

The State Board of Regents met at the Iowa Lakeside Laboratory, Okoboji, Iowa, on Thursday, June 18, 1981, and Friday, June 19, 1981. Those present were:

	<u>June 18, 1981</u>	<u>June 19, 1981</u>
<b>Members of State Board of Regents:</b>		
Mr. Brownlee, President	All Sessions	All Sessions
Mrs. Anderson	All Sessions	All Sessions
Dr. Harris	All Sessions	All Sessions
Mrs. Jorgensen	All Sessions	All Sessions
Mr. McDonald	All Sessions	All Sessions
Mrs. Murphy	All Sessions	All Sessions
Mr. Neu	All Sessions	All Sessions
Mr. Nolting	All Sessions	All Sessions
Mr. Wenstrand	All Sessions	All Sessions
<b>Office of State Board of Regents:</b>		
Executive Secretary Richey	All Sessions	All Sessions
Director Barak	All Sessions	All Sessions
Director McMurray	All Sessions	All Sessions
Director Sonnenschein	All Sessions	All Sessions
Director Volm	All Sessions	All Sessions
Ms. Baker, Secretary	All Sessions	All Sessions
<b>State University of Iowa:</b>		
President Boyd	All Sessions	Exc. 9:15 a.m.
Vice President Bezanson	All Sessions	Exc. 9:15 a.m.
Vice President Brodbeck	All Sessions	Exc. 9:15 a.m.
Asst. Vice President Small	All Sessions	Exc. 9:15 a.m.
Assistant to President Mahon	All Sessions	Exc. 9:15 a.m.
Director Hawkins	All Sessions	Exc. 9:15 a.m.
<b>Iowa State University:</b>		
President Parks	All Sessions	Exc. 10:45 a.m.
Vice President Christensen	All Sessions	Exc. 10:45 a.m.
Vice President Hamilton	All Sessions	Exc. 10:45 a.m.
Vice President Moore	All Sessions	Exc. 10:45 a.m.
Assistant Vice President Madden	All Sessions	Exc. 10:45 a.m.
Assistant to President Henry	All Sessions	Exc. 10:45 a.m.
<b>University of Northern Iowa:</b>		
President Kamerick	All Sessions	Exc. 9:40 a.m.
Provost Martin	All Sessions	Exc. 9:40 a.m.
Vice President Stansbury	All Sessions	Exc. 9:40 a.m.
Vice President Voldseth	All Sessions	Exc. 9:40 a.m.
Director Kelly	All Sessions	Exc. 9:40 a.m.
<b>Iowa School for the Deaf:</b>		
Superintendent Giangreco	Exc. 3:15 p.m.	
Business Manager Kuehnhold	Exc. 3:15 p.m.	
<b>Iowa Braille and Sight Saving School:</b>		
Superintendent DeMott	Exc. 3:20 p.m.	
Business Manager Berry	Exc. 3:20 p.m.	

## GENERAL

The following business pertaining to general or miscellaneous items was transacted on Thursday, June 18, 1981.

APPROVAL OF MINUTES. President Brownlee noted that Iowa State University had submitted a correction for the May 21 minutes regarding promotion and tenure actions approved at that meeting. The promotion of David H. Stuart to Assistant Professor in the Department of Music should have been without tenure.

Mr. Richey noted that Vice President Bezanson had submitted a nonsubstantive correction for the May 21 minutes.

MOTION: Mr. McDonald moved that the May 1, 1981, and May 21, 1981, minutes be approved as printed and distributed with the inclusion of the corrections. Mrs. Jorgensen seconded the motion and it passed unanimously.

INTERINSTITUTIONAL COMMITTEE ON EDUCATIONAL COORDINATION. a. Curriculum Items, University of Northern Iowa. Several recommendations were made to the board. These were:

1. to approve the report on curriculum changes at the University of Northern Iowa;
2. to approve the Majors in Computer Science and Computer Information Systems for the Bachelor of Arts degree;
3. to approve the Public Administration Major for the Bachelor of Arts degree;
4. to approve the Major in "Power and Energy Technology" for the Bachelor of Technology degree; and
5. to approve the proposed Army Reserve Officers Training Program (ROTC).

The Board Office said that last month the board referred the proposed curriculum changes from the University of Northern Iowa to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation. The Interinstitutional Committee recommended approval of the proposed majors in Public Administration, Computer Science, and Computer Information Systems for the Bachelor of Arts Degree; of the major in "Power and Energy Technology" for the Bachelor of Technology Degree; and of the introduction of an Army Reserve Officers Training Program.

Computer Science and Computer Information Systems Proposal. The university proposed two programs with common educational objectives. The proposed Computer Science Major is intended to provide a strong background in traditional computer science (with an emphasis on programming and other software skills). A supporting study in mathematics is also included. The proposed Computer Information Systems Major focuses specifically on mathematical, programming, software, and computer system notions most useful in a business setting and also requires a substantial amount of work in relevant courses selected from the School of Business. The university noted that the Computer Information Systems Specialty is a relatively new specifically identified area in computer studies.

The Board Office said both of these proposed programs are consistent with the mission of the university. The most recent long-range academic plan for the University of Northern Iowa included a statement by the Dean of the College of Natural Sciences that the mathematics department intended to develop a computer science major.

It was indicated that majors in the computer area are available at both of the other two Regent universities and in most private colleges in Iowa. The university contended that this is desirable duplication due to the "monumental importance in today's society with applications in most -- if not all -- academic disciplines. Consequently, for a university to be without substantial opportunities in this field is no more reasonable or justifiable than for such other basic fields as mathematics, English, and history to be absent on a university campus." The Board Office concurred with the university's perception of the role of computer studies and did not feel that approval of the program would create unnecessary duplication.

Both the University of Iowa and Iowa State University offer undergraduate computer science majors. These majors differ from each other and from the proposed Computer Science Major at the University of Northern Iowa in a number of ways. All three programs would provide roughly comparable required programs in this basic academic field. The need for programs in the computer professions has been highlighted in a national report titled Science and Engineering Education for the 1980s and Beyond prepared by the National Science Foundation and the U.S. Department of Education (October 1980) and other reports.

The university estimated that enrollments in this program for the next five years would range from 55 student majors the first year to approximately 80 students in five years and 60 to 100 non-majors in five years. The projection for majors was based on the assumption that all 46 students now pursuing the Mathematics major will switch to either the Computer Science or Computer Information Systems major.

The Board Office noted there is no accrediting organization in this area. The university indicated that it has no intention of seeking accreditation at this time unless a recognized accrediting agency develops in the future. The Board Office said the Data Processing Management Association does not accredit programs, but it is preparing recommendations for programs dealing with information systems. University of Northern Iowa faculty members attending meetings where these recommendations were discussed and presumably took them into consideration in writing this proposal. The proposed Computer Science Major appeared to conform closely to the recommendations of the Association for Computer Machinery.

The estimated (incremental) cost for this program indicated a request for approximately \$10,000 the first year, \$25,000 the second year (for an additional faculty member), and \$4,000 the third year. These additional resources include funds for student assistants, additional faculty, repair of equipment, supplies and other miscellaneous expenses, additional microcomputers, increased funding for books and periodicals in the computer area, and the addition of new courses which would substantially increase computer time. According to the university, these additional resources will be provided "from UNI internally and/or increased allocations from the Board of Regents is requested." The Board Office noted that it was likely a request for additional resources would be forthcoming in the budget proposals from the University of Northern Iowa.

The Board Office noted that Regent Anderson had previously raised a question concerning the need for additional faculty in the Computer Science Program. In a written response Vice President Martin said that the university's estimate of enrollment in Computer Science was conservative. He said if the enrollment demand is greater than forecasted, the Department of Mathematics and the College of Natural Sciences will have to provide additional resources to the program or restrict enrollment in some manner. He noted that no formal commitment has been made to the college for additional staff in that program. He said the university would like to add staff if enrollment warrants it. He noted that it would be possible to switch a position within the Mathematics Department to Computer Science depending upon the enrollment dynamics of the department.

Public Administration Major for the Bachelor of Arts Degree. The Board Office explained that the proposed degree Major in Public Administration would provide a broad background in American government while teaching specific skills and professional knowledge useful to public administrators. The major was designed to meet the needs of students who wish to enter the public service job market with a more explicit set of job-related skills than is offered by the traditional political science major.

The university consulted with representatives of the Political Science Department at the University of Iowa and at Iowa State University regarding the proposed program. Faculty at the University of Iowa felt there was too much specialization in the program and faculty from Iowa State University felt the curriculum was narrow and too long. In connection with these concerns, the Board Office gave particular attention to the proposed curriculum for this program.

The Board Office reviewed "Guidelines and Standards for Baccalaureate Degree Programs in Public Affairs/Public Administration" of the National Association of Schools of Public Affairs and Administration (NASPAA). These guidelines and standards are not prescriptive in nature. They are intended to provide guidance to faculty who are developing and/or evaluating baccalaureate degree programs. The guidelines indicate that "Undergraduate education in public administration should be focused on the process and substance of public policy and the knowledge and skills needed for effective implementation of public policy. This requires that programs be multi-disciplinary in nature, drawing upon behavioral sciences, economics, political science, the quantitative sciences, and administrative/management processes." The University of Northern Iowa's program was proposed as an interdisciplinary major. The courses in each of the six areas of concentration, except public law, are drawn from five different departments.

The Board Office said the 52-hour major was not inconsistent with the NASPAA guidelines. It noted that the concern about the length of the major could be that the baccalaureate program would overlap the contents of a Master of Public Administration degree. The Guidelines indicate that a "strong professionally-oriented baccalaureate program may adequately cover much of the subject matter in the Master of Public Administration professional competencies.

The Board Office said the university appeared to meet the general thrust of the Guidelines with respect to admissions and educational format. The Board Office was unable to comment on the university's intention with respect to career guidance and placement services since this information was not provided (nor asked for) in the materials from the university. The Board Office assumed the university's placement services would make a special effort to implement this aspect of the program since there are indications that employment in the public sector is not as favorable as it was several years ago.

It was not possible to review all of the Guidelines suggested regarding faculty since the amount of information provided was limited in this area. A review of the university's catalog indicated that the university would meet the guidelines with respect to the number of persons holding a doctorate. It also assumed that the Guideline suggestion that "...a core group of at least four or five full-time public administration faculty are necessary to teach undergraduate courses, administer the undergraduate program, and provide student advising" had been considered by the university.

The Board Office concluded that the proposed Public Administration Program at the University of Northern Iowa is in substantial compliance with the "non-prescriptive" guidelines of the National Association of Schools of Public Affairs and Administration.

With respect to duplication, the Board Office said this program may duplicate the undergraduate majors in Public Administration offered by Drake University and Upper Iowa University. However, no concerns were raised about the proposed program when it was presented to the Iowa Coordinating Council for Post-High School Education. It was noted that the Upper Iowa Program is primarily aimed at practitioners via correspondence and summer study opportunities. The University of Northern Iowa serves a different metropolitan area than Drake University. The undergraduate major would provide a solid foundation for graduate work leading to the masters' degrees in Public Administration offered at other Iowa universities.

The estimated enrollment for the next five years ranges from 11 students the first year to 35 students in the fifth year for majors and 6 students in the first year to 18 in the fifth year for non-majors.

The university estimated that the probable marginal increases in expenditures that may be necessary as a result of this program include \$21,000 to \$25,000 the first year, \$200 the second year, and presumably no additional costs the third year. The university's estimates for enrollment and the cost of administering this program require additional resources. The Board Office assumed the additional funding would come from internal reallocation within the College of Social and Behavioral Sciences except for \$4,000 estimated incremental cost the first year, for which no source was identified (that is, it was indicated it would not come from the collegiate budget, but no statement was made as to where these funds would come from).

The Board Office said the proposed program is consistent with the mission of the institution and the 1980 Long-range Plan indicated that this proposal would be forthcoming.

New Major in "Power and Energy Technology" for a Bachelor of Technology Degree.

It was explained that this program will enable students to pursue a major program of study in the energy and power discipline where before only an emphasis area within a general Industrial Technology major was available. The Board Office said the program apparently does not involve any duplication of program offerings since only courses (as opposed to programs) of similar content are offered elsewhere in the state. The Board Office said it was important to note that this program is designed to meet the occupational needs of the technologist's level, not on the engineering level. For this reason, the proposed program would not duplicate programs offered or conflict with engineering programs at the other Regent universities.

The university estimated that the enrollment for this program will increase from 42 majors the first year to 60 majors in five years and 10 non-majors the first year to 25 in five years. It is anticipated that students for this program will come from high school seniors and community college and area vocational school transfer students who are interested in careers in power and energy technology. Students are also expected from out of state due to the uniqueness of this opportunity.

The university indicated that employment of University of Northern Iowa graduates with emphasis areas in specific power technology has been consistently good. The ten-member Advisory Committee of Industrial Personnel indicated the graduates from this program would be in great demand in supervisory, managerial, maintenance, and other technical areas of the career field.

The Board Office explained that there is an accreditation organization for this field, the National Association of Industrial Technology. However, it has not been recognized by the Council on Postsecondary Accreditation. Consequently, there is some question as to whether or not the university will seek accreditation by this association. It appeared that the university's proposed program adheres to the guidelines of the National Association of Industrial Technology. The Board Office noted that this new major is part of the modernization of the Industrial Technology curriculum. It represents a repackaging of present courses. Because of this, it appears that only minimal additional resources will be needed. These resources amount to \$6,400 the first year, \$11,500 the second year, and \$11,500 the third year. The university noted that these expenses would prevail under the present program structure and would not differ appreciably under the proposed program. The sources of these funds include donations from industry. The source of the other funds for the program were not indicated but were presumed to be from within the university.

The Board Office said the program is consistent with the university's mission statement. The proposed modernization of the curriculum in Industrial Technology was indicated under "Program Changes Proposed or Anticipated" in the university's Long-range Academic Plan 1980.

Reserve Officers Training Corps Program. The Board Office explained that the ROTC basic course is designed for freshman and sophomore students. Course work is designed to provide basic knowledge about the military and its role in society, as well as a review of basic principles of military strategy, tactics, and elementary skills. The basic course is open to all students and there is no military obligation. The advanced course requires that a student take four three-hour courses and attend a six-week advanced camp during the summer between the junior and senior years. Course work is designed to provide a preparation for the duties and responsibilities of a commissioned officer and to address the dynamics of organizational leadership from a small-group level to large and diversified organizations. Students who enter the advanced program incur an obligation for further military service. Upon satisfactory completion of the advanced program, the student receives a commission as a second lieutenant in the United States Army.

The ROTC program is available at Iowa State University and the University of Iowa. This proposal merely provides an opportunity for students at the University of Northern Iowa to participate in a cooperative program with the University of Iowa.

Other Curriculum Proposals. The university noted a number of changes in courses and programs. It noted that these modifications were a part of the "continual state of flux and change to keep programs up to date."

The Board Office recommended that the board approve the Majors in Computer Science and Computer Information Systems for the Bachelor of Arts Degree, the Public Administration Major for the Bachelor of Arts Degree, the new Major in "Power and Energy Technology" for a Bachelor of Technology Degree, and the proposed Reserve Officers Training Corps program. It noted that some clarification is needed with respect to the resources needed for the programs in "Power and Energy Technology" and Public Administration. The Board Office also recommended that the other curriculum changes be approved. The programs will be subject to a post-audit review (see section 6.05, Procedural Guide) in five years. At that time, the board will have an opportunity to review the proposed programs, as proposed, and based on the actual cost, enrollment, and other data provided at that time.

Speaking for the Educational Coordination Committee, Vice President Brodbeck indicated that there had been consultation with university colleagues about these programs including their adequacy and need. She said the responses to the programs were favorable and that the programs reflect areas where more training and education is needed. She said the committee felt the programs were well conceived and should be approved.

Vice President Brodbeck noted that the committee approved the recommendation by the University of Northern Iowa to develop a ROTC program as a satellite of the program at the University of Iowa.

In regard to the Board Office's question about staffing in the Industrial Technology, Vice President Martin indicated that the staffing need had been met by transferring a position into Industrial Technology.

MOTION: Mr. Nolting moved that the board approve the report on curriculum changes at the University of Northern Iowa; approve the Majors in Computer Science and Computer Information Systems for the Bachelor of Arts degree; approve the Public Administration Major for the Bachelor of Arts degree; and approve the Major in "Power and Energy Technology" for the Bachelor of Technology degree. Mrs. Anderson seconded the motion and it passed unanimously.

