities--Heating Plant Safety Improvements

When the bids were received on this project on June 28, there was a tie between two bidders, Capital City Boiler and Machine Works, Inc., and Baker Mechanical, Inc., both of Des Moines, Iowa. Both bidders are Iowa firms so the preference clause did not come into effect. After consultation with trade associations on how this matter should be handled, it was determined that a coin toss was the most effective means of handling the contract award.

The coin toss was held at 9:30 a.m., June 30, 1983, in the Board of Regents Office, Des Moines. In attendance were the presidents of both companies, personnel from Iowa State University and the Board Office, and Judy VanderLinden of the State Auditor's Office. Both parties agreed to the rules for the coin toss in advance in writing. A quarter was tossed by Ms. VanderLinden. The coin toss was won by Capital City Boiler.

Award of contract was made to Capital City Boiler and Machine Works, Inc., Des Moines, Iowa, in the amount of \$280,000 by the executive secretary on June 30, 1983. The board was requested to ratify that award of contract.

The Board Office noted that this was a highly unusual situation. A tie bid has not occurred between two Iowa bidders for Regents work.

The board was also requested to approve an amended project budget showing this award within an overall budget of \$300,000 funded from Building Repairs. This project is additional to the Heating Plant Improvements project funded by capital appropriations and bonds totaling \$1,570,000. That budget has approximately \$100,000 left as a reserve for future contracts.

Carver Hall--Third Floor Office Remodeling

Award recommended to: PCS, Inc., Burlington, Iowa

\$289,022.00

This award was referred to the board since the university had not submitted a project budget prior to the board meeting. The board was requested to award this contract and approve the initial project budget totaling \$351,500 funded from \$328,500 in Income from Treasurer's Temporary Investments and \$23,000 from Energy Conservation Program funds.

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

Department of Residence--Storage Facility

In February the board approved a \$125,000 project to construct 8,000 square feet of storage space in an unheated fabricated metal building. After review with the consultant, the Residence Department determined that a minimum of 12,000 square feet would be required rather than the 8,000 square feet originally contemplated. Further, the Residence Department wished to construct two buildings of 6,000 each. All of these changes

require an increase in the project budget to \$220,000 for which approval was requested. Also, the contract with Reitz Engineering Consultants, Ames, Iowa, increased by \$1,000 for additional services requested by the university making the total compensation on that contract a maximum of \$16,000. The board was requested to ratify that additional payment to the consultant.

The board was requested to approve the following new projects:

Communications Building--HVAC System Improvements

The university noted its difficulty in operating and maintaining acceptable indoor environmental conditions in the Communications Building which houses WOI radio and television. The university selected Environmental Engineers, Inc., Des Moines, Iowa, to provide engineering services with those services to be provided on an hourly rate basis to a maximum of \$14,000. Source of funds for the engineering services is WOI-TV Operations. The board was requested to ratify selection of this firm. The Board Office noted that the board would not, through this action, approve a project. It was assumed this would come to the board upon completion of the preliminary study.

Bessey Hall--HVAC System Improvements

Source of Funds: Income from Treasurer's Temporary Investments  
\$420,000.00

The board in December 1982 selected Environmental Engineers, Inc., Des Moines, Iowa, to provide engineering services to study this building's heating, ventilating, and air conditioning systems. Compensation was on an hourly rate basis to a maximum of \$13,000.

The final report had been received and the university was prepared to initiate the project. The university noted that certain modifications and repairs would be made by Physical Plant forces. In response to Board Office concerns about the amount of work to be done by Physical Plant Forces, the university said it did not plan to utilize these forces in excess of the \$50,000 limit. However, if the design is completed and it then appeared to be advisable to exceed this limit, the university would obtain board approval before proceeding.

East Hall--Roof Replacement and Exterior Painting

Source of Funds: Building Repairs  
\$160,000.00

The university also requested the board ratify a modification in the existing contract with Frevert-Ramsey-Drey-Kobes Architects/Engineers, Des Moines, Iowa, under which architect's services will be provided at standard hourly rates not to exceed \$600.

Sweeney Hall Renovations--South Wing

Source of Funds: Alumni Achievement Fund

The university requested permission to negotiate for an architectural services agreement on the schematic design for this project. The intent is

to renovate the two oldest portions of the building to accommodate changes in chemical engineering research and teaching that have occurred over the years. No project budget had been developed. Approval to negotiate for limited architectural services was recommended.

#### Old Veterinary Clinic Conversion--Phase II

The university requested permission to negotiate an agreement with the architects on the initial remodeling of the Clinic space, Frevert-Ramsey-Drey-Kobes, Des Moines, Iowa. It was anticipated that the agreement would cover predesign and basic services through schematics within the funds available. Approval to negotiate was recommended. A contract would come to the board for approval prior to initiation. The university initially suggested a different title for this project, but to avoid confusion agreed to retain the title used in prior capital requests.

#### Gilman Hall Renovations--Phase II

The board requested as part of its capital request to the 1983 Session \$150,000 for advance planning of the Gilman Hall Renovations, Phase II. Phase I of the project was funded by bonding in the 1979 Session at \$3 million, and bids were received on April 26, 1983. The master plan for the project calls for work to be done in four phases, approximately one per biennium.

The university now proposed to negotiate an agreement for design services for Phase II with Wehner, Nowysz, Pattschull & Pfiffner, who were architects on the master plan and for Phase I. After discussion with the Board Office, the university determined that this would be only a schematic design and detailed cost estimate in order to produce an accurate 1985-87 funding request. The cost for this was not expected to exceed \$50,000. Since the funds requested for this study were not yet available, it would be paid for out of the Phase I funds which would be reimbursed when Phase II funding was secured.

#### Botany Hall--Fire Safety Improvements

In May the board authorized the university to negotiate for architectural services required to bring Botany Hall into a level of fire safety which would allow the building to be used for temporary occupancies for the next five to seven years. A decision was made by the university, after discussion with the Board Office and the State Fire Marshal, to limit the scope of the project to the ground and first floors of the building.

The university now requested approval of an agreement with Wehner, Nowysz, Pattschull & Pfiffner, Iowa City, Iowa, for architectural services on the project with fees to be on an hourly basis to a maximum of \$9,000. Approval of this contract was recommended.

The university also requested approval of a project budget totaling \$115,000 and funded as follows:

69th G.A. Fire Safety Improvements	\$35,000
70th G.A. Academic Revenue Bonds for the Agronomy Addition	\$80,000

Agronomy Addition funds would be used for the project because programs being temporarily housed included Agronomy programs. Only the ground and first floors would be renovated in this project.

Iowa State Center--Structural Maintenance and Repair

The university noted that certain elements of Hilton Coliseum, Stephens Auditorium, and the elevated walkways at the Iowa State Center are in need of maintenance and repair of a structural nature. The university said that because of the nature of the repairs and the likelihood that specific procedures cannot be determined until after portions of the repairs had been started, it appeared that the best solution would be to use Physical Plant forces and contract labor. It did not appear at this time that any work which could be contracted would involve a contract in excess of \$25,000 which would require formal bidding procedures.

The university also requested the board to ratify its selection of Bossenberger Associates Structural Engineers of Ames, Iowa, to provide engineering services for the project on an hourly rate basis to a maximum of \$8,000.

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

Stadium--Parking Additions

The board in June approved a \$200,000 project to construct two new 100 capacity lots east and west of the Olson Building. The board was now requested to ratify institutional selection of Engineering Plus of Ames, Iowa, to provide engineering services for the project on an hourly rate basis to a maximum of \$11,500. Source of funds for the engineering contract is Athletic Council.

Utilities--Heating Plant Improvements

The board was requested to approve additional engineering services with Brown Engineering Company, with services provided on an hourly rate basis to a maximum cost of \$5,144. This made the maximum payable under the design services agreement with Brown Engineering increase to \$110,769.

Utilities--Heating Plant Emission Monitoring Plan

In April the board ratified selection of Burns & McDonnell Engineering Company, Kansas City, Missouri, to undertake a monitoring plan in association with federal environmental permit requirements for proposed replacement of boiler #1 in the heating plant. Compensation was set at an hourly rate basis to a maximum of \$4,800. Since that time, much additional information had been requested of Burns & McDonnell by the Environmental Protection Agency in Kansas City. It was therefore requested that the board ratify an increase in compensation to the firm of \$5,200 making a new maximum of \$10,000.

Utilities--Chilled Water Contamination Study

The board was requested to ratify selection of Burns & McDonnell Engineering Company, Kansas City, Missouri, to investigate contamination of the chilled water system. Compensation would be on an hourly rate basis to a maximum of \$5,000.

Utilities--Friley Hall--Chilled Water Extension

Brown Engineering Company, Des Moines, Iowa, provided additional consulting and design services on this project at the request of the university. The board was requested to ratify payment of additional fees totaling \$789 making the maximum fee payable on the project increase from \$14,200 to \$14,989. Source of funds is Dormitory Systems Surplus.

Elwood Drive Extension--Sixth Street Relocation

Part of this project is located on railroad right-of-way. In cooperation with the Iowa Department of Transportation, the Chicago and Northwestern Transportation Company provided a license agreement to cover this matter which requires a lump sum payment of \$3,600. That money will be reimbursable to the university from the Institutional Road funds. Approval of this agreement was given by the executive secretary so the project would not be delayed in construction. It was recommended that the board ratify executive secretary approval.

Science Hall--First Floor--Laboratory and Dispensary Remodeling

In March the university requested permission to negotiate for architectural services to remodel 2,800 square feet of the first floor of Science Hall. An agreement had now been negotiated with James Lynch and Associates of Des Moines, Iowa, with compensation on an hourly rate basis to a maximum of \$31,200. The university noted an estimated project budget of \$350,000 funded by Income from Treasurer's Temporary Investments. Approval of the architectural contract and the budget was recommended.

Curtiss Hall--General Remodeling

In March the university requested permission to negotiate for architectural services to remodel approximately 12,000 square feet in Curtiss Hall. The university now requested approval of an agreement with Architects Rudi/Lee/Dreyer and Associates, Ames, Iowa, to furnish design services for the project. Compensation would be on an hourly rate basis to a maximum of \$40,000.

The university also requested approval of a budget for the project of \$575,000 of which \$470,000 will be funded from Income from Treasurer's Temporary Investments and \$105,000 from Fire Safety Improvement Funds. Approval of the architect's contract and project budget was recommended.

Mechanical Engineering and Engineering Science and Mechanics Building

The project architect, Charles Herbert and Associates, Inc., was given authorization by the university for additional printing expenses of \$14,000 for bid documents. The board was requested to approve an increase in the maximum amount payable for reimbursable expenses of \$14,000 to a new total of \$28,000.

Friley Hall Renovation--Phase IV

In April the university received permission to negotiate for design services with Brooks, Borg and Skiles, Des Moines, Iowa, and for construction manager services with Story Construction Company, Ames, Iowa. An agreement was negotiated with Brooks, Borg and Skiles with compensation to be on an hourly rate basis to a maximum of \$96,000. An agreement was

negotiated with Story Construction Company, Ames, Iowa, to provide construction management services with compensation on an hourly rate basis to a maximum of \$75,000.

The board was also requested to approve a project budget totaling \$1,800,000 funded by Dormitory Systems Surplus. The university noted that the budget included approximately \$650,000 related to improvements in an adjoining courtyard. Neither of the above agreements, however, includes services relating to those improvements. The university said the courtyard construction might be carried out as a separate project. The board would be advised of any change in scope and budget on this project.

The architect's contract is 6.2 percent of the estimated construction budget. The construction management contract is 5 percent additional. Those percentages would increase if the courtyard subproject is carried out.

Utilities--Central Chiller Plant Addition (Centrifugal Chiller and Auxiliaries)

In May, the board approved an agreement with Burns & McDonnell Engineering Company to provide services leading to installation of a new 5,000 ton centrifugal chiller. The university now requested a revision to that agreement which adds plant modifications required for the installation of the new chiller and a building addition required to accommodate repair and maintenance services currently located in the area to be occupied by the new chiller. The addition to the contract adds \$297,000 to the engineer's agreement making the new contract maximum \$472,000. The university explained that this amount included an optional amount of \$88,000 for project management and \$60,000 for reimbursable expenses. Actual design fee is \$324,000. This amount, applied to a \$2,876,000 construction budget, produced a design fee of 11.3 percent. The university felt that this was not an unreasonable fee considering the complexity of the project. The \$88,000 project management amount would not be expended unless authorized by the university.

**MOTION:**

Mr. McDonald moved that the board approve the Register of Capital Improvement Business Transactions for the period of June 10 through July 21, 1983; ratify award of construction contracts made by the executive secretary; award the construction contract; accept the bid security submitted by a bidder as full measure of liquidated damages; defer action revised project budget for the Mechanical Engineering Building; approve other revised and amended project budgets; approve the new projects and project budgets; approve negotiations for architectural services; ratify and approve the consultant matters; and authorize the executive secretary to sign all necessary documents. Mrs. Anderson seconded the motion and it passed unanimously.

IOWA STATE UNIVERSITY  
August 1, 1983

President Brownlee 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 Thursday, July 21, 1983.

SALE OF \$8,515,000 STATE BOARD OF REGENTS OF THE STATE OF IOWA ACADEMIC BUILDING REVENUE BONDS, SERIES U.N.I. 1983. The Legislature and the Governor in Senate Concurrent Resolution 13 authorized issuance of \$63,780,000 in academic revenue bonds for the period beginning July 1, 1983, and ending June 30, 1985. Anticipated division of that amount by university is as follows:

University of Iowa	\$24,770,000
Iowa State University	30,495,000
University of Northern Iowa	8,515,000

A sale schedule was developed which proposed five sales over the next ten months. The single sale for the University of Northern Iowa would occur at this meeting. All of the University of Northern Iowa bonds will be utilized to finance the construction and equipment for the new Communication Arts Building, Final Phase.

Details of these bonds, as found in the resolution authorizing and providing for the issuance of said bonds, include the following:

- The bonds shall be dated August 1, 1983, and will be issued as fully registered bonds without coupons in the denomination of \$5,000 and any integral multiple thereof. Bonds shall bear interest with such interest payable semiannually on January 1 and July 1 of each year commencing January 1, 1984. Bonds will mature in numerical order with the first principal payment of \$415,000 being made on July 1, 1986; the succeeding payments being \$400,000 1987 through 1990 and payments of \$500,000 each in the years 1991 through 2003.
- These are the first bonds to be issued in registered form by the Board of Regents. After extensive interinstitutional discussion, it was recommended that the treasurer of the State University of Iowa in Iowa City be appointed by the board as bond registrar, transfer agent, and paying agent. The treasurer of the State University of Iowa would provide these functions for the University of Northern Iowa on a fee basis.