The board then turned to a discussion of the proposed ROTC program.

President Kamerick explained that there were extensive debates about the ROTC program in the Faculty Senate. The Faculty Senate approved the program by a vote of 11-9. A petition by 30 faculty members asked that this action of the Faculty Senate be presented to the university faculty for endorsement or non-endorsement. There was a lengthy debate by the university faculty. The action of the Faculty Senate was endorsed by a narrow vote.

President Kamerick introduced Professor Darrel W. Davis, Chair of the Faculty Senate, and Mr. Russell Martin, president-elect of the University of Northern Iowa Student Association (UNISA).

Professor Davis said that even though some students were unhappy with the proposed program, the students had been consulted. The faculty felt its obligation was to consider the minority of students who wish to participate in a ROTC program. He said no program at the university includes a majority of the students. The faculty felt that students who do not wish to be involved in the program, need not be and should not be the final authority on the proposed program.

Mr. Martin distributed a letter to the Regents. The letter said in part:

To be quite honest, after reviewing the results of this approval process, we are very disappointed. We are disappointed because a final decision regarding this questionable, controversial program will be made on the basis of what the UNI Student Association believes to be limited, incomplete, and therefore misleading information.

...

We would like to present some additional information concerning student and faculty actions. U.N.I.S.A., the university-wide student government, has consistently opposed the R.O.T.C. proposal since April, 1979 when it first came to the attention of the Student Senate. The Senate voted against R.O.T.C. 16-2 at that time. The debate has continued, opposition has grown, and last

April the Senate reaffirmed it's opposition 29-0. In the more than 2 1/2 years of public meetings and letters-to the editor, there has never been a U.N.I. student who publically claimed they would join the program if offered at U.N.I. The report on student opinion which you were given is two years old, incomplete, and the methods used were far from being scientifically accurate.

After two hotly-debated faculty actions, the issue is still not settled. The faculty will meet in the fall to reconsider the questionable 126-138 vote of May 10. ...

... In short, none of these criteria questions were documented in either the Interinstitutional Committee on Educational Coordination Report or the Board Office report. It is our opinion that the criteria spelled out in the Procedural Guide sections merit a great deal of discussion and documentation in regard to R.O.T.C. We feel the obvious omission or oversight of this discussion and documentation warrants serious attention. The U.N.I. Student Association believes that the reason for these actions stems, to a large degree, from individuals participating in the Interinstitutional Committee on Educational Coordination. We have been told the evaluation process is conducted largely by the faculty of similar programs at the other Regent's institutions. In the case of R.O.T.C., the evaluation process would have been completed by the University of Iowa Program which is sponsoring the U.N.I. proposal, and the Iowa State Military Science Program--a program which was the subject of an Army investigation and a separate Iowa State University investigation. Both investigations uncovered numerous illegalities and improprieties.

...

The U.N.I. Student Association has recently obtained information that could indicate that student privacy rights as protected in the Family Educational Rights and Privacy Act of 1976 may have again been violated. It has come to our attention that R.O.T.C. representatives received confidential individual student grade point averages from the U.N.I. Registrar's Office on May 26th. This information was used for a R.O.T.C. recruitment letter. The grades were released without these student's permission. Though there are many uncertainties surrounding this recent action, the point we would like to highlight is that this action was taken prior to the Board of Regents approval. We think this action reflects the lack of respect R.O.T.C. representatives have for your decisionmaking authority.

Vice President Brodbeck pointed out that the other programs approved by the Educational Coordination Committee were degree granting programs. She pointed out that the proposed ROTC program is not a major but a set of courses under which students may enroll in order to serve as an officer in the armed forces in the future. In answer to a question from President Brownlee, Vice President Brodbeck said she thought the review process was carried out adequately and thoroughly.

Mr. Barak noted that Vice President Brodbeck's rationale was also rationale used by the Board Office in reviewing this proposal.

Vice President Martin agreed with Vice President Brodbeck. He said the review procedures referred to by Mr. Martin apply to new major programs. He said the board does not review specific individual courses. Vice President Martin said the proposal for the ROTC program was not a new configuration of courses constituting a new major so the program review process would not apply to this proposal. Furthermore, he said, the ROTC program at the University of Iowa was approved sometime ago and the University of Northern Iowa proposal would be an extension of that program.

In regard to the investigations mentioned by Mr. Martin, Vice President Christensen noted that there was a question of credibility of the institution. He said these concerns were thoroughly investigated. The problems were corrected and the people involved have departed from the institution.

With respect to Mr. Martin's statement that the Faculty Senate would meet in the fall to discuss this, Professor Davis said there was no way he could know this. Professor Davis explained that there has been a request for a meeting but that the newly elected chair of Faculty Senate must rule on whether there will be a meeting.

Professor Davis said that Mr. Martin's allegation that no student has indicated he would join ROTC was not true. He noted that the board had received information reporting that a small number of students have indicated they might participate if there was a ROTC program.

Mr. Martin said UNISA is concerned about the access to students' grade points by people with military command. He said there is a history of wild abuse across the country.

Regent Harris asked if confidential information about students could be released without their permission. President Kamerick answered that the university is very studious about obeying the Privacy Act and that there is a procedure for students to deny access. He explained that university departments have access to students' cumulative GPAs and that the Department of Military Science has the same privileges and responsibilities as any other academic unit.

Vice President Brodbeck explained that the department must have a reason to go into the academic records of the university. She said it would not be argued that a department in which a student has no interest should be allowed access to the student's records. Mr. Henry noted that the federal law says there must be "legitimate educational interest" to gain access to this information. He noted that a legitimate interest might pertain to a special program applicable to engineering students.

Regent Neu said that since ROTC is not an academic course, it should not have access to transcripts of people who are not in ROTC.

Mr. Martin said he had been informed by the Registrar at the University of Northern Iowa that any faculty member, including ROTC, can obtain the transcripts of any students.

Vice President Hansmeier noted that a number of statements were being attributed to the university Registrar. He noted that the university has been dealing with the Privacy Act since 1974 and has been scrupulously observing that act. He said any question about differences in interpretation of the act would be investigated. He said the implication that the Registrar's Office is irresponsible was not true.

Regent Anderson asked about the minimum enrollment needed to make the ROTC program a viable course. Vice President Martin replied that this would be determined by the Department of Defense which provides the faculty and most of the cost of operating the program. Regent Anderson thought the enrollments would quickly demonstrate whether there is an interest in the program.

Regent Wenstrand commented on the review process. He felt the appropriate place for review was on campus as well as by the board. He had no qualms about the process that was used.

Regent Wenstrand felt the concern raised about the accessibility to student records was a legitimate one and suggested that might be reviewed.

Regent Wenstrand said one of the merits of the ROTC program was that it would be offering an opportunity to a fairly small number of students to participate in this program. He said this should be the main consideration.

Regent McDonald thought the validity of the concept of a citizen corps and the value to the country is well established and that the freedom of the university to present the ROTC program should be allowed.

MOTION: Mr. McDonald moved that the board approve the proposed ROTC program. Mrs. Anderson seconded the motion.

Regent Anderson explained that she was supporting the program for two reasons. First, she was concerned that the board be open to providing a variety of opportunities and not be subject to pressures from a small group of people to whom something does not appeal. Second, Regent Anderson said she has been a long-time supporter of ROTC because if there must be an army it is far better to have a citizen officer corps and ROTC prepares officers for the military.

VOTE ON MOTION: The motion passed unanimously.

b. Annual Report of the Regent Committee on Educational Relations. It was recommended that the board receive the annual report of the Regent Committee on Educational Relations and approve the recommendations of the Committee on Educational Relations for the area schools as noted in the 1980-81 report.

The Board Office noted that the most significant activities of the Committee on Educational Relations were area school approvals.

In addition to the approval of the area school standards, the Board of Regents, by administrative rules of the Department of Public Instruction, has had representation on the various evaluations of the area school. This past year the Regent Committee on Educational Relations, which serves as the representative of the Regents for this purpose, participated in the annual visits and reviewed all of the reports resulting from the Iowa Department of Public Instruction visits to the merged area schools. All of the merged area schools were recommended for continuation of approval. In addition to the annual visitations, the Regent Committee on Educational Relations' representatives are present during the comprehensive five-year reviews of the area schools.

The Board Office noted that a copy of the annual progress report prepared by each of the area schools and a copy of each annual visitation report prepared as a result of each visit for the 1980-81 year are on file in the Board Office. The Annual Report of the Regent Committee on Educational Relations is also on file.

Mr. Brownlee received the annual report of the Regent Committee on Educational Relations on behalf of the board and thanked the members of the committee for their work.

MOTION: Mrs. Murphy moved that the board approve the recommendations of the Committee on Educational Relations for the area schools as noted in the 1980-81 report. Mrs. Anderson seconded the motion and it passed unanimously.

c. Articulation and Transfer Agreement Between the Area Schools and the Board of Regents Universities. It was recommended that the board ratify the agreements between the area schools and the Regent universities for the transfer of students with the Associate of Arts Degree.

The Board Office said it has been estimated that every year approximately 95 percent of the two-year students, who seek to continue their education at another institution, do transfer to a university. One of the most commonly identified problems for these students is the transfer of credits. For several years, educators from Iowa's area schools and the Regent universities have been working on a formal agreement to codify the informal transfer procedures that have been in place for a number of years. At times this informal procedure has led to confusion on the part of both students and counselors. The Board Office said Iowa was fortunate that such an agreement has been instigated and developed voluntarily in a cooperative manner by representatives of the area schools and the universities. This cooperative approach is in stark contrast to the national experience where it was necessary for state officials to intervene.

The Board Office noted that the development of the Iowa agreement has involved the effort of a wide range of persons including the area school superintendents, deans, and counselors; the Liaison Advisory Committee on Transfer Students, composed of representatives from the area schools and the Regent institutions; and the Regent Committee on Educational Relations and Interinstitutional Committee on Educational Coordination. Essentially, this agreement provides for the transfer of college parallel students from the area schools to the Regent universities. The agreement actually consists of separate agreements between the area schools and each of the Regent universities. The agreements for the University of Northern Iowa and the University of Iowa are the same, while that from Iowa State University is comparable but not identical in detail. The differences reflect institutional differences.

The Board Office noted that the policies stipulated in the agreement are not essentially different from those currently being utilized by the Regent institutions in accepting students from the area schools. The agreement represents a formalization of the minimum general education requirements for the college parallel transfer degree. The area school people are attempting to arrange for a formal signing of the agreement later this summer or early fall in a ceremony to include Governor Ray, the presidents of the Board of Public Instruction and the Board of Regents, the current chair of the Coordinating Council for Post-High School Education, and certain others felt to be instrumental in the achievement of this agreement.

The Board Office said the Regent representatives and representatives from the area schools, especially Mr. David Harris of Indian Hills Community College who was a prime mover towards the development of this agreement, should be congratulated for their efforts in achieving this agreement. The real beneficiaries of this effort should be the students who will now have a written document to reference when considering attendance at a Regent university.

President Brownlee said the articulation agreement would make it much easier for students to know their status.

Regent Wenstrand commended the efforts taken to work out the agreement.

Regent Jorgesen said that from attending national meetings she has learned that there is a unique arrangement between the schools in Iowa and said the state should be commended on this.

Vice President Christensen said the agreement was a major step forward. He noted that this would be expanding within the university beyond the area of liberal arts.

MOTION: Mrs. Jorgensen moved that the board ratify the agreements between the area schools and the Regent universities for the transfer of students with the Associate of Arts Degree. Mr. Wenstrand seconded the motion and it passed unanimously.

REPORT ON MEETING OF IOWA COORDINATING COUNCIL FOR POST-HIGH SCHOOL EDUCATION. It was recommended that the board receive the report on the June meeting of the Iowa Coordinating Council for Post-High School Education.

The Board Office reported that Forrest Van Oss gave a report on the status of the Lifelong Learning Project. He indicated that federal funds for Lifelong Learning activities in Iowa have been eliminated for the next fiscal year, and the likelihood of their surviving in the following fiscal year is not very good.

The Coordinating Council discussed the designation of Higher Education Week in conjunction with the national activities of a number of Washington-based higher education associations. The Coordinating Council discussed the designation of July 16, 1981, as "National Support Higher Education Day," and will be seeking Governor Ray's designation for a week in October as "Higher Education Week." In conjunction with "Higher Education

Week," the council will be planning a series of events centering around a different sector of postsecondary education for each day of the week. A committee has been formed with Robert Barak as Chair to develop activities commemorating this event.

The council heard a report on the materials prepared in response to Governor Ray's designation of the Iowa Coordinating Council for Post-High School Education as the entity under Section 1203 of the Higher Education Act of 1965 as amended by the Education Amendments of 1980. The council approved the proposed state-federal agreement, which was consistent with the recommendations of the Coordinating Council and the Board of Regents. The council approved guidelines on the Coordinating Council's role with respect to the federal programs covered by this agreement. It approved a change in the bylaws to permit the appointment of two student members to the Coordinating Council. The council also approved the establishment of a committee to make specific recommendations on the allocations on the Title I-B funds provided under the state-federal agreement. Unfortunately, it appears that the likelihood of federal funding for these programs will not be forthcoming.

The council heard a brief report on the Enrollment Projection project funded by the Ford Foundation.

At the May meeting of the Coordinating Council, Donald Ruthenberg requested that the Coordinating Council review a matter relative to a writing project scheduled for the Dubuque area. The colleges of the Dubuque area are concerned because of possible duplication of programming. At the June meeting, the council was given a copy of the memorandum prepared by Robert Ray at the University of Iowa. Robert Barak indicated that the project was carried out with funds from the Iowa Department of Public Instruction based on a need identified by the local Area Education Agency and that the University of Iowa was responding to an identified need consistent with the statutory responsibility and traditions of the Regent universities. Mr. Ruthenberg read a position paper recommending that the Coordinating Council adopt a motion opposing the offering of the Writers' Institute in the Dubuque area this summer. Representatives from the Department of Public Instruction indicated that they were unaware of the procedures utilized by the Area Education Agencies in establishing the in-service training programs for teachers like the one being discussed in the Dubuque area. The discussion was concluded with a two-part recommendation of the council. First, the Coordinating Council urged the representatives from the University of Iowa, from the three colleges in the Dubuque area, and the local Area Education Agency to get together and attempt to resolve the matter. Second, the council requested a report from the Department of Public Instruction regarding the procedures utilized by the Area Education Agencies in establishing in-service training programs.

Willis Ann Wolff provided a draft of the Data Digest, a compilation of data collected by the U.S. Department of Education. A number of objections were raised concerning the way in which the data was used for the purpose of analysis. The council requested that Ms. Wolff meet with the Data Collection Committee of the Coordinating Council to review the data in detail. The Coordinating Council passed a motion that future reports of this type should be sent to the Data Collection Committee prior to presentation to the Council.

Regent Anderson added that the motion presented to oppose the Writers' Institute in the Dubuque area was dropped.

President Brownlee received the report on the June meeting of the Iowa Coordinating Council for Post-High School Education on behalf of the board.

REPORT ON MEETING OF IOWA COLLEGE AID COMMISSION. It was recommended that the board receive the report on the meeting of the Iowa College Aid Commission.

The Board Office reported that the commission considered the request for the Palmer College of Chiropractic to be approved to participate in the Iowa Tuition Grant Program. The commission acted to permit Iowa residents attending Palmer to apply for Tuition Grants for their first two academic years of study. The action was based on the "limited eligibility criteria" approved by the U.S. Department of Education for the purpose of the Pell Grant Program.

The request of the Open Bible College to participate in the Iowa Tuition Grant Program was approved by the commission. The action was taken in accordance with the general policy of the Iowa College Aid Commission to allow institutions which have received letters from three other colleges or universities that credits from that institution are accepted for transfer purposes.

The commission considered an appeal of denial of an Iowa Tuition Grant because of nonresidency by an applicant associated with the Maharishi International University. The residency criteria of the Iowa College Aid Commission are identical to those of the Board of Regents, which is required by law. Action on the request was deferred after hearing the appeal. The Board Office noted that the legal issues involved in residencies in this case are quite interesting and have significance for other institutions in Iowa.

In reply to questions from Regent Neu, Mr. Richey explained that Maharishi International University has been approved as a Tuition Grant recipient for several years. The Open Bible College has been under consideration for this purpose for several years.