Other details of the resolution are identical to those for the academic revenue bonds sold at this meeting for the University of Iowa (see these minutes under State University of Iowa).



UNIVERSITY OF NORTHERN IOWA  
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The board has had four prior issues for the University of Northern Iowa before the current issue--1971, 1972, 1977, and 1983. Total academic revenue bonds issued for the university in prior years has been \$20,920,000 of which \$15,210,000 will remain outstanding as of June 30, 1984.

President Brownlee called the meeting to order at 11:00 a.m., central daylight time, on July 21, 1983. The roll being called, there were present S.J. Brownlee, president, in the chair, and the following named board members: Anderson, Harris, Jorgensen, McDonald, Murphy, Neu, and Stork. Regent Duchen was absent.

President Brownlee stated that the meeting was for the purpose of receiving separate sealed bids on the sale of \$8,515,000 Academic Building Revenue Bonds, Series U.N.I. 1983 of the State Board of Regents of the State of Iowa.

President Brownlee requested the filing of all sealed bids. After making a second and third call for the filing of sealed bids, President Brownlee announced the closing of receipt of sealed bids.

President Brownlee introduced Richard A. Pavia, representative of Speer Financial, Inc., the board's bond consultants. President Brownlee directed the executive secretary to open the sealed bids and asked Mr. Pavia to read the sealed bids. Two bids were received, as follows:

<u>Bidders</u>	<u>Price</u>	<u>Coupon</u>	<u>Rates</u>	<u>Net Interest</u>
John Nuveen & Co., Inc. - Chicago and	100.0000	1986-1990	8 3/4%	7.7329%
Dean Witter Reynolds, Inc. - New York and		1991	7.70 %	\$7,758,870
Shaw, McDermott & Co. - Des Moines and	AWARDED	1992-1993	7 1/4%	
R. G. Dickinson & Co. - Des Moines and		1994	7.40 %	
Blunt Ellis & Loewi, Inc. - Chicago and		1995	7 1/2%	
Norwest Bank Des Moines, N.A. - Des Moines and		1996-2003	7.70 %	
Securities Corporation of Iowa-Cedar Rapids - Jt. Mgrs.				
McDonald & Company - Cleveland				
American Fletcher National Bank - Indianapolis				
Juran & Moody, Inc. - St. Paul				
Robert W. Baird & Co., Inc. - Milwaukee				
Chiles, Heider & Co., Inc. - Omaha				
Geo. B. Gibbons & Company, Inc. - New York				
Indiana National Bank - Indianapolis				
Dain Bosworth Incorporated - Minneapolis and	100.0000	1986-1992	9.00 %	7.8426%
E. F. Hutton & Company, Inc. - New York and		1993	8.90 %	\$7,868,979
Merrill Lynch White Weld Capital Markets Group-NY-Jt. Mgrs.		1994-2003	7 1/2%	
Blyth Eastman Paine Webber, Inc. - New York				
Dougherty, Dawkins, Strand & Yost, Inc.-Minneapolis				
Hawkeye-West Bank & Trust - Des Moines				
Lowell H. Listrom & Co., Inc. - Kansas City				
United Central Bank of Des Moines, N.A. - Des Moines				

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Mr. Pavia said the bids had been calculated. He recommended that the board accept the excellent bid by John Nuveen & Co., Inc. at a net interest rate of 7.7329 percent.

MOTION:

This being the time and place fixed by published notice, the board took up for consideration the matter of bids for the purchase of \$8,515,000 Academic Building Revenue Bonds, Series U.N.I. 1983, of said board. After all sealed bids had been opened, the results thereof were incorporated in a resolution entitled, "Resolution providing for the sale and award of \$8,515,000 Academic Building Revenue Bonds, Series U.N.I. 1983, and approving and authorizing the agreement of such sale and award," which was introduced and caused to be read. Member Neu moved that said resolution be adopted, seconded by Member Anderson, and the roll being called the following voted:

AYE: Anderson, Harris, Jorgensen,  
McDonald, Murphy, Neu, Stork,  
Brownlee

NAY: None

ABSENT: Duchon

Whereupon the president declared said resolution duly adopted and signed his approval thereto.

MOTION:

The board took up for consideration the matter of authorizing and issuing \$8,515,000 Academic Building Revenue Bonds, Series U.N.I. 1983. Whereupon Member Murphy introduced and caused to be read a resolution entitled "A resolution authorizing and providing for the issuance and securing the payment of \$8,515,000 Academic Building Revenue Bonds, Series U.N.I. 1983, for the purpose of defraying costs of buildings and facilities on the campus of the University of Northern Iowa," and moved that said resolution be adopted. Member McDonald seconded the motion and after due consideration by the board the president put the question on the motion and upon the roll being called the following voted:

AYE: Anderson, Harris, Jorgensen,  
McDonald, Murphy, Neu, Stork,  
Brownlee

NAY: None

ABSENT: Duchon

Whereupon the president declared the motion duly carried and said resolution adopted.

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MOTION: Mrs. Jorgensen moved that all certified checks submitted by bidders, except that of the best bid, be returned. Mr. Stork seconded the motion and it passed unanimously.

MOTION: Dr. Harris moved that the firm of Carney, Alexander, Marold & Co., Waterloo, Iowa, be employed as bond auditor. Mr. Neu seconded the motion and it passed unanimously.

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

OTHER PERSONNEL TRANSACTIONS. The board was requested to approve the following personnel transactions:

Appointment:

Dr. Marilyn Monteiro (Ed.M. and Ed.D., Harvard University), Affirmative Action Officer, effective August 1, 1983. Salary: \$36,000.00.

Extended Appointment:

Mr. Yancy Beavers, Acting Director, Financial Aids and Student Employment, pending completion of the university's Professional and Scientific Classification Plan study and approval of the administrative reorganization of the Office of Admissions and the Office of Financial Aids. Salary, July 1, 1983: \$27,000.00.

Resignation:

Dr. Robert D. Stansbury, Vice President for Administration and Finance, and Associate Professor of Education, effective July 31, 1983, to accept a position as Assistant Chancellor for Administrative Programs and Services and Assistant Professor of Mathematics, University of Wisconsin, Oshkosh.

President Kamerick said the university was extremely pleased to bring Dr. Monteiro's appointment to the board. The university was sorry, however, to have to submit Vice President Stansbury's resignation. He had been a superb vice president and had the best wishes of the university. President Brownlee spoke for the board in expressing thanks for all the fine work Vice President Stansbury had done. He hoped, too, that Dr. Stansbury would carry some pleasant memories of his time with the Regents.

MOTION: Dr. Harris moved that the board approve the appointment of Dr. Monteiro, the extended appointment of Mr. Beavers, and the resignation of Dr. Stansbury. Mrs. Murphy seconded the motion and it passed unanimously.

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POST-AUDIT REVIEW REPORTS. It was recommended that these reports be referred to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

The Board Office stated that the post-audit reports submitted were on the Bachelor of Arts, Major in Chemistry-Marketing; Bachelor of Arts, Major in Communications/Public Relations; Bachelor of Arts, Major in Community Health Education; and the Doctor of Industrial Technology degree.

MOTION:

President Brownlee stated that the post-audit review reports were referred to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation by general consent of the board.

CHANGE IN NAME. It was recommended that the proposed change in name of the School of Business Management and Development Facility to Management Development Center be referred to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

The Board Office reported that in June 1981, the Board of Regents was asked to approve an item on the Capital Register related to some physical modifications to facilities in Seerley Hall. This repair project was to modify an existing classroom to provide a business related workshop area and a professional management seminar conference area. The seminar conference area was to continue to be used as a classroom, primarily for graduate classes. The total renovation was estimated at \$63,000. Building repairs funds provided \$13,000, primarily for structural and electrical improvements. The remaining \$50,000 came from alumni contributions of either equipment or cash. It was noted that the university would not expend UNI Foundation funds beyond that which was specifically contributed to the project.

The university now requested a change in the name of the Management and Development Facility to Management Development Center. In the materials presented to the board for the purpose of requesting this change in name, the university indicated that the room in Seerley Hall was developed for the purpose of offering professional development programs for business practitioners. The Board Office said this appeared to be a somewhat different matter than the mere development of a physical facility presented to the board in 1981.

Since this item seemed to be substantially different from that which was presented to the board in 1981, it was the recommendation of the Board Office that it not be considered as a mere name change but as a proposal for a new program for the School of Business.

MOTION:

President Brownlee stated that by general consent of the board the proposed change in name was referred to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

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CALENDAR-YEAR HOLIDAYS 1984-85. It was recommended that the board approve the university's calendar-year holiday schedule for 1984 and 1985 as presented.

The Board Office explained that the state's collective bargaining agreements which apply to certain university employees require seven enumerated holidays, two holidays designated by the employer, and two holidays accrued as vacation. The board has in past years established these holidays for all employees.

Because the university's proposed calendar-year holidays are consistent with the language of the state's collective bargaining agreements and have been reviewed by employee groups and the administrative council of the university and found satisfactory, approval was recommended.

MOTION: Mrs. Anderson moved that the board approve the university's calendar-year holiday schedule for 1984 and 1985. Mrs. Murphy seconded the motion and it passed unanimously.

ACADEMIC CALENDARS, 1985-86 and 1986-87. It was recommended that the calendars be approved as submitted.

The Board Office said the proposed calendars do not represent any substantive change from calendars adopted for the current academic year through 1984-85. There are approximately the same number of days of class sessions in each semester and the summer session as there are in currently approved calendars.

MOTION: Mrs. Murphy moved that the board approve the academic calendars for 1985-86 and 1986-87 for the University of Northern Iowa. Mrs. Anderson seconded the motion and it passed unanimously.

PHASED RETIREMENT POLICY. It was recommended that the board approve the university's phased retirement policy for faculty and professional and scientific personnel including academic administrators, effective July 1, 1983, with the understanding that a) the board will give final approval to all individual phased retirement plans; b) a report will be made to the Board of Regents annually on the operation of the policy; and c) the policy will be approved on an experimental basis for a four-year period through June 30, 1987, at which time continuation of the policy beyond that date will be reviewed by the Board of Regents.

In December 1981 and June 1982 the board approved phased retirement policies for the University of Iowa and Iowa State University faculty and professional and scientific staff. The UNI proposal is essentially the same as the policies approved for the University of Iowa and Iowa State University, with one exception. The board approved the University of

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Iowa and Iowa State proposals for a trial period of five years, beginning July 1, 1982. UNI requested board approval for a four-year trial period, beginning July 1, 1983.

Like the SUI and ISU policies, the UNI proposal for faculty and professional and scientific staff would be available to those 60 years of age or over with 20 or more years of service at UNI. Individual plans would be developed between faculty and professional and scientific staff members and the involved department or college, subject to approval by the appropriate dean, vice president, and the board. During the first four years of the five-year phasing period, the salary received by the participant would be proportional to the reduced responsibilities plus an additional 10 percent of the budgeted salary had the person worked full time. In the fifth year and in all subsequent years prior to full retirement, the participant's appointment would be no greater than 50 percent and the salary would be proportional to the budgeted salary had the person worked full time.

During the phased retirement period, university and staff contributions to insurance and retirement programs, except as otherwise prescribed by law, would continue at the same levels had the staff member continued a full-time appointment.

The university stated that it believes the proposed policy will contribute to the vitality of the faculty and professional and scientific staff, will provide for an orderly transition in the shifting of responsibilities of a person phasing into retirement, and will provide opportunity for improved productivity.

UNI administrators indicated that the program will operate within established budget constraints. It was expected that final implications of approved individual phased retirement plans at UNI would be similar to what has been experienced at SUI and ISU.

The proposed policy was reviewed with and endorsed by the UNI Professional and Scientific Staff Council and the University Administrative Council. It has the concurrence of the United Faculty. The Board Office believed the proposed trial period would provide an adequate basis for board evaluation of the programs at all three universities.

President Brownlee pointed out to board members that the four-year trial period for UNI, as opposed to five years for SUI and ISU, meant that all three universities' phased retirement plans would come to the board for review on June 30, 1987.

MOTION:

Dr. Harris moved that the board approve the university's phased retirement policy for faculty and professional and scientific personnel including academic administrators, effective July 1, 1983, with the understanding that 1) the board will give final approval to all individual phased retire-

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ment plans; b) a report will be made to the Board of Regents annually on the operation of the policy; and c) the policy will be approved on an experimental basis for a four-year period through June 30, 1987, at which time continuation of the policy beyond that date will be reviewed by the Board of Regents. Mrs. Anderson seconded the motion and it passed unanimously.

PROFESSIONAL AND SCIENTIFIC CLASSIFICATION PLAN ADDITION. It was recommended that the board approve the addition of a new title, Assistant to the Director, Cardiac Rehabilitation Program, in pay grade III (\$15,838-\$24,369) in the university's professional and scientific classification and compensation plan.

The Board Office explained that the new position was needed because of additional teaching responsibilities assigned to the Program Director, a member of the faculty, at the same time that public interest in the program was increasing. The position would be established on a half-time basis, and funds were available within the university's budget for 1983-84. The pay grade assignment was determined by application of the university's point count system.

MOTION:

Mrs. Anderson moved that the board approve the addition of a new title, Assistant to the Director, Cardiac Rehabilitation Program, in pay grade III (\$15,838-\$24,369) in the university's professional and scientific classification and compensation plan. Mr. Neu seconded the motion and it passed unanimously.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office reported that the final register for the period of June 3 through July 1, 1983, had been received, was in order, and was recommended for approval.

The board was requested to ratify executive secretary award of the following construction contracts.

Psychology Animal Laboratory

Award to: Prairie Construction Co., Waterloo, Iowa \$168,926.00

In answer to questions from President Brownlee, Vice President Stansbury said this project would make it possible for the university to house its laboratory rats. It is one more step toward demolition of the Old Administration Building, on which project bids would be taken soon.

Lighting of 22nd Street and Campus Street

Award to: AM Electric, Denver, Iowa \$25,661.64

This is an institutional roads project. IDOT concurred in the award on June 30.

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Physics Building--Tuckpoint

Award to: Jackson Tuckpointing Co., Inc., Dubuque, Iowa \$27,874.00

The following contracts were awarded by the executive secretary utilizing Form B. Ratification of award was requested.

Communication Arts Center--Final Phase--Site Preparation Contract

Award to: Wendell Lockard Construction, Inc., Waterloo, Iowa \$103,179.00

The irregularity was that four of five bidders bid Caisson Unit Cost differently than that specified by the owner. This irregularity was waived since unit cost bids were submitted with differential costs for increased or decreased work rather than a single unit cost as specified. Differential costs were viewed to be reasonable. Since identical costs were submitted by four of the five bidders, the method originally specified by the owner appears to be a nonconforming method to trade practice.