He explained that the colleges meeting the standards of the commission for the Tuition Grant program. They must have letters from three accredited institutions indicating those institutions will accept the credits from the colleges applying for the Tuition Grant program. The institutions providing the letters must have at least candidate status with the North Central Association.

Regent Neu thought that at one time there had been a provision in the Code providing that institutions receiving Tuition Grants be accredited. He felt more marginal institutions could become eligible for the Tuition Grant program because they could easily get letters accepting their credits from marginal institutions which have already been approved for the program. He said this would change the purpose of the College Aid Commission's Tuition Grant program which is to help people attend bona fide colleges. This application of the program is not appropriate and not intended.

Mr. Richey noted that the residency issue associated with the Maharishi International University could have some affect on how students attending Regent institutions qualify for residency, depending upon on how it is resolved. The statute requires that Tuition Grant recipients have rules no less strict that those of the Regents for purposes of a Tuition Grant.

Mr. Richey explained that the statute requirement involves a year of unpaid service in Iowa. That year of service is used as the residency qualification period. The present case deals with the question of whether the year of service is primarily for the purpose of attending school or if it is a legitmate period analogous to anyone coming into the state and working for a year.

President Brownlee received the report on the meeting of the Iowa College Aid Commission on behalf of the board.

ACCREDITATION REPORTS. a. Accreditation of the University of Iowa's Physician's Assistant Program. It was recommended that the board receive the report of the Committee on Allied Health Education and Accreditation of the American Medical Association concerning the award of continuing accreditation to the Physician's Assistant Program of the University of Iowa College of Medicine in Iowa City, Iowa, for a period of two additional years.

The Board Office reported that at the April 9, 1981, meeting of the Committee on Allied Health Education and Accreditation, the committee voted to award continuing accreditation to the Physician's Assistant Program at the University of Iowa College of Medicine in Iowa City, Iowa, for a period of two additional years. There was no on-site visitation associated with this reaccreditation and hence no on-site report. The primary purpose for the extension of accreditation has to do with the desire to consolidate the accreditation for the Physician's Assistant Program with the accreditation visits for other programs that are accredited by the same organization.

The Board Office noted that the Physician's Assistant class began in 1972 with 10 students. Since that time, the class has more than doubled in size. In the fall of 1980, there were 37 students enrolled in the program.

According to an article in the Journal of the Iowa Medical Society, 80 percent of the graduates of the program have remained in Iowa where all but four were currently employed as physician's assistants. According to the article, students tend to remain in the area in which they are trained.

The Board Office said the university and the College of Medicine should be congratulated for achieving continuing accreditation of this important program. It noted that a copy of the self-study for this program is on file in the Board Office.

Vice President Brodbeck indicated that the program has been doing very well. The students rank at the top in grades on national examinations. Most of the graduates are placed in Iowa. She noted that there seems to be a strong demand for the Physician's Assistant program and a high opinion of it in Iowa and surrounding states.

Regent Anderson, noting that there had been some criticism of the program by members of the Iowa Medical Association, asked if any final action had been taken by that organization. Vice President Brodbeck said some objections had been raised that the Physicians Assistants do things that physicians could do. However, some members of the Iowa Medical Association defended the program. She said the Iowa Medical Association took no final action on the program although it did discuss various options.

President Brownlee received the report on the accreditation of the University of Iowa's Physician's Assistant Program on behalf of the board.

b. Evaluation of the Iowa School for the Deaf by the Conference of Educational Administrators Serving the Deaf. It was recommended that the board receive the report on the accreditation of the Iowa School for the Deaf by the Conference of Educational Administrators Serving the Deaf.

The Board Office said that in February 1981, there was a joint evaluation of the Iowa School for the Deaf by the Department of Public Instruction, the Conference of Educational Administrators Serving the Deaf (CEASD), and the North Central Association of Colleges and Schools (NCA). The evaluation report from the Department of Public Instruction was received by the board in April 1981, and the school's 1980-81 annual reaccreditation by the North Central Association was reported to the board in May 1981. By letter the CEASD provided official notice of reaccreditation by CEASD and commendations and congratulations to the school.

The full report of the CEASD and NCA visiting committees, which is available in the Board Office, includes comments regarding academic programs, administration, extracurricular activities, food service, group living, medical services, operation and maintenance, school organizations, support services/special services, and vocational education. The major general impressions by the joint site visit were highly favorable.

The on-site team recommended unanimously that the CEASD approve the request for reaccreditation of the Iowa School for the Deaf by CEASD. The team also recommended approval of the request for membership in the North Central Association.

The team provided recommendations relating to a number of areas in which programs could be expanded, improved, or otherwise strengthened.

The Board Office said that although a number of specific recommendations were made, the overall impression of the joint site visit team seemed to be a highly positive one. The school should be commended for achieving reaccreditation by the Conference of Educational Administrators Serving the Deaf and, in particular, for the gains noted in program improvements. The Board Office assumed that the report and recommendations will be reviewed in detail by the Iowa School for the Deaf Advisory Committee at its next meeting.

President Brownlee said the board was grateful for the results of the evaluation of the Iowa School for the Deaf. He noted that the school would be working with the Advisory Committee to review the recommendations of the CEASD.

President Brownlee received the report on the accreditation of the Iowa School for the Deaf by the Conference of Educational Administrators Serving the Deaf on behalf of the board.

c. Report on Review of Iowa Braille and Sight Saving School by the National Accreditation Council for Agencies Serving the Blind and Visually Handicapped and the North Central Association of Colleges and the North Central Association of Colleges and Schools. It was recommended

that the board receive the report of the on-site review of the Iowa Braille and Sight Saving School conducted jointly by and for the National Accreditation Council for Agencies Serving the Blind and Visually Handicapped and the North Central Association of Colleges and Schools.

The Board Office explained that in March 1981, the Iowa Braille and Sight Saving School was visited by a team of eight persons representing the National Accreditation Council for Agencies Serving the Blind and Visually Handicapped (NAC) and the North Central Association of Colleges and Schools (NCA). This on-site review was conducted as part of the school's application for reaccreditation by both NAC and NCA. In April 1981, the board received notification from the North Central Association of continuing accreditation for 1980-81. The joint team has now provided a report of the on-site review. An official notice concerning NAC's reaccreditation is expected at a later date, as is formal notice concerning 1981-82 NCA reaccreditation.

The review team's report states that:

Overall, the school's programs conform to its mission statement and to its legal mandate to serve blind and visually handicapped children and youth in Iowa. It is generally employing sound management practices and is developing plans for improved planning and evaluation. The school is providing quality services in most program areas although improvements are needed in others as detailed below. Finally, the team believes the school has the capacity and willingness to make further improvements and is taking positive action toward that end.

The school has been determined by NCA to adhere to its policies and standards.

The full report, available in the Board Office, provides discussion and detailed commendations and recommendations with respect to sixteen areas.

The Board Office said the school should be commended for the achievements noted and for its response to the suggestions of the previous review report. It assumed that the reports and recommendations will be reviewed in detail by the Iowa Braille and Sight Saving School Advisory Committee at its next meeting.

Superintendent DeMott indicated that the school found the review to be a very constructive and helpful process. For the most part, he thought the recommendations would be appropriate to implement.

President Brownlee noted that the school would be working with the Advisory Committee to review the recommendations of the report.

President Brownlee received the report of the on-site review of the Iowa Braille and Sight Saving School conducted jointly by and for the National Accreditation Council for Agencies Serving the Blind and Visually Handicapped and the North Central Association of Colleges and Schools on behalf of the board.

ANNUAL REPORT ON TENURE AT REGENT UNIVERSITIES - 1980-81. It was recommended that the board receive the tenure reports of the three Regent universities and request that future reports include submission of data on minorities per a format to be developed by the Board Office and the universities.

The Board Office noted that the individual tenure reports were included in each institution's docket. It also noted that this information presents only a partial view of faculty staffing and does not consider concerns of institutional vitality, faculty quality, and institutional history. Other factors, including projected enrollment declines, changing patterns of enrollment by college, and changing retirement policies also affect decisions on staffing patterns.

A general guideline discussed nationally and reported to the board in previous years has been that not more than one-half to two-thirds of the faculty at an institution should be tenured. This is recommended in order that opportunities for young faculty, women, and minorities can be provided and so that institutional vitality is not diminished. Recent reports based on preliminary data from the National Center for Educational Statistics for 1979-80 indicate that 65.6% of the faculty members at public universities are tenured. This figure is increasing gradually, having been reported as 64.6% in 1978-79 and 63.6% in 1977-78.

The Board Office reported that the percentage of the total faculty which is tenured ranges from 45.5% at the University of Iowa to 54.1% at the University of Northern Iowa and 63.0% at Iowa State University. However, the large number of non-tenure-track faculty in the health colleges at the University of Iowa tended to distort their average and deletion of these persons from the total raised the University of Iowa figure to a more comparable 59.2%. Since 1976-77 the percentage of the total faculty tenured has remained approximately the same or dropped slightly at each of the universities. However, the percentage of tenure-track faculty with tenure seems to be increasing gradually at the University of Iowa and Iowa State University while remaining more level at the University of Northern Iowa. The largest figure (77.6%) and also the greatest increase since 1979-80 (2.6%) for the percentage of tenure-track faculty with tenure is at Iowa State University. The other universities reported 70.5% (the University of Iowa) and 75.2% (the University of Northern Iowa).

At the University of Iowa the percentage of departments with 70% or more of tenure-track faculty tenured has increased from 43% in 1977-78

to 60% in 1980-81. At Iowa State University comparable figures have increased from 59% in 1977-78 to 77% in 1980-81. The percentage of departments with 70% or more of total faculty tenured has not changed as drastically although a slight upward trend may be noted. In general, tenure percentages at the Regent universities appear to be lower than national averages, but increases should be regarded with some caution and concern for the maintenance of institutional vitality and flexibility.

The Board Office said that 79 departments have had 70% or more of their tenure-track faculty tenured in each of the past four years (29 at the University of Iowa, 34 at Iowa State University, and 16 at the University of Northern Iowa). Fifteen departments (10 at the University of Iowa, 3 at Iowa State University, and 2 at the University of Northern Iowa) reached the 70% level in 1980-81, and 9 (8 at the University of Iowa and 1 at the University of Northern Iowa) dropped below the 70% level after being at or above that level in the prior year.

Data indicated that the proportion of females in the total faculty has increased slightly at each of the universities and is currently 18% at the University of Iowa, 21% at Iowa State University, and 30% at the University of Northern Iowa. The proportion of women among faculty members with tenure also has increased slightly at the University of Iowa and Iowa State University (to 11% and 14%, respectively), but has declined (from 22% to 20%) at the University of Northern Iowa. The percentage of tenure-track faculty who are female has been steady at the University of Iowa and Iowa State University and has dropped since last year at the University of Northern Iowa. Gains were notable in the percentage of female tenure-track faculty who have tenure at the University of Iowa and Iowa State University but, again, a decline was observed at the University of Northern Iowa.

The Board Office noted that no data was available for minorities in these reports. It requested that beginning with the 1982 report the universities submit information on racial minorities in a format to be worked out with the Board Office.

It was shown that, as would be expected, greater than 95% of the full professors are tenured as are nearly 90% of the associate professors. At the University of Iowa only 3% of assistant professors are tenured although higher levels were reported at Iowa State University (28%) and the University of Northern Iowa (45%). Both Iowa State University and the University of Iowa reported that some instructors also are tenured.

Vice President Christensen began discussion on the tenure reports by noting that the percentage of tenured faculty has gone down from what it was two years ago. He explained that during the past year the institutions had to revert money from position lines and that some lines had to be removed from the base budgets. A hiring freeze was imposed which meant there was a tendency to have fewer people in untenured positions. He noted that it is difficult to change the percentage when new people are not being hired. Regent Jorgensen, who had raised a concern about this earlier, indicated that she understood the reasons for this.

Regent Jorgensen also indicated that it was helpful to have the complete documentation provided in reviewing this report.

Regent Anderson asked the University of Iowa to comment upon the slight decrease in the number of women with tenure at the university. Vice President Martin did not feel this to be a significant trend. He said there is an unusually large percentage (25%) of females on the faculty. He said the lower percentage of females with tenure reflects new hiring. He noted that most of the positions are in the areas of business and industrial technology where it is difficult to hire females. More females need to continue graduate school to overcome this.

President Brownlee called attention to the Board Office's request that future reports include data on minorities. Mr. Barak said that he assumed the categories used for this would be the ones that are used nationally but that these would be worked out.

On behalf of the board, President Brownlee received the tenure reports of the three Regent universities and approved the request that future reports include submission of data on minorities per a format to be developed by the Board Office and the universities.

SUBMISSION OF NOMINEES TO FILL VACANCIES ON COMMITTEES AND OTHER ORGANIZATIONS. It was recommended that the board approve the following appointments to committees:

Committee on Educational Coordination - James Martin, term expiring 6/30/84.

Regent Committee on Educational Relations - Fred Schlunz, Virgil Lagomarcino, and Paul Morgan of Iowa State University; Duane Anderson, W. Albert Cox, and Ernest Zuber of the University of Iowa; Robert Leahy, Joseph Lamberti, and Clifford McCollum of the University of Northern Iowa to three-year terms ending 6/30/84.

Iowa Coordinating Council on Post-High School Education - John Kamerick and alternate Edward Voldseth to terms expiring 6/30/84.

Census Data Center Coordinating Unit - William Farrell, University of Iowa; James Wolf, University of Northern Iowa; and Clair Maple, Iowa State University to terms expiring 6/30/84.

MOTION: Mr. Nolting moved that the board approve the committee appointments as listed above. Mr. Neu seconded the motion and it passed unanimously.

INTERIM LEGISLATIVE REPORT - 1981 SESSION. It was recommended that the board accept the Interim Legislative Report - 1981 Session.

The Board Office reported that the 1981 regular session of the Iowa Legislature ended on Friday, May 22. It noted that a final report and summary report update would be mailed prior to the July board meeting.

The Board Office explained that the Legislature was expected to come back in special session on Wednesday, June 24. According to Senate Concurrent Resolution 32, the business of any extraordinary session occurring before the convening of the 1982 regular session shall consist solely of consideration of a plan for congressional legislative redistricting, changes in appropriations necessary because of actions of the United States Congress relating to block grants and categorical grants, consideration of any bill passed during the 1981 regular session that was vetoed or item-vetoed by the Governor if the effective date of the bill has not yet occurred, and consideration of a plan for railroad bonding for purposes of acquiring railroad right-of-way to continue providing railroad service in Iowa. There has also been some talk of consideration of a gasoline tax increase - a measure which failed to receive action in the House on the last day of the session.

The Board Office pointed out that in the final days the Legislature did not pass any bills which the Board of Regents opposed. Senate File 438, which deals with the confidentiality of employment applications did not receive final House action. This bill was supported by the board. It will be eligible for consideration in the 1982 Session.

Some of the important bills which will need some implementation on the part of the board and the institutions include those dealing with mental health reorganization, county extension levy increases, increase in public bid levels, change in contract retention provisions, handicapped parking provisions, fire marshal regulations, smoke detectors in residence halls and apartments, life-cycle purchasing, access to donated library materials, hazardous waste provisions, and appropriation of federal funds. All bills of interest passed by the 1981 Session and signed by the Governor will be detailed in the final legislative report.

In terms of Regents' appropriations, the Board Office mentioned the following bills of interest.

Senate File 552 is the major operating appropriations bill. It passed the Senate without change, as the Senate accepted the House amendments to the bill. There is a restriction on the use of state funds for abortions at University Hospitals and Clinics in the bill as it was approved.

Senate Concurrent Resolution 35 authorizes sale of \$58 million in academic revenue bonds over the next two years. Bonds authorized the first year total \$30 million. The second year authorization is \$28 million.

Senate File 575 appropriates , tuition replacement funds totaling \$4 million for fiscal year 1981-82 and \$4.9 million for fiscal year 1982-83. These are the amounts requested by the board. The bill rescinds \$12,566,000 in appropriations deauthorized by the 1980 Session for capital purposes and reappropriated effective July 1, 1981. For the most part, those funds are converted to bonding in the new authority.

House File 875 provides salary appropriations for the two years of the next biennium.

House File 850 is a comprehensive transportation bill. As a part of this bill there is a means to finance the Arena roadway without making that roadway funding dependent upon a gasoline tax increase. The total cost of this project, as listed in the Board of Regents' capital request, is \$1,430,000. The Legislature provided that \$850,000 would be appropriated from the road use tax fund for the fiscal biennium beginning July 1, 1981. Of that \$850,000, \$250,000 comes in a grant to the Board of Regents; the other \$600,000 would be paid back in an interest-free loan at the rate of \$60,000 per year for each of the next ten years beginning July 1, 1982. An additional \$150,000 is appropriated from the primary road fund for the fiscal biennium beginning July 1, 1981. Costs beyond \$1 million provided would come from the Board of Regents' institutional road funds.

The Board Office noted that a number of studies were called for by resolution during the session including the study for an audit of the Regents. All these matters will be referred to the Legislative Council for approval of studies during the interim. This summer and fall, the board will need to follow this issue closely at the Legislative Council level.

Mr. McMurray opened discussion on this topic by noting that Journals had been received for Friday, May 22. There was nothing unexpected in them.

Mr. Richey said a group of state officials was being convened to work out methods of administering the life-cycle purchasing bill. He noted that the Energy Policy Council has approached the board with respect to its taking a leadership role on this and in the development of procedures on a statewide basis.

Regent Neu noted that the Department of Transportation had been very generous in regard to House File 850 which provides a means to finance the Arena Roadway at the University of Iowa without making that funding dependent upon a gasoline tax increase. The Legislature provided that \$850,000 would be appropriated from the road use tax fund for the fiscal biennium beginning July 1, 1981. Of that \$850,000, \$250,000 comes in a grant to the Board of Regents; the other \$600,000 would be paid back in an interest-free loan at the rate of \$60,000 per year for each of the next ten years beginning July 1, 1982. An additional \$150,000 is appropriated from the primary road fund for the fiscal biennium beginning July 1, 1981. Costs beyond \$1 million provided would come from the Board of Regents' institutional road funds.

President Brownlee thanked Max Hawkins, Dave Henry, Ed Voldseth, and Casey Mahon and everyone who worked on legislative matters for a job well done. He said the board appreciated the difficulty of their accomplishments. President Brownlee also thanked Mr. Richey and Mr. McMurray for their efforts during the session.

President Brownlee accepted the Interim Legislative Report - 1981 Session on behalf of the board.

REPORT ON 1980-81 BUDGETS FOR FUEL AND PURCHASED ELECTRICITY. The Board Office explained that in 1974-75 a supplemental appropriation was granted to cover the dramatic increase in the world price of energy. Subsequently, a "pass-through" feature was incorporated in the appropriation bill that stated the intent of the General Assembly to provide additional funds, if needed, and allowed any surplus funds to be used for other purposes, such as maintenance, equipment, and miscellaneous purposes.

Because of the unpredictability of expenditures for fuel and purchased electricity due to price policies, weather, availability of fuel, and environmental requirements, the Board of Regents has allocated among the institutions any surpluses to cover deficits and to share remaining surpluses. Two years ago, it was suggested that a greater emphasis should be made on energy conservation and that reallocation of funds among the institutions should be discontinued in order to provide a greater incentive for energy savings. However, it was agreed that there would be reallocations of any surpluses at other institutions to cover a deficit in the fuel budget of another institution in the 1979-81 biennium. The appropriation bill for 1981-83 no longer contains the "pass-through" section. However, it is understood that supplemental appropriations could be requested if a serious deficit were anticipated.

Last year there were surpluses in the fuel and purchased electricity accounts in each of the institutions, which eliminated any need for reallocation to cover deficits. Moreover, the surpluses were not reallocated. A net surplus of \$622,000 is estimated for 1980-81 based on expenditures through May 1981. The only deficit anticipated at this time is at the

University of Iowa in the amount of \$57,000. These figures are based on comparison with the budget for 1980-81 as approved by the Regents in July 1980.

The Board Office suggested that the Iowa School for the Deaf and Iowa Braille and Sight Saving School not participate in reallocation of surpluses this year because of their very limited budget in both 1980-81 and 1981-82. These two schools need to purchase materials for the 1981-82 academic year.

Inasmuch as the only institutional deficit was reduced to \$57,000 at the University of Iowa, the Board Office said a recommendation may be made to the Board of Regents in July eliminate any reallocation among the institutions. According to the State Comptroller's staff, it will be possible to request reallocation of funds after the fiscal year books have been closed in July. It is likely that the University of Iowa will request reallocation of funds among its various organizational units.

The Board Office noted that the adjusted budget reflects institutional allocations of the 4.6% appropriation cost as follows:

Iowa State University -	\$600,000
University of Northern Iowa -	110,000
Iowa School for the Deaf -	10,000
Total	<u>\$720,000</u>

The total expenditures as compared with the adjusted budget would be a deficit of \$102,000.

The Board Office noted that a report and recommendation regarding fuel and purchased electricity could be anticipated for the July meeting of the Board of Regents.

Mr. Richey noted that it was a major disappointment that the "pass-through" concept was not continued this year. He said if the cost of fuel becomes increasingly volatile there may be a case for reinstatement of the "pass-through" policy. He pointed out that presently the cost of fuel is not any more volatile than anything else in the economy.

President Brownlee accepted the report on 1980 Budgets for Fuel and Purchased Electricity on behalf of the board.

REGENTS MERIT SYSTEM PLAY PLAN, CLASSIFICATION PLAN, AND RULE REVISIONS FOR FISCAL YEAR 1981-82. It was recommended that the board approve the following recommendations to be effective July 1, 1981:

1. Adoption of the pay matrices for nonorganized employees and blue collar, non-organized employees whose salary exceeds the maximum of their assigned pay grade will be 5%.

2. Deletion of a class, Technical Illustrator, and revision of class descriptions and minimum qualifications (with no changes in pay grades) for 15 other classes listed below:

Clerk Typist II	Secretary I
EEG/EP Tech.* I	Security - Detective
EEG/EP Tech.* II	Security - Lieutenant Detective
EEG/EP Tech.* III	Security - Patrol Officer
Hospital Sewing Machine Operator	Security - Sergeant
Maintenance Mechanic	Security - Sergeant Detective
Mechanic, Preventive Maintenance	Water Plant Operator
Occupational Therapy Assistant	

\*Electroencephalographic/Electrophysiology Technologist

3. Revision of the merit rules.
4. Increase from \$57 to \$62 maximum monthly contribution by the board toward single and family health insurance.

With respect to the pay matrices the Board Office explained that the salary appropriations bill enacted this year, House File 875, provides for an increase in each step of each pay grade for both organized and nonorganized employees in the amount of 8% for the fiscal year beginning July 1, 1981. The current pay plan consists of 16 steps. The collective bargaining agreement covering the blue collar, security, and technical employees calls for the elimination of steps 1 and 2 from those respective matrices. While some employees at the June 3 public hearing on the proposed pay plan objected to dropping steps 1 and 2 in the nonorganized matrix, the Board Office recommended that those steps be eliminated. Wage surveys of private employers with whom the Regent institutions compete for clerical employees indicated that the entry level wage for clerical positions needs to be raised to be competitive. A similar increase in the entry level wage is being effected in the organized units of the Regents Merit System and in the Iowa Merit System and failure to do likewise in the Regents nonorganized Merit area would cause these entry rates to fall behind other state levels as well as remain behind competitive private sector rates.

It was noted that House File 875 also calls for the temporary suspension of merit increases for both organized and nonorganized employees in the Regents Merit System as well as in the State Merit System. Again, the concerns of employees were expressed at the June 3 public hearing on the proposed pay plan. While those concerns are shared by institutional officials and the Board Office, the action of the Legislature and the Governor to freeze merit increases left no option at this time.

The elimination of the Technical Illustrator classification was recommended because none of the Regent institutions is using the classification any longer. There are adequate classifications available within the graphics art area which more adequately cover the work done at the institutions.

The Board Office said the revisions recommended for the other classes would not result in the change of pay grade assignment. Electroencephalograph, / Electrophysiology Technologist I, II, and III were revised to reflect more adequately the duties and responsibilities involved in the work and to recognize further alternative minimum requirements for entry into the classes. The Clerk Typist II classification was revised to eliminate the requirement that previous job experience include typing since the ability to type is covered in the entrance examination which includes a typing test. The minimum qualification for Clerk Typist II also was revised to provide additional alternative entry into the class through recognition of training. The Secretary I classification was revised to provide an additional alternative for entry into the class through recognition of training. The Hospital Sewing Machine Operator classification was revised to provide quantification of the amount of personal sewing that would be recognized in meeting the minimum qualification for the class.

The Maintenance Mechanic and Mechanic, Preventive Maintenance classifications were revised with regard to their minimum qualifications so as to provide greater flexibility in the experience that will be recognized as meeting the minimum qualifications for this class. The minimum qualifications for the various security classes were revised in order to tie them to the minimum qualifications required by the State Law Enforcement Academy Council. The minimum qualifications for Water Plant Operator were revised to relate directly to Iowa statute and Administrative Code requirements for certification. The minimum qualifications for the Occupational Therapy Assistant class were revised to tie in with the qualifications required for licensing under Iowa statute.

Revisions were recommended in five merit rules:

- A. 3.3(5) Suspension of Merit Increases. The proposed addition of this rule provides for the temporary suspension of merit increases as mandated in House File 875 and allows for the reimplementation of merit increases following such temporary suspension.
- b. 3.14(20), 3.14(21), 3.39(2), and 3.39(7). The proposed changes in in each of these four rules delete references to steps 1 and 2 since those two steps were eliminated from each of the merit pay matrices and make the appropriate reference to the step of the revised matrices.

The Board Office explained that the maximum contribution by the board toward single and family health insurance for employees of the Regents Merit System has been \$57 per month. An increase to a maximum contribution of \$62 was included in the collective bargaining agreements negotiated for the blue collar, security, and technical units and was proposed as well for the nonorganized merit employees.

The Board Office noted that a public hearing on the Merit System proposals for 1981-82 was held in Carver Hall at Iowa State University on June 3, 1981.

The Board Office further noted that the above recommendations were discussed and developed with appropriate institutional representatives and administrators.

Mr. Volm opened discussion on the pay plan and said that employees mentioned three concerns about it. They felt the 8% increase was too little, they want to maintain the merit step increases, and they objected to dropping the first two steps of the matrix. Some employees suggested that if a lower starting salary were used, the savings from this could be used to fund merit step increases. Mr. Volm explained that such savings would not be sufficient and that the elimination of step increases is mandated by law.

Other employees expressed concern about the inequity which will occur because new employees will begin at the same pay step as employees who have been employed for a time. Mr. Volm noted that that concern exists for people throughout the matrix. He said work has begun to develop proposals to alleviate this situation. He noted that dropping the first two steps is in compliance with state salary policies.

Mr. Volm explained that red circle employees, which are those whose salary rates exceed the maximum of the step on the pay schedule to which their position is assigned, would receive a 5% across-the-board salary increase. This is an effort to give them an increase but not to give them the full 8%. He noted that there are very few employees in this category and that their salaries will be brought into line through attrition and other changes. He further noted that the proposal by the State Merit Department provided no increases for the nonorganized red circle employees. Mr. Richey added that these employees must fall into the proper range in the state system within two years according to law. If they do not fall into the range, their salaries will be automatically dropped to get within it.

Regent Anderson said her greatest concern was about the dropping of the first two steps of the pay matrix. Since this was not a legislated change, she wondered if it might be possible to modify this proposal. She said the people currently at the third step were feeling a real injustice about this and thought it was unfortunate to drop the first two steps. She understood the need to compress the pay matrix and to increase beginning salaries but said that it was being done at a time when all other positions are being frozen. She wished there was some way to modify this action to alleviate what the employees on that step perceived as an inequitable situation.

Mr. Volm agreed that the dropping of these two step was not mandated in the salary appropriations bill. However, it has been a part of the Governor's recommendations and was assumed to be legislative intention.

Mr. Volm said that when the freeze on merit increases is lifted, the board may not return to its original plan. He said plans are being worked on that may involve some kind of movement for the people who

have been on step 3 longer to provide incentive and to give them some advantage. Regent Anderson said this would help a great deal. It was her feeling from attending the public hearing that this issue was bothering employees more than anything and any action that would alleviate the sense of injustice would be helpful.

Assistant Vice President Small said that appeared to be some differences in concern for employees at the University of Iowa. She said they had strong objections to the elimination of the merit steps. Regent Anderson agreed that employees had made this objection but felt they had put more emphasis on the dropping of steps 1 and 2 because this was not mandated by the Legislature.

Mr. Richey said that the dropping of the steps was implicitly mandated. He explained that the state took this action last year and the Regents did not. He believed the board would have some severe problems if it did not do this. Regent Anderson indicated that she understood this but that she wanted to show concern for the employees on the third step and recognize that whenever possible.

Regent Jorgensen, who presided at the public hearing on the pay plan, said it was a very good hearing. She said it was helpful to listen to those concerned and to be aware of what was happening. She appreciated the time the employees took to attend the hearing.

MOTION:

Mrs. Jorgensen moved that the board approve the adoption of the pay matrices for nonorganized employees and blue collar, security, and technical employees; provided, however, that pay for non-organized employees whose salary exceeds the maximum of their assigned pay grade will be increased 5%; approve the deletion of a class, Technical Illustrator, and revision of class descriptions and minimum qualifications (with no changes in pay grades) for 15 other classes; approve the revision of the merit rules; and approve the increase from \$57 to \$62 maximum monthly contribution by the board toward single and family health insurance. Mr. Nolting seconded the motion and it passed unanimously.

The pay matrices, class descriptions, and merit rule revisions are on file in the Board Office.

PAY PLAN FOR TEACHERS AND RELATED POSITIONS AT IOWA SCHOOL FOR THE DEAF AND IOWA BRAILLE AND SIGHT SAVING SCHOOL FOR FISCAL YEAR 1981-82. It was recommended that the board approve the proposed 1981-82 pay schedule for teachers and related positions and approve the conditions of appointment.

The Board Office explained that the proposed plan is based on an increase of 5% over the current schedule which, together with step and lane changes, will provide average increases of 8% at both institutions. The current pay plan provides for increments of \$288 per school year for teachers who have provisional certification from the Council on Education of the Deaf or the Association for the Education of the Visually Handicapped, or \$504 for permanent certification by those organizations. No changes were recommended in those increments for 1981-82, none were any changes proposed for the annual stipends paid to athletic coaches.

The Board Office noted that the proposed new base of \$11,928 for teachers at the special schools is competitive with the base salaries of other public schools and agencies for the 1981-82 school year.

In April, the board deferred action pending further consultation on changes in the conditions of appointment for teachers and related changes in the teachers' handbook which were proposed by Superintendent Gi greco. Consultation with Superintendent Giangreco, Superintendent DeMott, and representatives of the Board Office resulted in the proposed conditions of appointment.

Changes in the proposed conditions include the specification of the first two years of employment as a probationary period. This is similar to a requirement in the Code for other public school teachers in Iowa. During each of those two years a teacher is now and will continue to be evaluated twice. Current rules call for the evaluation of teachers with more than two years of service at the institution prior to January 15 and prior to May 1 of each year. Under the proposed conditions, teachers with more than two years of service with the institution would be evaluated annually, prior to March 1 of each school year.

The Board Office noted that a statement that scheduled work hours shall not preclude as part of a normal teaching assignment the supervision of extra-curricular activities at other times was added to the conditions.

The proposed conditions include a provision that any teacher, who is determined by the principal and the superintendent to be unsatisfactory, shall be dismissed at the end of the current school year or sooner if warranted. This provision was not included previously but has been followed in practice. Other changes in the conditions of appointment are matters of wording and organization rather than substance.

The Board Office recommended approval of the proposed pay schedule for 1981-82 and the proposed conditions of appointment.

Superintendent DeMott indicated that he was not concerned so much about the provisions of the conditions of employment as he was about the timing in hiring faculty. He explained that new faculty members become available beginning in February of each year. The months of May through April are the most critical months and are when most faculty are employed.

Superintendent DeMott noted that contracts cannot be offered to faculty until after the pay plan provisions are made each year. He said a contract involves two parties. The faculty make an assumption that if there is no commitment from the school, there need be no commitment on their part to assure the school they will maintain their positions until they are offered contracts. If a faculty member retires or resigns in June or July, this puts the school in a difficult position to find a replacement. Most individuals available for hire at this time are those who have not been able to find jobs and are not desirable candidates.