The Board Office noted that this is the first contract on the Communication Arts Center project and came in at about \$42,000 below the original estimate of the cost consultant.

1983- Academic Roof Improvements--Phase II

Awards to:

Contract I--Sabin Hall and Health Center:

Service Roofing Company, Waterloo, Iowa \$74,834.00

Contract II--Wright Hall and East Gym:

Paul G. Christensen Const. Co., Cedar Falls, Iowa \$249,300.00

The irregularity was that on three of the four roof projects a single bid was received. The irregularity was waived by the executive secretary since the university indicated that wide circulation was given to the bid opening. Eleven roofing firms checked out plans and specifications. Contract awards were made within the approved project budget.

1983 Residence System and Academic Roof Improvements

Awards to:

Contract I--West Gym, East Pool, Noehren Hall, Redeker Center, Library:

\$228,936.00

Contract II--Education Center

Paul C. Christensen Const. Co., Inc., Cedar Falls \$28,775.00

The irregularities noted in the bids submitted were as follows: (1) both prospective low bidders failed to acknowledge receipt of Addendum #2; (2) apparent low bidder on Library substituted a non-approved roof system instead of the system specified; (3) apparent low bidder on Education Center failed to submit unit prices for replacement of wet insulation as specified. The executive secretary waived the irregularities because: (1) letters had been filed by both bidders of intent to comply with Addendum #2; (2) substitute roof system had been verified as being equal to specified system; and (3) a competitive unit price was submitted by the bidder.



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The board was requested to approve the Final Report on the Seerley Hall--Sloped Roof Improvement project. The Board Office said it was in order and recommended approval.

The board was requested to approve the following new project:

Academic Buildings--Compliance with 1981 Fire Safety Report  
Source of Funds: 1983 Capital Appropriations \$100,000.00

The legislature funded the board's request to eliminate fire safety deficiencies pointed out by the State Fire Marshal in an inspection of academic buildings at the university in August 1981. This was the second inspection of campus academic buildings. The university has completed all required corrections from the first inspection.

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

1983 Academic Roof Improvements--Phase II

The board was requested to ratify the selection of Thorson, Brom, Broshar, Snyder, Architects, Waterloo, Iowa, to provide full-range consultant services on four academic buildings and roofs for which contract awards are shown above. Compensation is on an hourly rate basis to a maximum of \$10,000 with the hourly rates based on the continuing owner-architect agreement approved in November 1982.

Turbine Generator, Plant #2, 7500 KW--Load Shedding Equipment

The board was requested to ratify selection of Brown Engineering Company, Des Moines, Iowa, to conduct and prepare a study and drawings for the installation of load shedding equipment for the switchgear in both power plants #1 and #2. Compensation would be on an hourly basis to a maximum of \$4,500.

Turbine Generator, Plant #2, 7500 KW--Condensate Polishing Equipment

The board was requested to approve selection of Brown Engineering Company, Des Moines, Iowa, to prepare plans and specifications and cost estimates for the purchase and installation of condensate polishing equipment at power plant #2. Compensation to the engineer would be hourly rates to a maximum of \$13,000. The overall project cost appeared to be approximately \$20,500 and would, upon board approval, be funded by balances in either the boiler or turbine project budgets.

The board was requested to note the following special matter:

UNI-Dome--Arena Lighting Improvements

Since the June board meeting (see pp. 720-721 of 1982-83 minutes) the university had entered into negotiations with both bidders on this project. Award was recommended to See Electric, Inc., Waterloo, Iowa, in the amount of \$323,245.

Extensive material was provided on this matter by the university to the board. Some points noted by the Board Office were:

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- The Structural Contractors Ltd. (Musco) negotiated bid, would, with acceptance of an alternate, be \$319,897, as compared to the \$323,245 award recommendation.
- The life-cycle cost of the See Electric System is, over ten years, an estimated \$79,000 more than the Musco system. However, See Electric is providing 28 percent more lighting fixtures than the Musco bid, is lighting an estimated 40 percent more area, is providing an estimated 18 percent more light, and is doing so at an estimated 25 percent higher efficiency.
- Many reasons were given for the recommendation by the university and concurred in by the Board Office. Perhaps the most important reason overall states:

In conclusion, the system proposed by See Electric Inc. and designed by General Electric is superior to the Musco system, is more compatible with the UNI-Dome than the Musco design, and will provide adequate lighting for the activities and broadcast television. The See Electric, Inc., proposal will provide significantly more light.

- The university noted its desire for an award at this meeting. Although the project is somewhat delayed from original intent, there was a commitment by both the Athletic Director and the Assistant Director of the UNI-Dome that the project should proceed and the inconvenience would be handled as required.
- As noted in the university material, this is not a case of an in-state versus an out-of-state proposal. General Electric is heavily involved in Iowa. It has several Iowa plants and sales offices. Information furnished by See Electric indicated that General Electric employs over 1,800 persons at 6 locations across the state.

The Board Office commended the University of Northern Iowa for its thorough and comprehensive approach to the solution of this matter. It also expressed appreciation to both bidders for their efforts toward giving the university an outstanding improvement in the UNI-Dome lighting.

Vice President Stansbury reviewed university actions in this matter and highlighted the extensive material prepared for the board. He reiterated that the university recommended award of contract to See Electric. Mr. Richey said he had discussed this matter by telephone with the president of Structural Contractors Ltd. (Musco) and then met with UNI officials. He said the Board Office fully concurred in the university's recommendation.

President Brownlee noted that the board had received a request from Structural Contractors Ltd. to give an oral presentation at the meeting. The board already had a detailed record before it, including additional written material distributed by the firm at the meeting, and it would be a most unusual procedure for the board to grant an appearance of this type. He asked if board members wished to question the university or Board Office recommendation or grant a hearing to Structural Contractors Ltd. None did.

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MOTION:

Dr. Harris moved that the board approve the Register of Capital Improvement Business Transactions; ratify award of construction contracts made by the executive secretary; award the lighting contract; approve the final report; approve the new project; ratify and approve the consultant contracts; and authorize the executive secretary to sign all necessary documents. Mrs. Jorgensen seconded the motion and it passed unanimously.

UNIVERSITY OF NORTHERN IOWA FINAL BUDGET 1983-84. It was recommended:

1. That the final operating budgets for 1983-84 be approved as follows:

General University	\$47,768,000
University Residence System	9,600,000

2. That the student activities fee distribution for 1983-84 be approved as requested by the institution.

General University

Income. The total income budget of \$47,768,000 includes \$37,564,709 of appropriations and \$10,203,291 of institutional income. The institutional income consists of \$9,663,291 of student fee income and \$540,000 of other income. The proposed final operating budget was reduced by \$5,000 from that approved by the Board of Regents in May due to a reduction in appropriations by the General Assembly in the last days of the Session by \$5,152 for an estimated reduced cost of motor vehicle fuel and a slight addition of \$152 of student fee income.

Operations. The institution reported no changes from the preliminary budget approved by the Board of Regents at its May meeting with regard to faculty and institutional officials' salaries, equipment, and building repairs. An increase of \$1,000 for library books was proposed to incorporate the library materials for the University of Northern Iowa Center for Urban Education. A \$3,000 correction to the fuel and purchased electricity budget was incorporated to open the Animal Laboratory building.

Since preliminary budget approval, additional professional and scientific staff positions had been proposed. The net effect of the reallocation of funds was an increase of about \$62,000 for professional and scientific staff salaries and reductions of about \$28,000 for general service staff salaries and \$44,000 for supplies and services.