Superintendent DeMott said that if there was a way to offer contracts at the same time as other school systems, which is mid-March, it would be helpful. Presently it is possible to tell employees that they must stay under the provisions of the April 15 deadline but they have not been offered a legal contract. President Brownlee said this would have to be done in an informal arrangement because the board cannot adopt the pay plan until the General Assembly takes action.

Superintendent Giangreco said he was experiencing similar problems at Iowa School for the Deaf. He suggested issuing contracts at the present salary and then changing them after the appropriations are more definite. President Brownlee explained that this would also have to be done on an informal basis and be conditioned completely upon the action of the General Assembly. He noted that it is possible to receive appropriations that are less than the previous year.

Mr. Richey asked if the faculty received a statement of intent to continue their contracts, depending upon funding. This would mean that they would know in March and April that they will be hired if there is money with which to do it. Superintendent Giangreco said they are given verbal notice of intent. Mr. Richey suggested it would be possible to put this statement of intent into writing in a manner that is no more binding than the verbal statement. Regent Jorgensen agreed that this might relieve some of the faculty's apprehension.

MOTION: Mr. Neu moved that the board approve the proposed 1981-82 pay schedule for teachers and related positions and that the board approve the conditions of appointment. Mrs. Anderson seconded the motion and it passed unanimously.

The pay plan and conditions of appointment are on file in the Board Office.

CAPITAL BONDING PROGRAM, 1981-83 BIENNIUM. The Board Office recommended that the board:

1. Adopt a bonding plan for 1981 bonds sales totaling \$30 million, including the division of that \$30 million among the three universities and the projects funded therein for each university. (See the end of this section of the minutes.)

2. Defer action on the capital bonding plan for 1982 bond sales until this fall, at which time that plan will be considered along with other budgetary matters for the 1981 Legislative Session.
3. Take action to initiate sale of bonds on Monday, July 13, for each of the three universities.

The Board Office said that the Legislature, subject to approval by the Governor, in Senate Concurrent Resolution 35 provided for sale by the Board of Regents of \$58 million in academic revenue bonds over the next two years. Bonds which can be issued the first year total \$30 million. The projects to be included in that first year listing are restricted to exclude construction of new buildings.

The second year authorization is \$28 million and that amount of bonds was authorized subject to review in 1982 by the Joint Appropriations Subcommittee on Education of the projects for which the board plans to issue that amount of bonds. There is a total of \$59,180,000 in projects authorized from which the board will need to pick out later this year \$28 million for bonding probably in July 1982. The resolution further states that complete buildings must be constructed within the \$28 million authorized.

Senate Concurrent Resolution 35 also approved the board's Ten-Year Building Program, 1981-1991, of \$285,296,000. The program includes the ten-year energy management program of the board for the three universities as well as \$12.6 million in appropriations made in 1979, deauthorized in 1980, and originally scheduled to be reappropriated July 1, 1981. The deauthorized funds, however, were (for the most part) folded into the bonding authorization.

The Board Office originally worked with the institutions on the subcommittee bonding proposal which provided for a limit of \$20 million in bond issuances in 1981 and a further \$36,135,000 in fiscal year 1983. Agreement was reached with the universities relative to projects to be included within the \$20 million limit for sale in July 1981. The basic priorities which determined those inclusions were as follows:

<u>Priority 1</u> - To fund completion of projects already underway	\$11,567,000
<u>Priority 2</u> - To begin fire safety programs at each of the universities or, in the case of the University of Northern Iowa, to finish its fire safety needs	\$ 1,515,000
<u>Priority 3</u> - To continue the energy management program at the universities and to invest limited resources in quick-return projects	\$ 2,075,000

<u>Priority 4</u> - To sell all non-new building bonds for the University of Northern Iowa, leaving the sole decision for 1982 sales on a new building	\$ 1,815,000.
<u>Priority 5</u> - To provide for issuance costs or administrative charges for bonds outside of the project budget	\$ 184,000
<u>Priority 6</u> - To meet other crucial institutional needs, keeping projects as discrete as possible and not over-committing to 1982 bond sales	\$ 2,844,000

The Board Office explained that with the passage of Senate Concurrent Resolution 35 and the increase of the amount to \$30 million, it was possible to utilize the same priority determinations and increase bonding by \$10 million. The only added priority was that Board of Regents' capital askings priorities themselves by project within categories were respected. Use of that priority led to some projects automatically being put in the second year bonding eligibility list.

The list of projects excluded or not authorized for funding under Senate Concurrent Resolution 35 totals \$12,330,000. It includes all requests for Iowa School for the Deaf, Iowa Braille and Sight Saving School, and University Hospitals because those agencies are not eligible to use academic revenue bonds. An additional \$220,000 was excluded under Statewide Health Services because of the type of project involved. The rest of the excluded projects (with one exception) fall in lower priority than projects included in the bonding plan or eligible for inclusion in fiscal year 1983.

The Governor in his recommendations of \$58 million in new academic revenue bonding authority went as far down the Board of Regents' priorities, as well as the deauthorized list, as was possible with a \$58 million ceiling on new authorization. The subcommittee in its bonding program picked out three additional projects on the Board of Regents' list for special consideration. Those projects were Law Building Construction at the University of Northern Iowa, Planning for Veterinary Clinic Conversion at Iowa State University, and Communications/Art Center, Final Phase at the University of Northern Iowa. In picking out those three projects, the Legislature excluded the remodeling project at the University of Northern Iowa in Wright Hall and Sabin Hall.

The Legislature authorized non-new building construction projects totaling \$31,265,000. Because a ceiling of \$30 million was put on 1981 bond sales, \$1,265,000 had to be deferred until the second year of the biennium. However, the Board Office felt that the Legislature restored determination of priorities to the Board of Regents by restricting sale of bonds the first year to non-new construction projects. A decision on second year bonding within the \$59.2 million in eligible projects requires the board to decide its priorities and to present that list of priorities to the Joint Education Appropriations Subcommittee for review in the 1982 Session.

June 18-19, 1981

The Board Office summarized that in Senate Concurrent Resolution 35 the Legislature authorized \$89,180,000 in projects, but currently funds \$58 million. The makeup of the \$89,180,000 is as follows:

Deauthorized Projects	\$12,416,000
Emergency Needs	6,670,000
New Construction, Remodeling, and Equipment	61,365,000
Inflation Factor	2,790,000
Utility System Needs	3,785,000
Statewide Health Services	1,680,000
Issuance Costs	474,000
	<u>\$89,180,000</u>

The makeup of funded projects actually cannot be determined until the board reaches a decision on 1982 bonded projects.

The projects in the second year listing are expressed, where applicable, in inflated costs to account for the year's delay in some instances of beginning construction of certain of those projects. Any of the projects on the second year's list, should they be delayed beyond a 1982 start, would require further inflationary adjustments.

The division of funds among the three universities and the projects funded for the first \$30 million are described as follows:

University of Iowa

The bond issue for the University of Iowa would total \$9,085,000. Projects funded by category in the Board of Regents' request would be:

Deauthorized projects	\$3,667,000
Emergency Needs	2,265,000
New Construction, Remodeling and Equipment	250,000
Utility System Needs	1,150,000
Statewide Health Services	1,680,000
Issuance Costs	73,000
	<u>\$9,085,000</u>

The list follows the priorities of the university, as well as those of the board. A minor variance causes \$250,000 of the \$2,000,000 in fire safety deficiencies for the university to be deferred for sale into the second year. The Legislature deauthorized \$340,000 in planning funds

for three new buildings - the Communication Facility, the Theatre Addition, and the Law Building. Bonds for \$340,000 would be insufficient to bring any two of those three buildings up to the bidding state. As a result, the Board Office recommended that \$150,000 be added to the \$340,000 for planning new space. It noted that the university has certain contractual commitments expiring with the conclusion of the 1981-82 academic school year for day care centers that are on the site of the Law Building. A total of \$100,000 has been provided in the first year sales to enable site clearance for the Law Building to be initiated in late May and June of 1982.

Iowa State University

Authorization for Iowa State University would total \$15,600,000. Projects come from these categories:

Deauthorized projects	\$ 7,454,000
Emergency Needs	1,185,000
New Construction, Remodeling, and Equipment	5,540,000
Utility System Needs	1,320,000
Issuance Costs	101,000
	<u>\$15,600,000</u>

A total of \$815,000 of the \$2,000,000 authorized in fire safety deficiencies for Iowa State University is deferred to the second year because the university is unable to commit the full \$2,000,000 the first year and such deferral can be done while still meeting the most urgent fire safety deficiencies on the Iowa State University campus.

The Board Office said the Iowa State University listing respects the priorities set forth above, as well as the Board of Regents' priorities. The question of whether to bond for planning of the Veterinary Medicine Clinic conversion will be considered later this year. Iowa State University has suggested that part of those funds be provided in the first year's bonding. The Board Office did not recommend this for the reasons stated above and because of the relatively low priority that the Board of Regents has given to the Old Veterinary Clinic conversion project.

University of Northern Iowa

A total of \$5,315,000 would be sold for the University of Northern Iowa. This is the university's complete list of eligible projects for the first year in that the Communications/Arts Center - Planning and Construction is not eligible for construction until fiscal year 1983, according to the terms of the joint resolution. Projects come from these categories:

Deauthorized projects	\$1,295,000
Emergency Needs	2,155,000
New Construction, Remodeling, and Equipment	500,000
Utility System Needs	1,315,000
Issuance Costs	50,000
	<u>\$5,315,000</u>

One of the priorities from the outset was to sell all bonds for the University of Northern Iowa with the exception of those for the Communications/Arts Center, leaving that decision until the 1982 Legislative Session. If some of the projects for the University of Northern Iowa had been deferred until 1982 sales and the decision were made not to proceed with the Communications/Arts Center, the board could have been left with an uneconomical package for bonding for the University of Northern Iowa.

The university suggested that some of its fire safety deficiencies be deferred until the second year so that approximately \$250,000 could be utilized for planning the Communications/Arts Center. The Board Office did not recommend this because of the uneconomic size of the bond issue, as well as respect for the Board of Regents' priorities in that the Communications/Arts Center falls at the \$66 million level of the Board of Regents' overall capital request.

The Board Office noted that measures are proceeding to sale of separate bond issues for each of the three universities on Monday, July 13, at the Board of Regents meeting in Des Moines. Actions taken by the board to adopt resolutions directing the advertisement and sale of the academic revenue bonds are reported in the institutional sections of these minutes.

The Board Office said the board will need to make a decision this fall as to its plans for sale of \$28 million in bonds during fiscal year 1983. That plan is subject to review by the Joint Appropriations Subcommittee on Education. That review will occur sometime during the 1982 Legislative Session. At this point the board has \$59.2 million in projects listed in Senate Concurrent Resolution 35 as eligible for bonding in 1982. The Board Office recommended that the board defer making that decision until this fall at the time the board makes decisions on other aspects of its legislative programs for the 1982 Session.

Regent McDonald said he was in favor of the bonding program. He noted that the board would be using the law firm of Chapman and Cutler of Chicago. He felt there are many fine law firms in the State of Iowa that could furnish all of the same expertise and quality as an out-of-state firm. He asked if there was a process for law firms to submit proposals to be considered by the board.

President Brownlee responded that the firm of Chapman and Cutler was being used because of a historical precedent established many years ago and because of a long-standing relationship with that firm. It was his understanding that because of the size of the Regents' bond issues, the firm of Chapman and Cutler lends a certain stature in the bond market. They are not used because they have greater expertise than another firm but because they are better known.

Mr. Richey explained that the association with Chapman and Cutler began in 1962. At that time Iowa was new in the bond market and the board wanted a nationally recognized firm whose legal opinion on the bonds meant a lot in the bond market.

He noted that the association with this firm has been periodically reviewed with respect to the services being provided. He pointed out that normally the board would not change law firms unless it has a good reason as long as it is having a good experience with the firm and in the market.

Regent McDonald said he understood this and that twenty years ago the point of preeminence in the bond market and the affect on the bond would have been a valid point of consideration. He said he would like to give in-state law firms a chance to present their proposals to the board in the future.

President Brownlee suggested it may be time for a review of the board's relationship with Chapman and Cutler and to seek advice and proposals from other firms. Regent Jorgensen and Regent Harris agreed that it might be appropriate to do this.

Vice President Bezanson noted that Chapman and Cutler has done a very good job and is very reasonable and that the university is appreciative of that.

President Brownlee indicated that this review would take place in the fall after current issues are sold.

President Parks asked the board to reconsider its position on bonding for the Veterinary Medicine Clinic conversion. He said it is important to get on with the planning of remodeling this facility as soon as possible. He explained that the Department of Industrial Education is trying to use the building as is.

President Parks suggested using money from several Iowa State University projects in which the money cannot be fully utilized within the year to apply to planning for remodeling the Veterinary Medicine Clinic. He thought it would be possible to include \$200,000 for this project without doing any practical harm to the institution's total program.

Mr. Richey explained that the basic reason for leaving this project in the second year of the bonding program was that the plan the board submitted to the Legislature contained only planning for the facility and did not contain construction funds. It was the Board Office's feeling that by deferring this until the second year, the institution would have time to do the planning and construction in the succeeding biennium. He said that to do the planning a year early would not be a high priority use of funds.

President Parks said the university did not want to affect the priority of the project but that there was a difference of opinion on timing for it. Vice President Moore said that the Dean of the College of Education had made a good case that the planning would be in keeping with the board's priorities. He noted that not to defer action would be an indication to the dean and faculty that there is no change in the intent of the board. He noted that this would be a shift of money from one of the university's own projects to the remodeling of the Veterinary Medicine Clinic conversion.

Mr. Richey pointed out that this project falls at about \$66 million in terms of the Regents' capital request. He said there was concern about changing those priorities at this particular point, at least in the first year. He noted that if serious consideration was given to this request, there could be other priorities the board would want to review.

President Brownlee noted that Senate Concurrent Resolution 35 coincides with the Governor's recommendations. He noted that this project fell below the Governor's list of suggestions with respect to bonding. He felt that to move up this project would cause some concern even if it is recognized that it is for planning only.

President Parks said that to begin planning on this building seemed to be a much more efficient use of money. He said the university would not presume to move it up in priorities.

President Brownlee pointed out that if \$200,000 is subtracted from other Iowa State University projects and applied toward the remodeling, in the second year the university would have to replace the money subtracted from the other projects. Vice President Moore suggested subtracting \$200,000 from the \$1,185,000 for fire safety deficiencies in the first year. He noted that part of the fire safety deficiencies are planned for the first year of the biennium and part are planned for the second year. Regent Wenstrand thought this would increase the total amount for the second year by \$200,000. Vice President Moore disagreed and said the amount would remain the same because planning for the Veterinary Medicine Clinic would be removed in the second year.

Mr. Richey said it is crucial that the bonding program total \$58 million for the biennium. He said there is a total of \$59 million for all projects eligible for bonding and that \$30 million must come out of the list of projects to match the 1982-83 authority of \$28 million.

Mr. Richey pointed out the cash flow projections for the projects and anticipated investing very efficiently in order to achieve the interest earnings needed to pay bond debt service for the biennium.

President Brownlee noted that there is a tentative list of projects for the second year of the biennium on which the board must act in the future. The list must be approved by the Joint Appropriations Subcommittee on Education. He noted that the \$200,000 for planning for the Veterinary Medicine Clinic is not on that list and that this amount would have to be found somewhere in the second year at the sacrifice of another project, assuming that the tentative list holds in the future.

Vice President Christensen said that the faculty and students in Industrial Education have suffered in these ramshackle facilities and that there is a serious loss of morale. He said to begin planning for the project would help their morale.

Vice President Stansbury noted that the University of Northern Iowa is trying very hard for the Communications/Arts Center and that it would present this to the board again. He further noted that two small remodeling projects were not included in the authorized bonds. He did not disagree, however, with the program recommended by the Board Office.

President Boyd stated that the University of Iowa badly needs a law school. He said the university has an understanding with various groups on the project and that it is deeply committed to the project because it is so important.

President Brownlee noted that the Board of Regents is on record as being committed to both of these projects and said it will do everything possible to bring them to fruition.

Regent Wenstrand said he was sympathetic with the needs of the universities and the morale problem. However, he was in favor of the program as recommended by the Board Office. Regent Jorgensen agreed. She was concerned about faculty morale but felt it would be difficult to take one item out of context and fit it into the plan as conceived.

MOTION:

Mr. Nolting moved that the board adopt the bonding plan for 1981 bonds sales totaling \$30 million, including the division of that \$30 million among the three universities and the projects funded therein for each university as shown below and defer action on the capital bonding plan for 1982 bond sales until this fall, at which time that plan will be considered along with other budgetary matters for the 1982 Legislative Session. Mr. Neu seconded the motion and it passed unanimously.

Exhibit A

Revised 5-26-81

Recommended

STATE BOARD OF REGENTS

1981 Bond Sales \$30 MM

(\$000 omitted)

Target Sale Date - Monday, July 13

University of Iowa

West Campus Utility Improvements	\$ 1,917
Fire Safety Deficiencies	1,750
Chilled Water Plant--Phase IV	1,680
Sanitary and Storm Sewer Replacements	1,150
Energy Management Program	1,410
Planning New Space	490
Law Building (Site Clearance)	100
Handicapped Accessibility Program	515
Issuance Costs	<u>73</u>
TOTAL	<u>\$ 9,085</u>

Iowa State University

North Campus Storm Sewer	\$ 908
Heating Plant Improvements	1,290
Library Addition	4,200
Fire Safety Deficiencies	1,185
Quadrangle Equipment and Utilities	1,020
Campus Utility Improvements	1,036
Library Addition Equipment	1,520
Energy Management Program	1,340
Gilman Hall Renovations	3,000
Issuance Costs	<u>101</u>
TOTAL	<u>\$15,600</u>

University of Northern Iowa

Electrical System Improvements	\$ 800
Turbine Generator Supplemental	800
Russell Hall Renovation	500
Steam Distribution System Improvements	1,315
Fire Safety Deficiencies	825
Energy Management Program	1,025
Issuance Costs	<u>50</u>
TOTAL	<u>\$ 5,315</u>

## STATE BOARD OF REGENTS

Revised 5-16-82

1982 Bond Sales\$28 Million Authorized

(\$000 omitted)

<u>Current Board Priority</u>	<u>Among these projects:*</u> (Listed in current board priority)	<u>Project Amount</u>	<u>Cumulative</u>
1	SUI - Fire Safety Deficiencies	\$ 250	\$ 250
1	ISU - Fire Safety Deficiencies	815	1,065
2	SUI - Communication Building	6,900	7,965
2	SUI - Theatre Addition	5,985	13,950
3	ISU - Mechanical Engineering Building	13,600	27,550
3	ISU - Mechanical Engineering Building Equipment and Utilities	1,820	29,370
4	UNI - Communication Arts Center	7,100	36,470
5	ISU - Planning for Veterinary Clinic Conversion	200	36,670
6	SUI - Law Building	22,260	<u>58,930</u>
-	Costs of Bond Issuances (on \$28 MM) (3 sales)	<u>250</u>	
	TOTAL	<u>\$59,180</u>	

\* Subject to selection in fall 1981 with sales in FY 1982-83.

Exhibit B

Board of Regents

5-11-81

1981-83 CAPITAL REQUESTS NOT AUTHORIZED  
OR ELIGIBLE FOR FUNDING UNDER SCR 35

(In Priority Order by Category)

(\$000 omitted)

<u>Campus</u>	<u>Programs/Project</u>	<u>Estimated Cost</u>
<u>Category A: Emergency Needs and Safety Programs</u>		
ISD	Handicapped Accessibility Program Improvements-- Supplemental	\$ 35
IBSSS	Raze Old Power Plant Stack and Ash House	<u>75</u>
	Subtotal	<u>\$ 110</u>
 <u>Category B: New Construction, Remodeling, and Equipment</u>		
ISD	Recreational Improvements--Pool Expansion; Recreational Building Construction	\$ 1,205
UNI	Wright Hall and Sabin Hall--Academic and Office Space--Remodel	1,095
SUI	Chemistry/Botany Building--Remodel	<u>3,390</u>
	Subtotal	<u>\$ 5,690</u>
 <u>Category C: Utility System Needs</u>		
IBSSS	Utility System Improvements	\$ 150
SUI	Electric Distribution System Improvements-- Oakdale Campus	1,860
SUI	Power Plant--Renovations	240
SUI	Steam Line Replacement--University Theatre to Mus Music Building	335
ISU	Primary Electric Systems--Revisions and Improvements	<u>1,090</u>
		<u>\$ 3,675</u>
 <u>Category D: Statewide Health Services</u>		
SUI	State Hygienic Laboratory--New Addition Oakdale Campus--Planning Only	\$ 220
	Subtotal	<u>\$ 220</u>

Exhibit B continued

<u>Campus</u>	<u>Programs/Project</u>	<u>Estimated Cost</u>
	<u>Category E: Special Programs</u>	
SBR	Energy Management Program Continuation	\$ 2,485
	SUI                   \$ 280	
	Univ. Hospitals     500	
	ISU                   500	
	UNI                   1,005	
	ISD                   125	
	IBSSS <u>75</u>	
ISU	Water Pollution Control Plant Share	<u>150</u>
	Subtotal	<u>\$ 2,635</u>
	TOTAL NOT ELIGIBLE	<u><u>\$12,330*</u></u>

*	University of Iowa	\$ 6,325
	University Hospitals	500
	Iowa State University	1,740
	University of Northern Iowa	2,100
	Iowa School for the Deaf	1,365
	Iowa Braille and Sight Saving School	300

PROFESSIONAL AND SCIENTIFIC PAY POLICY AND PAY PLANS FOR 1981-82. Several recommendations were made to the board:

1. To adopt the policy for the distribution of salary increase for professional and scientific staff members: Each staff member will receive an increase of at least 5% with additional increased to be distributed at the discretion of the institutions.
2. To approve the University of Iowa pay plan proposal as presented.
3. To approve the Iowa State pay plan proposal as presented.
4. To approve the University of Northern Iowa pay plan proposal as presented.
5. To approve the pay plan propose for the Iowa School for the Deaf and Iowa Braille and Sight Saving School as presented.
6. To approve the pay plan proposal for the Board Office as presented.

The Board Office explained that House File 875 provides appropriations for salaries of professional and scientific employees with the Board of Regents in the amount necessary to fund an average base salary increase of 8%, which increase according to House File 875 is to be allocated to the various employees at the discretion of the Board of Regents.

Following consultation with institutional administrators, the Board Office recommended that the board approve a 5% increase for all professional and scientific staff members with allocation of additional discretionary merit increases to be provided by the institutions for the fiscal year beginning July 1, 1981.

The University of Iowa adjusted its professional and scientific salary schedule for 1981-82 by increasing both the minimum and maximum of each pay grade by 8%. Therefore, the midpoints also were increased by a corresponding 8%.

The Board Office noted that this is a different approach than the other two universities. The University of Iowa has the same compression problems as the other two universities but the pressure of competitive salaries was considered greater than the compression difficulties and an 8% increase in minimum was proposed. This adjustment will retain the present relationship between the pay grades at the University of Iowa.

Iowa State University provided necessary adjustments in their professional and scientific pay plan for 1981-82 in order to comply with the salary policy proposed above. The changes would increase the minimum of each salary range by 5% and the maximum of each range by 8%.

This method of change at Iowa State University will insure that the relationship between salary grades will be consistent and will provide better distribution of employees in the pay grades, while maintaining 1% midpoint differentials.

The Board Office provided salary survey data showing the University of Iowa's and Iowa State University's relatively unfavorable competitive positions in salaries for professional and scientific positions in the marketplace and a listing of classification additions/deletions and changes at the institutions.

The University of Northern Iowa adjusted its pay plan for professional and scientific personnel by increasing the minimums of each pay grade by 5% and the maximums by 8%. This method, the same as used by Iowa State University, provides the necessary adjustments in order to comply with the salary policy proposed above.

The change at the University of Northern Iowa will provide for an increase of 6.8% in the midpoint of each pay grade. The distribution of the professional and scientific staff salaries within and between pay grades is considered generally to be appropriate and reflects little fluctuation during the 1980-81 period. The change will allow for movement toward the midpoint by satisfactory performers below that point.

The Board Office provided a list of classification additions/deletions and changes and information on salary survey data showing the institution's competitive position with regard to salaries for professional and scientific staff at the University of Northern Iowa.

The pay plan for professional and scientific staff at the Iowa School for the Deaf and Iowa Braille and Sight Saving School was adjusted by increasing both the minimums and maximums of each pay grade by 8%. This is the same approach followed for professional positions in the State Merit System.

The pay plan for the Board Office professional staff was revised increasing both the minimums and maximums for each pay grade by 8% in the same manner as professional pay grades are being changed in the State Merit System. The resulting changes will comply with the pay policy proposed above.

Mr. Volm noted that in each instance, the recommended adjustments were consistent with the policy proposed in House File 875.

President Brownlee noted that in regard to the discretionary merit increases, there would be a 5% and 3% split.

MOTION:

Dr. Harris moved that the board adopt the following policy for the distribution of salary increase for professional and scientific staff members: Each staff member will receive an increase of at least 5% with additional increases to be distributed at the discretion of the institutions and that the board approve the University of Iowa pay plan proposal as presented; the Iowa State University pay plan as presented; the University of Northern Iowa pay plan proposal as presented; the pay plan proposal for the Iowa School for the Deaf and Iowa Braille and Sight Saving School as presented; and the pay plan proposal for the Board Office as presented. Mr. McDonald seconded the motion and it passed unanimously.

PRELIMINARY INSTITUTIONAL OPERATING BUDGETS FOR FISCAL YEAR 1981-82. It was recommended that the board allocate the Western Iowa Continuing Education appropriation in 1981-82 as follows: the University of Iowa - \$37,206 and Iowa State University - \$58,194 and that the board authorize the Regent institutions to begin operations at the preliminary budget level approved at this board meeting with any subsequent adjustments acted upon by the board in July 1981 to be implemented at that time.

GENERAL PROGRAM OPERATIONS

The Board Office explained that the proposed preliminary budgets for the twelve organizational units comprising Regent institutions amount to \$449.6 million in general funds. This compares to an original approved budget for 1980-81 of \$406.7 million and a revised budget estimated at \$403.8 million. Appropriations comprise \$275.5 million, or 61% of the total proposed budget. This is a smaller share than initially appropriated for 1980-81. It is approximately the same share as indicated in revised 1980-81 institutional budgets. Overall, the preliminary budget proposal is 10.5% more than original 1980-81 budgets approved by the Regents.

The proposed budget for 1981-82 when compared to the original budget for 1980-81 shows a \$42.9 million increase in revenue. Tuition from both increased enrollment in 1980-81 and increased rates in 1981-82 account for \$12.5 million. Appropriations account for \$13.5 million. All other institutional income, primarily from the University Hospitals and Clinics, amounts to \$16.9 million.

If the same comparison is made starting with the revised (final) budget estimated for 1980-81, the increase is \$45.9 million. From the revised 1980-81 budget, new tuition income (rate increase only) amounts to \$8.9 million. Appropriation increases amount to \$25.8 million, and all other income increases are \$11.1.

On the expenditure side, staying with increases from the revised 1980-81 budget to the proposed 1981-82 budget, categories of planned expense are as follows:

<u>Expense Category</u>	<u>1981-82 Proposed (Millions)</u>
Salaries and Fringe Benefits -	
Salary Policy	\$29.4
Position Increases - Workload	5.8
Fuel & Purchased Electricity -	
Price Inflation	3.5
Essential Program Adjustments -	
New Buildings/Sewer Rates	0.6
Supplies and Services; Library	
Acquisitions, Equipment and	
Building Repairs	<u>6.6</u>
	<u>\$45.9</u>

#### EXECUTIVE AND LEGISLATIVE ACTION

The Governor's recommendation to the General Assembly for F.Y. 1982 for the institutions under the Board of Regents continued the base reduction of 4.6% in appropriations that was required in F.Y. 1982 and provided increased funds for salaries, price inflation for fuel and purchased electricity, plus funds to cover the cost of opening new buildings coming on line in F.Y. 1982. No additional funds were provided to cover price growth for goods and services other than fuel and electricity, except as they could be provided from the proceeds of the tuition rate increase. Governor Ray recommended that the proceeds of the tuition rate increase, about \$7 million annually exclusive of the cost of student aid and the extraordinary increases in the health sciences, remain with the institutions to be used at the discretion of the Board of Regents. It was understood that some of these funds would probably cover essential items deleted because of the 4.6% appropriation cut, inflation, needed additions to staff to cover problems in handling the increased student load in some departments of the universities, such as engineering, computer science, and business. It was also assumed that loss of federal capitation grants of approximately \$1.7 million would be covered in part by the proceeds of the tuition rate increase.

The Legislature substantially accepted the budget based on the Governor's recommendation, except that it further reduced appropriations by about \$450,000 a year. The Joint Subcommittee on Educational Appropriations indicated that the cuts were made in the information services of the

universities and in the admissions offices but it was understood that the Board of Regents would have discretion as to where the cuts were actually made during execution of the budget. The proceeds of these reductions were utilized by the committee to continue the appropriations to the College of Osteopathic Medicine and Surgery.

The appropriations for all state agencies for salary increases were made by the Legislature to a fund in the State Comptroller's office. The institutions will not know precisely what funds they are to receive from this source until the Comptroller actually notifies them.

#### SPECIAL PURPOSE APPROPRIATIONS 1981-82

Standing appropriations relating to clothing and transportation allowances at the special schools were appropriated as requested. Need was estimated at \$14,000. The University of Iowa excess indigent patient quota appropriation was closed out. The Iowa State University livestock disease appropriation was funded at the \$100,000 level. The statewide family practice program received a \$1,140,030 appropriation or 4.6% less than in 1980-81.

#### INSTITUTIONAL OPERATIONS

Appropriation Reductions in 1980-81. Regent institutions were required to respond to a 4.6% appropriation reduction with little opportunity to plan for the concomitant operation reductions. Preliminary reports to the Regents indicated how Regent institutions anticipated absorbing the reductions. Every institution had appropriations reduced by the 4.6% factor.

Nine of the twelve organizational units earned institutional income beyond original budget estimates. There were three organizational units, the University Hospitals & Clinics, Psychiatric Hospital, and the State Hygienic Laboratory, that received budget ceiling changes in that total operating revenue and planned expenditures exceeded initial budget ceilings approved by the Regents. The other six organizational units, while earning additional institutional income, do not anticipate exceeding Regent approved budgets and therefore will expend additional revenues as earned. Initially, additional institutional income may be perceived as an offset against appropriation reductions. In many instances this is not so in that, with additional institutional revenue whether it be tuition, sales and services, or other institutional income, there are attendant expenses. In the case of the instructional program, tuition revenues from additional enrollment may not even cover direct costs of instruction for the larger number of students.

The Board Office summarized the temporary adjustments associated with appropriation reductions and institutional income increases. Subsequent decisions by the campuses for allocating the appropriation loss in 1981-82 in some cases continued the temporary pattern of 1980-81. In other cases, major shifts have occurred. It noted that appropriations for the second year of the 1981-83 biennium restore the 4.6% appropriation reduction initiated in 1980-81.

Preliminary Operating Budgets 1981-82. Explanation of proposed operating budgets which must demonstrate both allocation of appropriation reductions and appropriation additions plus the additions of institutional income is difficult at minimum. The narratives associated with the institutional proposals explain and, in many cases, reconcile the adjustments involved. Changes based on inflation increases as well as changes based on program considerations are addressed.

Final Operating Budgets 1981-82. Final operating budgets will be acted upon at the July board meeting. At that time Regent institutions will submit their formal internal operating budget books. As the new fiscal year will be underway, Regent institutions would be expected to operate within the limits set through board action on preliminary budgets.

Western Iowa Continuing Education Program. This program was initiated several years ago to strengthen the educational opportunities of this area. A degree, Bachelor of Liberal Studies, may be earned through this program.

The Board Office recommended that Western Iowa Continuing Education appropriations to the Regents be allocated as indicated earlier and that institutions operate on the basis of preliminary budget approval until final action is taken on 1981-82 operating budgets at the July board meeting.

Vice President Christensen, who represented the board as liaison with the task force which reviewed the Western Iowa Continuing Education Program, said there is clearly a demand for this program and that the program is extremely viable and meets the goals of the future. He said the amount of money provided was insufficient.

Vice President Martin said that although it was not apparent from the allocations, the University of Northern Iowa shares in the maintaining of this program.

MOTION:

Mrs. Jorgensen moved that the board allocate the Western Iowa Continuing Education appropriations in 1981-82 as follows:  
the University of Iowa - \$37,206 and Iowa State University - \$58,194. Mr. Wenstrand seconded the motion and it passed unanimously.