The university budget contains a \$74 per month contribution by the institution towards the cost of health insurance for each person who has dependent coverage and is covered by the institutional health insurance program. The university pays the full premium (presently budgeted at \$44.37 per person per month) for persons electing individual coverage. The university anticipated seeking bids for insurance late in the calendar year which would undoubtedly affect the single rate the institution

pays. Institutional administrators and the Board Office were continuing discussion on the level of university participation in other fringe benefit offerings. Mr. Richey told the board that fringe benefit changes would be reviewed by the Board Office. Minor changes would be approved by the executive secretary but, if appropriate, such changes would be brought to the board.

The Board Office noted that large increases in funding allocations were proposed for all of the departments in the College of Business, for Educational Administration and Counseling in the College of Education, and for Mathematics and Computer Science in the College of Natural Sciences. The extraordinarily large growth in Educational Administration and Counseling (13.1 percent) might be due to the addition of the doctorate. The Board Office was reviewing this further to ascertain how the figures compare to assertions about cost when the institution presented the doctoral program for board approval.

The budgets for instruction, research, public service, and the academic support for those programs, all of which are directed to the primary mission of the institution, amounted to about 61 percent of the total budget.

#### Other Programs

Restricted program operations consist of contracts and gifts for special purposes and auxiliary enterprises such as the university residence system, concert series, and intercollegiate athletics. The proposed budget for all of these activities including service departments amounted to about \$21.6 million. A budget of \$9,600,000 was proposed for the university residence system which agreed exactly with that approved by the Board of Regents last winter when rates were adopted.

#### Proposed Student Fee Allocation for 1983-84

At its October 1982 meeting, the board approved a student fee rate change but did not prepare an allocation of the fee increase. The institution now proposed to allocate the increases of \$3 per semester and \$1 for the summer session equally between athletics and the health fee. More funding for the health center would be provided from the health fee in lieu of general funds. General funds released would be used to support a student services coordinator/counselor for the handicapped.

#### MOTION:

Mrs. Murphy moved (1) that the final operating budgets for 1983-84 be approved as follows:

General University	\$47,768,000
Univ. Res. System	9,600,000

and (2) that the student activities fee distribution for 1983-84 be approved as requested by the institution. Mrs. Anderson seconded the motion and it passed unanimously.

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COAL CONTRACTS, 1983-84. It was recommended that the University of Northern Iowa be authorized to award its 1983-84 coal contract for Type B coal to Iowa Coal Mining Company, Lovilia, Iowa, in accordance with the provisions of the bid documents including the requirements of the posting of a performance bond by a contract awardee within 48 hours of notification of the award of contract. In the event the awardee fails to post timely the performance bond, the recommendation is that the board authorize the university to award Type B coal contract for 1983-84 to Centran Corporation.

The Board Office reported that the University of Northern Iowa on June 15, 1983, solicited competitive bids to supply an annual basis approximately 15,000 tons of "A" coal and 15,000 tons of "B" coal for the period July 1, 1983, through June 30, 1984.

Eleven firms submitted bids for Type "A" coal, which is washed stoker coal necessary to burn in the old power plant at the university because of emission requirements. The university recommended on June 28, 1983, that this contract be awarded to Centran Corporation, Minneapolis, Minnesota, at the low bid price per million BTU's of \$1.6795. Award had been made as recommended. Iowa mines cannot meet the qualifications for Type "A" coal.

Type "B" coal is pulverizer coal used in the new boiler. That boiler is able to burn coal from Iowa.

The decision on award of contract on Type B coal was not as clear cut. On the basis of the application of the standard formula for pricing coal the apparent low bidder was Centran Corporation (estimated formula cost: \$584,466). The apparent second low bidder was Iowa Coal Mining Company (\$591,182).

The difference in formula cost between Centran Corporation and Iowa Coal Mining is \$6,716 or 1.1 percent. This computation was made on the basis of the bid of 10,684 BTU's per pound by the Iowa company. However, experience with Iowa coal indicates that at no time has Iowa coal consistently provided this heating value. Iowa Coal Mining stated in its University of Iowa bid (and in recent negotiations at ISU) that its guaranteed BTU rating was 10,500. When this figure is utilized, the difference in formula cost between Centran Corporation and Iowa Coal Mining is \$17,052 or 2.9 percent.

The university conducted extensive cost factoring to arrive at an adjusted price beyond the formula, and utilized those factors in evaluating bids. While impossible to determine those additional costs with certainty, the university reported that costs could be estimated for the coming year showing that the adjusted bid difference between Iowa Coal Mining's bid based upon 10,684 MMBTU's is \$14,477 higher than the adjusted price for Centran or 2.4 percent difference. When the amount is calculated at 10,500 MMBTU's the difference is \$24,813 or 4.0 percent.

Iowa Coal Mining, in its submission of bid, guaranteed its BTU's to be 10,684. There are penalty and premium clauses which are part of the contract documents which come into effect any time the proximate analysis of each truckload of coal received varies 1 percent above or below the bid guaranteed analysis for BTU's. The university tests each truckload of coal received and either assesses a penalty or provides a premium on the basis of the contract provisions. Average production at 10,500 BTU's would create a penalty situation for Iowa Coal Mining on every load.

The university also had some concerns as to the moisture content of Iowa coal. The new boiler was designed to burn Iowa coal and the university indicated it would take the necessary steps to utilize Iowa coal in this boiler. However, the university will be unable to tolerate any boiler flameouts with the operation of the new turbine generator. Despite the university's willingness to take steps necessary to burn Iowa coal in its new boiler, the continued use of Iowa coal is conditional upon avoidance of boiler flameouts.

President Brownlee reminded the board that it was facing the same situation as in last month's award of the coal contract for the University of Iowa: whether the difference between Iowa Coal Mining and the apparent low bidder was "material" and thus qualified for award under the Iowa preference law. Depending upon the calculations and figures used, this difference could range from 1.1 to 4.0 percent.

Regent Anderson asked what the university would do if Iowa coal did cause boiler flameouts. Could it then return to the low bidder? Would that bid still hold?

Assistant Vice President Paulson said the university intended to go to great lengths to make this coal work by various processes of drying and blending. He agreed that it would require a lot of handling, but it should cost no more than the original premium paid in awarding the contract to the Iowa company. Regent Anderson said her concern was that by this process of extra handling and the possibility of boiler flameouts, the university would actually be paying more than the original premium. Mr. Richey said there was that risk. If the Iowa coal was unusable, the university would find itself dependent upon the spot market. Regent Neu commented that observation of the Iowa preference clause made these extra factors necessary.

Regent Anderson requested a report from the universities at the end of the heating season containing an evaluation of the coal contracts and performance.

**MOTION:**

Mr. Stork moved that the board authorize the University of Northern Iowa to award its 1983-84 coal contract for Type B coal to Iowa Coal Mining Company, Lovilia, Iowa, in accordance with the provisions of the bid documents including the requirement of the posting of a

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performance bond by a contract awardee within 48 hours of notification of the award of contract. In the event the awardee fails to post timely the performance bond, the board authorized the university to award Type B coal contract for 1983-84 to Centran Corporation. Mr. Neu seconded the motion and it passed unanimously.

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

President Kamerick said good-bye and thank you to the board as he left his last board meeting as President of the University of Northern Iowa. President Brownlee thanked President Kamerick for years of loyal service and for always being a scholar and a gentleman.