Mr. Richey explained that the proposed budget of \$451,380,000, including the Board Office, the Western Iowa program, and the Statewide Family Practice program, represents an increase of 11% over the current year level as adjusted for the 4.6% reduction. He said this is 5.1% above appropriations a year ago. He noted there would be \$35 million for salaries and new positions to take care of enrollment growth and \$11 million for all other expense categories. There will be \$9.3 million in new tuition income which includes the amount allocated for student financial aid and extraordinary increases in the health sciences tuition.

Mr. Richey said that each institution went through an internal reassessment in order to absorb the 4.6% appropriation cutback. In addition, the institutions had to free funds for unfavorable inflationary growth.

Mr. Richey noted that the Statewide Family Practice Program is separate from these budgets but was funded at the 4.6% reduction level. Iowa State University received a \$100,000 standing appropriation for livestock research which was \$100,000 above the Governor's recommendation.

He said that by approving these budgets, the board would allow the institutions to develop detailed budgets based on the general policies therein and to operate in the interim between July 1 and July 13, 1981. The detailed budgets will be presented to the board next month.

Regent Wenstrand, noting that the institutions had to make some hard budgeting decisions, expressed appreciation to them. He said the budgets point out the need for flexibility and that this should be kept in mind as a long-term objective of the board. Without this flexibility, he felt the situation could have been much worse.

MOTION:

Mr. Nolting moved that the board authorize the Regent institutions to begin operations at the preliminary budget level approved at this board meeting with any subsequent adjustments acted upon by the board in July 1981 to be implemented at that time. Mr. Neu seconded the motion and it passed unanimously.

The board then turned to a discussion of salaries of the heads of the Regent institutions.

President Brownlee said that the salaries for institutional heads are lagging compared to national trends. Mr. Richey said that salaries for last year were \$67,157 at the University of Iowa and Iowa State University, \$62,720 at the University of Northern Iowa, \$39,000 at Iowa School for the Deaf, and \$32,000 at Iowa Braille and Sight Saving School.

Regent McDonald said that one of the board's major considerations is to see that its fine quality institutions in Iowa are competitive in the market area. He noted that this was especially important this year because of the presidential search at the University of Iowa. He suggested setting salaries that would place Iowa in the third or fourth position in the ranking of salaries in the area with which the Regent institutions are compared.

MOTION: Mr. McDonald moved that the salaries of the institutional heads be set as follows:  
\$82,500 at the University of Iowa and Iowa State University, \$67,740 at the University of Northern Iowa, \$42,120 at Iowa School for the Deaf, and \$36,000 at Iowa Braille and Sight Saving School. Mr. Nolting seconded the motion.

Mr. Richey noted that these amounts would certainly be in line with the competition.

VOTE ON MOTION: The motion passed unanimously.

PRELIMINARY BOARD OFFICE BUDGET. It was recommended that the board approve the preliminary budget of \$621,988 for operation of the Board Office for fiscal year 1981-82 and that it recommend to the Governor the salary of the executive secretary for fiscal year 1981-82.

The Board Office explained that the proposed budget for the Board Office in fiscal year 1982 of \$621,988 is based on estimates of appropriations available to the office for that period and assessments to the institutions no greater than in fiscal year 1981. The appropriations available reflect the 4.6% reduction and the 8% salary policy adopted by the General Assembly.

The costs of the Board Office associated with administration of the Regents Merit System, Employment Relations, and Equal Employment Opportunity are financed by assessments to each institution under the Regents. Assessments for the Merit Unit are based on the number of employees at each institution, while the other assessments are 40% each for the University of Iowa and Iowa State University and 20% for the University of Northern Iowa.

The Board Office explained that the 4.6% reduction required some staff adjustments and shifts in source of funding. One professional position

position in the Merit Unit was eliminated and another was "frozen" for seven months. The proposed budget assumes that the latter position will not be filled for at least eight months of fiscal year 1982. The funds freed by these actions will yield savings of about \$30,000 in 1981-82.

The estimated savings are in a program financed by institutional assessments, while the 4.6% reduction is in appropriations for general Board Office operations. It was proposed that the institutions funds of \$28,886 be shifted to the general Board Office functions.

The total for the Board Office assessments to the institutions for fiscal year 1982 would be within the amounts the institutions will receive, assuming the 4.6% reduction in appropriations and the increase of 8% in salary budgets.

The proposed budget for operation of the Board Office in fiscal year 1982 assumes the same level of service and activity as the current year. Except for the positions noted above as being eliminated or "frozen," the staffing remains the same as last year. Actual expenditures will be greater in the Employment Relations Unit because of the filling of the director's position.

The proposed budget reflects the salary policy adopted by the General Assembly. Employees under the Regents Merit System would receive an 8% across-the-board increase as mandated. The professional staff would receive average increases of 8% depending upon assessments of individual performance, competitive factors, equity of pay for similar levels of responsibility, and general inflation.

Non-personnel expenditures for FY 1982 reflect actual and anticipated price increases. Telephone rental rates are up 30% and postal rates are up 20%. Reimbursement for private car mileage will increase from 20¢ to 22¢ per mile on July 1. Substantial increases are projected for due, memberships, and maintenance of equipment. Lodging expenses are estimated to rise by 9%.

The budget for the enrollment studies financed by a grant by the Ford Foundation will be reported at the July meeting. It is anticipated that Iowa State University will act as fiscal agent for the grant.

The Board Office said the final budget for the Board Office for FY 1982 will be presented to the board for action in July. It will reflect the actual allocations of appropriations by the State Comptroller for salary increases and the action of the Governor on the salary of the executive secretary.

Mr. Richey said he thought the proposed budget would carry the Board Office through the next year assuming there are no additional increases for telephone, postage, and mileage reimbursement.

Regent Wenstrand said that since he has been on the Board of Regents he thought the salary of the executive secretary was inadequate. He suggested that the board ask the Governor to consider placing that salary on the upper end of range five. He said the board appreciated all of Mr. Richey's efforts.

President Brownlee noted that for many years the board has unsuccessfully asked to set the salary of its own executive director. Under the current plan, the General Assembly sets several ranges for different categories of state positions and the Governor sets the salary. The range for the executive secretary is \$37,800-\$48,600.

President Brownlee noted that the executive secretary's salary is ahead only in states like Arkansas and Missouri. He felt strongly that the board should request that action be taken to at least put the executive secretary salary at the top of the range.

President Brownlee suggested that the board recommend a specific salary rather than a range. Regent Harris noted that the board has never done this and though it might be what the board needed to do.

MOTION: Dr. Harris moved that the board request that the salary of the executive secretary be set at \$48,600 and that a strong letter indicate the board's strong support for the excellent job the executive secretary does. The motion was seconded by Mr. Neu and passed unanimously.

MOTION: Mr. Nolting moved that the board instruct the president of the board to carry the message on the executive secretary's salary to the Governor personally. Mrs. Murphy seconded the motion and it passed unanimously.

REGISTER OF PERSONNEL CHANGES. There were no transactions on the Register of Personnel Changes for the Board Office.

ATTENDANCE OF REGENTS AT SUMMER COMMENCEMENTS. The Board Office reported the dates for summer commencement at the Regent universities:

University of Iowa	Friday, July 31	7:30 p.m.	Hancher Auditorium
Iowa State University	Saturday, August 15	9:30 a.m.	Hilton Coliseum
University of Northern Iowa	Friday, July 31	7:30 p.m.	University of Northern Iowa Dome

President Brownlee asked that board members interested in attending any of the commencements notify the Board Office of their interest.

NEXT MEETINGS.

July 13		Des Moines
August	NO MEETING	
September 16-17	Iowa School for the Deaf	Council Bluffs
October 21-22	University of Iowa	Iowa City
November 18-19	University of Northern Iowa	Cedar Falls
December 16-17	Iowa State University	Ames

President Brownlee noted that the July board meeting will be held in Des Moines on July 13. The board will sell bonds at that meeting. President Brownlee said that he had been asked about holding the meeting at the Marriott Hotel and explained that this is one of the more reasonable places for people to stay because of its willingness to give the board state rates. He said this is of benefit to the taxpayers of Iowa.

President Brownlee pointed out that the places for the November and December meetings had been changed. The meeting in November will be held at the University of Northern Iowa and will be a one-day meeting. In December the meeting will be held at Iowa State University. This will probably be a two-day meeting.

ADVANCE DOCKET. The Board Office noted that advance dockets would include bond sales at the University of Iowa, Iowa State University, and the University of Northern Iowa and final detailed institutional budgets for Fiscal Year 1981-82.

President Brownlee then asked board members and institutional executives if there were additional matters to be raised for discussion pertaining to the general docket.

ACADEMIC CALENDARS. Regent Jorgensen expressed a concern about the timing of Christmas vacations. It had been pointed out to her that by placing the Christmas vacation right before Christmas and the university remaining closed for three or four weeks, students do not have an opportunity to be employed. She suggested moving the vacation to before Christmas so students could get jobs during the Christmas rush.

President Parks said a problem with this is that the school year must be started earlier which would cut out the opportunities for summer jobs. President Boyd said this issue was discussed at the University of Iowa in the early 1970s. There was then a problem of final examinations being put off until after the holiday recess. He said students were very content with the present policy which has the end of the semester right before the holiday break.

## STATE UNIVERSITY OF IOWA

The following business pertaining to the State University of Iowa was transacted on Thursday, June 18, 1981.

OPERATION OF TENURE POLICIES, 1980-81. It was recommended that the board receive the report on operation of tenure policies for 1980-81 for the University of Iowa.

President Boyd indicated that the university firmly believes in tenure and that it is the cornerstone of the university's approach. He said that tenured faculty is the key to the institution.

President Boyd pointed out that the university addresses the issue of faculty vitality in a variety of ways including the faculty development program, Old Gold Summer Fellowship programs, special external awards or grants, and opportunities for serving as visiting faculty at other universities. He noted that all faculty are evaluated regardless of whether they have tenure.

Vice President Brodbeck said that the percentage of tenured faculty has remained relatively stable and is lower than the national average. She said the University of Iowa takes some satisfaction in the fact that the percentage of women on the tenure track has increased over the past two years.

Vice President Brodbeck was hopeful that affirmative action would enable the university to appoint more women and minority members.

Tenure at all three Regent universities and receiving of the reports is discussed in the general section of these minutes.

ACADEMIC REVENUE BONDING. It was recommended that the board adopt a resolution directing the advertisement and sale of \$9,085,000 Academic Building Revenue Bonds, Series S.U.I. 1981.

The Board Office explained that the Legislature in Senate Concurrent Resolution 35 authorized issuance in fiscal year 1982 of \$30 million in academic revenue bonds for the three universities. The bonding plan is explained in the general section of these minutes.

The amount recommended for allocation to the University of Iowa was \$9,085,000. Estimated projects costs are as follows:

West Campus Utility Improvements	\$1,917,000
Fire Safety Deficiencies	1,750,000
Chilled Water Plant - Phase IV	1,680,000
Sanitary and Storm Sewer Replacements	1,150,000
Energy Management Program	1,410,000
Planning New Space	490,000
Law Building (Site Clearance)	100,000
Handicapped Accessibility Program	515,000
Issuance Costs	73,000
	<u>\$9,085,000</u>

The Board Office explained that the bonds offered for sale would be in denominations of \$5,000 each dated July 1, 1981, and maturing in numerical order beginning July 1, 1984, in annual amounts of \$500,000 for each year from 1984 through 1999 with the final two payments being \$535,000 and \$550,000 in the years 2000 and 2001, respectively.

The board would have the right to call and redeem any bonds maturing on or after July 1, 1994, upon terms of par and accrued interest plus a premium equal to 1/2 of 1% 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% of the principal amount of said bonds.

The resolution calls upon the executive secretary to publish notice of the sale seven days prior to the date of the sale in the Des Moines Register. Sale date is established at 1:00 p.m., Central Daylight Savings Time, July 13, 1981.

The notice of sale also states that the sole paying agent shall be the Office of the Treasurer of the State University of Iowa. The notice states that bonds are expected to be delivered within forty days after the sale.

MOTION:

The board took up for consideration the matter of providing for the advertisement and sale of \$9,085,000 Academic Building Revenue Bonds, Series, S.U.I. 1981. Whereupon Mrs. Jorgensen introduced and caused to be read a resolution entitled "Resolution directing the advertisement and sale of \$9,085,000 Academic Building Revenue Bonds, Series S.U.I. 1981," and moved that said resolution be adopted. Dr. Harris seconded the motion, and after due consideration the president put the question on the motion and, the roll being called, the following voted:

AYE: Anderson, Harris, Jorgensen, McDonald, Murphy, Neu, Nolting, Wenstrand, Brownlee

Nay: None

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

PRELIMINARY OPERATING BUDGET PROPOSALS - 1981-82. It was recommended that the board:

1. Approve the preliminary budget proposals for the general educational fund with the following budget ceilings:

<u>Organizational Unit</u>	1980-81 Revised Budget (000s)	1981-82 Proposed Budget Omitted
General University	\$123,736	\$138,368
University Hospitals & Clinics	95,225	107,499
Psychiatric Hospital	6,259	7,047
Hospital School	3,533	3,901
State Hygienic Laboratory	2,293	2,495
<u>Oakdale Campus</u>	<u>2,108</u>	<u>2,250</u>
	<u>\$233,154</u>	<u>\$261,560</u>

2. Approve an 11.9% rate increase for the University Hospitals and Clinics, Psychiatric Hospital and University Hospital School, and
3. Approve a 10.9% reduction in indigent patient county quota allocations.

The Board Office said an extensive review and reallocation process have been conducted by the university. The results of this process, including the allocation of \$6.3 million in appropriation cuts, \$12.5 million in new appropriations, and \$16.1 million in new institutional income follow Board Office analysis.

Full-time equivalent position information will be made available when fringe benefits are transmitted in July 1981.

#### General University

Enrollment. Head count enrollment in Fall 1980 was 25,100 for budgetary purposes. In 1980, when the request budget was being developed, the estimate for Fall 1981 was 24,944. When actual enrollment is realized, it is possible that increased enrollment and associated income may require Regent action on a new budget ceiling.

Income. In 1980-81, the general university was required to reduce its appropriation expenditures by \$4.5 million. This was in response to a 4.6% appropriation cut mandated by the Governor as well as a state salary adjustment fund shortfall in excess of \$100,000. During 1980-81, however, the university reported substantial enrollment increases and

accumulated \$1.6 million in tuition revenue above the budgeted level. Concurrently, other institutional income, primarily from indirect cost reimbursement from grant and contract activity, realized \$1.1 million more than initially budgeted. The overall effect was a net loss of income when compared to original budget of \$1.8 million or approximately a 1.4% shortfall. This additional \$2.7 million in institutional income earned in 1980-81 was utilized in a way that has allowed for its reallocation in 1981-82. In addition, the university expects for 1981-82 \$5.3 million in additional income resulting from tuition increases and a \$300,000 decline in other institutional income resulting from uncertainties in how federal policy will impact the university contract and grant activity.

Appropriated income continues as the primary source of the university's education and general expenditures. In 1980-81, initial appropriations amounted to 76% of the total. Increases in appropriations for the university were to fund the Governor's salary policy estimated at \$8.2 million. An additional \$1.8 million in appropriations was received to fund essential program adjustments and price inflation on fuel and purchased electricity.

For 1981-82, then, total tuition revenue is estimated at \$28.6 or \$6.9 million more than estimated for 1980-81. Other institutional income is estimated at \$0.8 million more than budgeted initially in 1980-81. It is this \$7.7 million of allocable income that will be addressed in the operations section below.

Operations. In 1980-81, as the result of \$4.5 million in appropriation cuts and \$2.7 million in additional institutional income, the temporary budget revisions showed a net loss of \$1.5 million in salaries and fringe benefits and a \$260,000 loss in nonpersonnel expenditure categories.

For 1981-82, the university reported the following continuing allocation of appropriation cuts which include the 4.6% base appropriation cut, the loss of sick leave payout support and the continuing loss of salary adjustment funds from 1980-81. Total losses, shown on the following table, were \$4.8 million.