## IOWA SCHOOL FOR THE DEAF

The following business pertaining to the Iowa School for the Deaf was transacted on Thursday, July 21, 1983.

REGISTER OF PERSONNEL CHANGES. The actions reported in the register for the month of June 1983 were ratified by general consent of the board.

RESIGNATION OF ADMINISTRATOR. Eugene Grell, Principal of the Upper Elementary Department, resigned May 27, 1983, to enter private business.

MOTION: The resignation of Mr. Grell was approved by general consent of the board.

APPOINTMENT OF ACTING ADMINISTRATOR. It was recommended that Mrs. Ramona Crookham be appointed Acting Principal of the Upper Elementary Department for 1983-84; and that Mr. Theodore Szemplenski be appointed as Acting Assistant to the Child Study Director for the 1983-84 academic year.

With the resignation of Mr. Grell as Principal of the Upper Elementary Department, ISD recommended the appointment of an acting principal and an acting assistant to the child study director for the 1983-84 academic year. It was anticipated that a permanent administrative change would be made for the 1984-85 school year following an administrative reorganization.

MOTION: Mr. Neu moved that the board approve the appointment of Mrs. Ramona Crookham as Acting Principal of the Upper Elementary Department for 1983-84; that Mr. Szemplenski be appointed as Acting Assistant to the Child Study Director for the 1984-85 academic year; that Mrs. Crookham's salary be increased by \$4,332 over the amount listed in the 1983-84 line budget and Mr. Szemplenski's salary increased by \$1,500 over the amount budgeted for the position in the 1983-84 line budget; and that the Iowa School for the Deaf submit to the board its plans for administrative reorganization prior to the 1984-85 school year. Mrs. Murphy seconded the motion and it passed unanimously.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. There were no transactions for June 1983.



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IOWA SCHOOL FOR THE DEAF FINAL BUDGET FOR 1983-84 AND 1983-84 EDUCATIONAL SUPPORT BUDGET. It was recommended:

1. That the proposed budget of \$4,715,353 for 1983-84 be approved; and
2. That the board give approval to a \$155,740 Chapter I educational support budget with final approval being subject to program approval by the State Department of Public Instruction.

Income. The proposed budget of \$4,715,353 would be supported by \$4,537,353 of appropriations and \$178,000 of institutional income. The proposed budget was \$3,589 less than the preliminary budget due to an appropriation reduction for motor vehicle fuel in response to action of the General Assembly during the final days of its 1983 Session.

Operations. The proposed final operating budget for each category of expenditures remained unchanged from the preliminary budget approved by the board except for the reduction of \$3,589 for supplies and services related to reduced appropriations for motor vehicle fuel noted above.

In the various expenditure categories, the only significant change from the original 1982-83 budget was a reduction of 14 percent for fuel and purchased electricity due to lower fuel prices than anticipated and the elimination of special funds to fill the fuel oil tanks in 1982-83.

1983-84 Chapter I Educational Support Budget

In supporting information, the Board Office said the program has been funded in previous years by Title I of the Elementary and Secondary Education Act. Funding is now under Chapter I of the Education Consolidation and Improvement Act which is a federally funded program. Chapter I (Title I) funds have declined at Iowa School for the Deaf for a number of years.

Iowa School for the Deaf will have \$7,724 less to operate Chapter I programs in 1983-84 than in 1982-83. The number of teaching positions dropped from seven to five and a teachers' aide position also was abolished.

The program elements covered by the proposed 1983-84 Chapter I budget were the same as those in 1982-83 with the exception of a required budget for federal audit of services. General expenses for these programs approximated those supported in 1982-83.

Instruction. Instructional programs include: assistance to lower functioning hearing-impaired students in the community orientation and skills training program (COST); support for a multiple-sensory approach to speech development and evaluations; assistance in the elementary resource room and classroom in use of materials and visual aids; assistance in record maintenance of the individual education plans (IEP); assistance in joint staffings associated with area education agencies; and support for the transportation of students involved in the mainstreaming process.

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Academic Support. The training of parents is the primary focus of this program. A workshop is the primary method of training. Summer travel teams visit most student homes during the summer.

Student Services. In-service training for houseparents in the residence halls is the objective. Physical therapy is made available for eligible students.

Institutional Support. Indirect costs attributable to Chapter I program are included in the school's general fund operation budget as miscellaneous income.

MOTION:

Mr. Neu moved (1) that the proposed budget of \$4,715,353 for 1983-84 be approved; and (2) that the board approve a \$155,740 Chapter I educational support budget with final approval being subject to program approval by the State Department of Public Instruction. Mr. McDonald seconded the motion and it passed unanimously.

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

## IOWA BRAILLE AND SIGHT SAVING SCHOOL

The following business pertaining to the Iowa Braille and Sight Saving School was transacted on Thursday, July 21, 1983.

REGISTER OF PERSONNEL CHANGES. The actions reported in the register for May 30, 1983, to June 25, 1983, were ratified by general consent of the board.

APPOINTMENT OF DIRECTOR OF EDUCATION. It was recommended that the board appoint Dean O. Stenehjem as Director of Education effective August 1, 1983, at the salary rate of \$30,000 annually.

Mr. Stenehjem is a replacement for Bruce Armstrong who resigned as Director of Education to pursue an advanced degree.

Superintendent DeMott said Mr. Stenehjem had just completed defense of his dissertation. IBSSS was very pleased with this appointment. He noted that the Department of Public Instruction was allowing a transition period for Mr. Stenehjem to meet his certification requirements.

### MOTION:

Mrs. Anderson moved that the board approve the appointment of Dean O. Stenehjem as Director of Education. Mrs. Jorgensen seconded the motion and it passed unanimously.

RENEWAL OF PARAPROFESSIONAL IN-SERVICE PROGRAM. It was recommended that the board approve the contract with Kirkwood Community College for paraprofessional in-service education for the period of August 25, 1983, through May 16, 1984.

The Board Office noted that this residential attendant training program includes modules on communications, human needs, medical problems, behavioral patterns, and community resources. There is a total of 60 hours of instruction. Employees receiving the course receive certificates. This kind of training can be very valuable to the paraprofessional employees who work directly with students.

A similar contract was approved by the board in September 1982.

### MOTION:

Dr. Harris moved that the board approve the contract with Kirkwood Community College for paraprofessional in-service education for the period of August 25, 1983, through May 16, 1984.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. There were no transactions for June 1983.

IOWA BRAILLE AND SIGHT SAVING SCHOOL FINAL BUDGET FOR 1983-84 AND 1983-84  
CHAPTER I EDUCATIONAL SUPPORT BUDGET. It was recommended:

1. That the proposed budget of \$2,591,698 for 1983-84 be approved; and
2. That the board give budget approval to the Chapter I restricted fund budget for 1983-84 in the amount of \$43,629 subject to program approval by the Department of Public Instruction.

Income. The proposed budget of \$2,591,698 would be supported by \$2,488,698 of appropriations and \$103,000 of institutional income. The proposed budget is \$15,750 above the preliminary budget due to an estimated increase of \$18,000 for sales and services and a reduction of \$2,250 for motor vehicle fuel in response to action of the General Assembly during the final days of its 1983 Session.

The \$18,000 increase in institutional income results from a verbal agreement with the Department of Public Instruction to reimburse Iowa Braille and Sight Saving School for the per copy cost of producing large print media for visually impaired students in public education facilities throughout the state of Iowa. This arrangement facilitates administration of the activity in that the school then does not have to bill each area education agency or school district.

Operations. The proposed final operating budget for each category of expenditures remained unchanged from the preliminary budget approved by the Board of Regents except for the increase in general service staff salaries of \$18,000 for large print media production and the reduction of \$2,250 for supplies and services related to reduced appropriations for motor vehicle fuel noted above. The institution planned to add one full-time school aide and increase the time of two part-time clerk typists to full time in order to handle the workload to produce the large print media.

The number of full-time equivalent employees was adjusted to 114.8, an increase of 5.6 over 1982-83. General service staff positions accounted for all but 0.2 FTE of the total staff increase.

#### 1983-84 Chapter I Educational Support Budget

The Board Office reported that in previous years innovative programming was supported by the Title I of the federal Elementary and Secondary Education Act. The newer Education Consolidation and Improvement Act, Chapter I, is a block grant that continues to provide financial assistance to meet the special educational needs of disadvantaged children.

The proposed FY 1983-84 budget of \$43,629 compares to the FY 1982-83 budget of \$54,703, a 20.2 percent reduction. The total allocation of funds for the state of Iowa in 1983-84 was \$430,770 compared to \$506,482 in 1982-83, a 14.9 percent reduction for the state overall. Allocation of support to the institution was based on a per child allocation of \$552.27 for FY 1983-84, compared to a per child allocation of \$643.56 for FY 1982-83. The reduced support was based on a reduced child count as well as the lower per child allocations.

The proposed budget plan for 1983-84 showed support from Chapter I funding for continuation of the recreation program at \$12,000, the low vision clinic at \$1,200, in-service training programs including a new medical certification project and a residential attendant program totaling \$1,900. There were additions of a computer literacy program at \$10,117 and a new school/dormitory liaison program with support set at \$15,180. Programs and activities where no funds were budgeted under Chapter I were parent visitation, instructional materials development, curriculum development, pre-vocational assessment and training, and work/study activity. They remain as integrated parts of the school's program with support from general funds. A school aide and a secretarial position formerly supported through Chapter I had been integrated into the school's general fund budget in 1983-84. The Board Office noted that the board might wish further detail on these programs and activities initiated through Chapter I and now supported by general funds.

MOTION:

Mr. Neu moved (1) that the proposed budget of \$2,591,698 for 1983-84 be approved; and (2) that the board approve the Chapter I restricted fund budget for 1983-84 in the amount of \$43,629 subject to program approval by the Department of Public Instruction. Dr. Harris seconded the motion and it passed unanimously.

RENEWAL OF AGREEMENT FOR PHYSICAL AND OCCUPATIONAL THERAPY. It was recommended that the board approve the agreement with Saint Francis Hospital, Waterloo, Iowa, for the hospital to provide physical therapy and occupational therapy for selected students at IBSSS.

The Board Office reported that the school began utilizing the therapists of Saint Francis Hospital in 1981.

The agreement approved by the board last year provided that the therapists' services would be utilized at least one day per month. IBSSS reported a need for the services four times per month. As the cost of the services was increased by the hospital from \$18 per hour to \$20 per hour, the school anticipated its cost for the service would increase from approximately \$5,000 last year to \$8,000 for 1983-84. The 11 percent increase was the first in two years.

IBSSS reported that it has been very pleased with the services provided by Saint Francis Hospital and that those services contribute significantly toward the school's compliance with federal and state statutory and regulatory requirements.

MOTION:

Mrs. Murphy moved that the board approve the agreement with Saint Francis Hospital, Waterloo, Iowa, for the hospital to provide physical therapy and occupational therapy for selected students at IBSSS at a cost of \$20 per hour per therapist, as needed, for a period of one year, beginning July 1, 1983, at a total cost of approximately \$8,000. Dr. Harris seconded the motion and it passed unanimously.

LEASES OF PROPERTY. It was recommended that the board approve the facilities use agreements for the benefit of IBSSS with tenants, as follows: Kirkwood Community College; Happy Time Child Development Center; and Benton County Extension Office, Iowa State University Cooperative Extension Service.

Each of the agreements represents a renewal of an arrangement between the specific user and the board for the benefit of IBSSS. In each case, the use of the space/facility will not interfere with the school's regular programs and the space to be used would otherwise be vacant. Each of the agreements requires the tenant to provide liability insurance for the protection of the board and its employees. The board previously has encouraged the special schools to make the vacant space on the schools' campuses available to organizations serving the community at a rental fee calculated to cover the cost of utilities and custodial services.

The Board Office discussed each lease briefly, as follows:

Kirkwood Community College. The college will have the use of approximately 1,280 square feet of space in the Old Hospital Building. The area will be used primarily for office and classroom space by the college's adult high school program which provides high school level academic and pre-career instruction to youth and adults who have not completed high school. The fee of \$202.22 per month (\$2,426.64, annually) represents an increase of approximately 3 percent over the 1982-83 fee.

Happy Time Child Development Center. The center will have the use of the major portion of the east and center sections, first floor, of the cottage. The space includes three open classrooms, a kitchen, dining room, small office, and bathroom. The kitchen may be used for minimal food preparation but not meal preparation. Meals will be provided by IBSSS for both children and adults at the center at a cost of \$1.00 each on days both the center and IBSSS are in operation. The fee of \$2,327.80 represents an increase of approximately 3 percent over the 1982-83 fee. The fee will be paid in four installments; with each installment an additional payment shall be made for meals served to that date.

Benton County Extension Office. The extension office will have the use of approximately 1,706 square feet of space on the ground level, east wing of Palmer Hall, plus one restroom, plus the use of off-street parking for extension office employees. The fee of \$317.19 per month (\$3,770.28) is calculated on the basis of \$2.21 per square feet per year and represents an increase of approximately 3 percent over the 1982-83 fee. The liability insurance carried by Iowa State University Extension Service for all of its extension offices has been determined to be adequate to protect the liability interests of IBSSS, its employees, and the board.

MOTION:

Mr. McDonald moved that the board approve the facilities use agreements for the benefit of IBSSS with tenants as follows:  
(a) Kirkwood Community College for the use of approximately 1,280 square feet of space on the first floor of the Old Hospital Building for the period

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September 1, 1983, to and including August 31, 1984, for a fee of \$2,426.64 annually; and (b) Happy Time Child Development Center for the use of approximately 2,604 square feet of space in the IBSSS cottage for the period from August 15, 1983, to and including June 15, 1984, for a fee of \$2,327.80 annually plus meals; and (c) Benton County Extension Office, Iowa State University Cooperative Extension Service, for the use of approximately 1,706 square feet of space on the ground level, east wing, of Palmer Hall, plus one restroom, for a period September 1, 1983, to and including August 31, 1984, for a fee of \$3,770.38 annually. Mr. Neu seconded the motion and upon the roll being called the following voted:

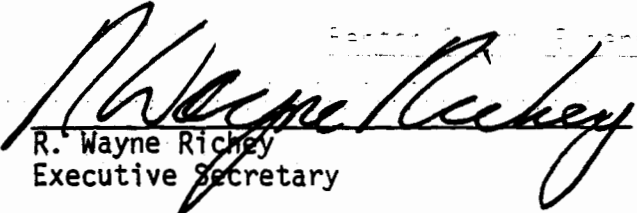
AYE: Anderson, Harris, Jorgensen,  
McDonald, Murphy, Neu, Stork,  
Brownlee

NAY: None

ABSENT: Duchen

President Brownlee 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 3:58 p.m. on Thursday, July 21, 1983.

  
R. Wayne Richey  
Executive Secretary