<u>Expense Category</u>	1981-82 Continuing Reductions (000s omitted)
Faculty & Institutional Officials	\$ -1,069
Professional & Scientific Staff	-329
General Service Staff	-1,376
Subtotal	<u>\$ -2,774</u>
Fuel and Purchased Electricity	-317
Supplies & Services	-1,400
Equipment	-133
Library Acquisitions	-0-
Building Repairs	<u>-137</u>
 Total	 \$ -4,761

As noted above, the appropriation loss for 1981-82 was taken as a reduction of \$2.8 million in salaries and fringe benefits, \$317,000 in fuel and purchased electricity, \$1.4 million in supplies and services (some of which pays for service personnel from physical plant), \$133,000 in equipment support, and \$137,00 in building repairs.

The base appropriation reduction has a series of consequences: reduction in faculty and staff positions in a variety of programs; further erosion of the university's building repair program and equipment replacement program; reduction in supporting departments funded through service charges to user departments; a loss of some price inflation support initially achieved for fuel and purchased electricity with new appropriations; and an increased difficulty in meeting administrative reporting responsibilities through reductions in administrative staff.

The Board Office said the \$317,000 reduction in fuel and purchased electricity should be carefully noted in that it must be taken into consideration in any future interinstitutional fund transfers to cover fuel and purchased electricity deficits as is the current board policy.

The broad based program review conducted by the university reconfirmed the uncertain financial condition of the College of Medicine. The Regent request budget had sought approximately \$2 million in additional appropriations beyond extraordinary income revenue to shore up the instructional program in the college. There were no new appropriations received. Recent enrollment increases have created different levels of budgetary needs among the colleges. In terms of priority, the university has been able to limit outright termination of program to the Mobile Dental Unit and the Early Childhood Education Center.

The university implemented across-the-board budget reductions as part of the 1981-82 budget review. This was to ensure the covering of the 4.6% appropriation loss, to allow for the reallocation of some additional funding to shore up selected programs in particular difficulties and to set the framework for allocating the \$7.7 million new and reallocable funds noted above. The distribution of the \$7.7 million follows.

<u>Program Use</u>	1981-82 Amount <u>000s omitted</u>
◦ Salaries - indirect cost reimbursement to cover salaries paid from other institutional income	\$ 800
◦ Student Financial Aid	591
◦ Library Acquisitions	250
◦ Federal Fund Losses - Health Education	1,358
◦ College of Medicine - extraordinary tuition increase and nonrecurring support	1,238
◦ College of Dentistry - extraordinary tuition	241
◦ Emergency General Expense	366
◦ Instructional Computing	200
◦ College of Business Instruction	250
◦ College of Liberal Arts Instruction	194
◦ College of Law Instruction	46
◦ College of Engineering Instruction	109
◦ College of Nursing Instruction	156
◦ University Libraries	50
◦ Law Library	19
◦ Special teaching assistant needs	616
◦ Student Services & Support - enrollment related	118
◦ Special Research Assistant Needs	134
◦ TIAA/CREF - Increased employer contribution	75
◦ Reduction in budgeted salary savings associated with appropriation cut.	874
 <u>TOTAL</u>	 <u>\$7,685</u>

In summary, the university suffered a \$4.8 million appropriation cut that has adversely affected primary and support programs across the university. Salary increase funding, price inflation allowances for fuel and purchased electricity, mandated sewer charges, and the opening of new buildings have been supported with new appropriations. All other budget adjustments including the cost of covering salary increases for staff supported by other institutional income have come from \$7.7 million of institutional income. If enrollment continues to increase, a revised budget ceiling may be necessary during 1981-82.

Total operating expenditures for 1981-82 are \$138.4 million or 11.8% greater than revised 1980-81 operations.

#### University Hospitals and Clinics

Rate Changes. The Regents were asked to approve an 11.9% rate increase for the University Hospitals & Clinics. In addition, the Regents were asked to approve a 10.9% reduction in indigent patient quota allocations for 1981-82.

The Regents approved in April, 1981 a budget ceiling change adding \$3.7 million to estimated income and expense for the current year. Additional services and specialty inpatient care resulted in the need for a budget ceiling change. At that time, there was no proposed rate change in that the Regents had previously approved a 10.1% rate increase for FY 1980-81. The proposed increase of 11.9% for FY 1981-82, which really covers the University Hospitals & Clinics, the Psychiatric Hospital, and the University Hospital School, is necessary to support the \$85.2 million self-generated income portion of a proposed \$107.5 million total operating budget. Thus, it should be noted, the ratio of paying patient support to appropriations for indigent patients has increased from 76.5% to begin FY 1980-81 to 79.3% for FY 1981-82.

The Board Office said the proposed rate change, while substantial, must be considered both realistic in light of Iowa operating conditions and reasonable in terms of conditions nationally. Information exhibited by the University Hospitals and Clinics pointed up that since 1972, the Iowa University Hospitals & Clinics have increased charges 83.2% while nationally it is projected that rate increases will have gone up 113.4%. Additionally, the University Hospitals & Clinics points out that the 12.3% overall budget increase is well below the ceiling targeted by the American Hospital Association and the American Medical Association. The University Hospitals & Clinics also exhibited significant information on unit costs of the Iowa Hospital when compared to other midwestern teaching hospitals.

Indigent Patient Quota Allocation Reduction. The University Hospitals & Clinics finds itself in a position of relatively constant indigent patient workload coupled with a 4.6% appropriation reduction and significant price inflation. Since all appropriations for the University Hospitals & Clinics are based upon indigent patient care on a cost reimbursable basis, the issue becomes how to maintain quality of services with less money. Based on the shares of cost borne between paying patient and indigent patient workload for the current year, the indigent patient appropriation is approximately \$2.1 million short for F.Y. 1981-82.

The University Hospitals & Clinics proposed to address the \$2.1 million deficit by reducing indigent patient county quotas by 10.9%. This is expected to result in 223 patients being identified as excess quota patients (some counties have not used their full quota) with reimbursement from the appropriate county. A second adjustment to meet the appropriation shortfall is incorporating in the 11.9% proposed rate increase a 0.5% surcharge. The remainder of the \$2.1 million shortfall would be made up through additional cost containment efforts and the continuation of approximately \$0.5 million in budget reductions initiated in F.Y. 1980-81 as part of the 4.6% reversion requirement.

A review of University Hospitals & Clinics line item budget for F.Y. 1981-82 shows a 12.3% overall proposed expenditure increase. Based on original 1980-81 budget levels, equipment funding budgeted has been reduced 23.5% and the building repair budget is reduced the same amount.

Other program adjustments show an increase in nursing staff in the Intensive Surgical Pediatric and Surgical Nursing Services with 42.0 full-time equivalent positions added. The supplies and service budget has been increased 15% above the 1980-81 operating budget. This increase was previously recommended by the Regents in the request budget to the General Assembly for the 1981-83 biennium.

### Psychiatric Hospital

Rate Change. It was proposed to increase rates for paying patients at the Psychiatric Hospital 11.9%. This rate change is necessary to support the institutional income budget estimate of \$2.3 million.

Income. The Regents approved a \$163,000 budget ceiling change in April, 1981. Increased services had resulted in an improved institutional income picture. Concurrently, the Psychiatric Hospital had appropriations reduced 4.6% or approximately \$218,000 in 1980-81 which continues through 1981-82. New appropriations for the Psychiatric Hospital included price inflation adjustments for fuel and purchased electricity and salary adjustment funding on the appropriated fund portion of the hospital's total operating budget. Total proposed income for F.Y. 1981-82 is slightly less than \$7.1 million. This represents a 12.6% increase over the revised 1980-81 income budget.

Operations. Additional institutional income utilized through a budget ceiling change did not materially alter the impact of the 4.6% appropriation reversion in 1980-81. Some of the operating difficulties will continue in 1981-82. Difficulties are noted in the elimination of one physician position and several other professional and support staff positions. Additionally, the equipment budget has been reduced 73% as has the building repair budget. A small portion of the 4.6% appropriation loss 1980-81 would be restored in 1981-82 through paying patient revenues.

Other program changes include the improvement in the Department of Nursing, Psychiatric Nursing Service staff with the addition of four full-time equivalent positions. These have been added to continue the improvement in planned staffing ratios.

As in the case of the University Hospitals & Clinics, the Psychiatric Hospital has improved its supplies and service support 15%. This is in accordance with Regent recommendations in the 1981-83 budget request. It should be noted, that at least 9% and probably closer to 12% of the 15% will do no more than preclude further erosion of purchasing power. As for the significant reduction in equipment and building repair budgets, there is no indication of how the Psychiatric Hospital will meet minimum needs. Reductions in these categories, it should be noted, are the total amounts attributable to appropriated support and represent a continuation in part of the 4.6% appropriation reduction from 1980-81.

State Hygienic Laboratory

Rate Change. In April, 1981, the Regents approved a 12.2% increase in the State Hygienic Laboratory service fees. The rate increase is effective July 1, 1981.

Income. The State Hygienic Laboratory received approval for a budget ceiling change in April 1980-81 that increased its institutional income by an estimated \$114,000 or 24%. Additional income from the 12.2% rate change and increased service volume result in an institutional income increase of 38% compared to the original 1980-81 budget. This increase when linked to the 4.6% base budget reduction changes the self-support share from approximately one-fifth in 1980-81 to one-quarter in 1981-82.

Operations. The appropriation cut of 4.6% has resulted in the elimination in the Premarital Syphilis Serology Program and the elimination of routine screening for syphilis. The prenatal syphilis serology screening and diagnostic support has been retained. The cut has also resulted in some increase in response time in reporting on specimens submitted to the laboratory for analysis. It has also resulted in the reduction of publication efforts on the part of professional staff through reduced time available for this important activity. Both professional and support staff services have been reduced. Included in the proposed budget is a 9% increase for supplies and services or an amount that will probably not cover price inflation for the fiscal year.

Total operating expenditures for 1981-82 are 8.8% greater than the revised expenditure budget for the current year. The proposed level of expenditure is \$2.5 million.

University Hospital School

Rate Change. The Regents were asked to approve an 11.9% increase in rates for the hospital school. The rate change is considered necessary to support planned operations.

Income. Total income estimates for the University Hospital School include \$481,000 of institutional income and \$3.4 million in appropriations. Rate changes and additional services will increase institutional income in 1981-82 by 19% when compared to 1980-81. Appropriations, with a continuation of the 4.6% cut and additions for price inflation relating to fuel and purchased electricity and for salary adjustments, will increase 9% over the revised 1980-81 appropriation. Overall, institutional income share to total income will increase from 11% in 1980-81 to 12% in 1981-82.

Operations. The appropriation cut of 4.6% has resulted in the loss of several professional staff positions and some general service staff support on a continuing basis. Supplies and services have been the beneficiary of additional institutional income and some reallocation to

meet both price inflation and services expansion. Equipment and building repair budgets have been maintained at the 1980-81 level and this will have the effect of significantly reducing its purchasing power through price inflation in 1981-82.

The total budget for operations in 1981-82 is 3.9 million or approximately 10% greater than the revised budget for 1980-81.

#### Oakdale Campus

Income. Current institutional income estimates indicate a loss of 37% in 1981-82 compared to 1980-81 or \$125,000. Substantial rental income has been lost from the closing of the Vocational Rehabilitation unit on the Oakdale Campus. Sales and services from food service revenue will decrease as the result of the vocational rehabilitation activity closing. A reduced sales and service income is also projected from other sources. Indirect cost reimbursement from federal training research grants and contracts are also forecast to decline. Appropriations have been reduced 4.6%. Price inflation adjustments for fuel and purchased electricity have increased appropriations in 1981-82 by \$272,000. Total estimated revenue for the Oakdale Campus in 1981-82 is a little more than \$2.2 million.

Operations. The 4.6% appropriation reduction has resulted in the loss of \$71,000 of hourly wage workers, part-time employees, temporary summer and student workers. Programs affected most are in dietary and maintenance. Additionally, the continuing 1980-81 equipment budget has been reduced 42% or \$20,000. With the loss of \$125,000 in institutional income from program changes, the supplies and services budget has been reduced \$25,000 and the building repairs budget \$100,000. This leaves supplies and services at approximately 93% of the 1980-81 level while building repairs will be budgeted at approximately 36% of the 1980-81 level. It is unclear at this time what the long-term loss of institutional income will have on operations and maintenance of the campus. There is a reduced level of services required with the closing of the Vocational Rehabilitation unit. The building repair budget was somewhat higher than needed in 1980-81 as the result of nonrecurring indirect cost reimbursement.

The proposed level of operations at approximately \$2.2 million in 1981-82 is 7% higher than the revised 1980-81 operating budget.

The Board Office recommended that the preliminary budget ceilings and proposed rate changes previously proposed be approved for F.Y. 1981-82.

President Boyd opened the discussion on the preliminary budget by saying that the budgets had been reduced by \$4.7 million through reallocation. He said this was a difficult budget to prepare because of enrollment pressures, the great uncertainty of support for the health sciences, and the mandated budget reduction by the state.

With regard to the tuition increase, President Boyd noted that an attempt was being made to provide student aid, to provide instructional staff in areas where need is highest, to provide for library acquisitions, to provide a small amount of money for emergency general expense.

President Boyd said the university is exceedingly concerned about the affect of the budget on the College of Medicine. He noted that a million dollars of nonrecurring money was being allocated to the College of Medicine. The college has experienced losses of federal funding. President Boyd said the budget for the College of Medicine was a "bailing wire" operation and demonstrates that there is serious trouble in that college.

In answer to a question from President Brownlee, President Boyd indicated that all parts of the university were reassessed. Some of the programs which will be lost are the Early Childhood Center and the Highlanders.

He said the university would be reflecting the general difficulty of the university in terms of staffing by asking to limit enrolling in the College of Business Administration because programs cannot be adequately staffed to meet enrollment. He said this would be necessary in order to have quality education.

President Boyd indicated that the faculty and staff were supportive and understanding in addressing budget problems. He was pleased that the students joined in the budgetary effort by providing a portion of student fees for student aid and library acquisitions. He said there had been a great deal of consultation on the budget and that everyone understands and is trying to make the best of a difficult situation.

Mr. Richey asked about the university's treatment of the fuel and purchased electricity category. The university proposed that this category share in the 4.6% reduction by \$317,000. Mr. Richey said the Governor allocated price inflation for this category. He pointed out that it would be necessary to use the original figures in order to have interinstitutional equity. If the other institutions adhere to the original amounts and should there be a surplus in this category a year from now, the University of Iowa could not expect a transfer from one of the other institutions without consideration of the action it has taken here.

President Boyd said the university understood this. Vice President Bezanson said the university concluded that it could not spare this area of the budget when the mandated reduction was imposing such substantial costs on other parts of the university.

In regard to the indigent patient quota allocation reduction, Regent Anderson asked if the counties would be able to pick up the payments. John Colloton responded that University Hospitals has been in contact with the counties by telephone. He said they were not alarmed by this and will be able to cope with it. He was hopeful that reduced appropriations will be restored in the next fiscal year.

Mr. Richey pointed out that the restoration of the 4.6% next year would not provide for price increases in the second year of the biennium and that the situation may not improve. He noted this could be a two-year obligation.

MOTION: Dr. Harris moved that the board approve the preliminary budgets for the University of Iowa as shown; approve a 11.9% rate increase for University Hospitals and Clinics, Psychiatric Hospital, and University Hospital School, and approve a 10.9% reduction in indigent patient county quota allocations. Mr. McDonald seconded the motion and it passed unanimously.

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

OTHER PERSONNEL MATTERS. The board was asked to approve the following appointments:

Appointments:

Ray B. Mossman, Treasures of the university for 1981-82.

Leonard R. Brcka, secretary of the university for 1981-82.

MOTION: Mrs. Murphy moved that the board approve the appointments of Mr. Mossman and Mr. Brcka. Mrs. Anderson seconded the motion and it passed unanimously.

Vice President Brodbeck noted that there were two additional appointments on which the board needed to take action. They were:

Appointments:

Professor Leonard Feldt, as Director of Iowa Testing Programs and Lindquist Professor in Educational Psychology, Measurement, and Statistics.

Professor Robert Forsyth, as Director of the Iowa High School Testing Program.

MOTION: Mr. Wenstrand moved that the board approve the appointments of Professors Feldt and Forsyth. Mrs. Anderson seconded the motion and it passed unanimously.

DEPARTMENTAL EXECUTIVE OFFICERS. The board was asked to approve the following appointments and reappointments of departmental executive officers:

Appointments:

George DeMello, as chair, Department of Spanish and Portuguese, for a three-year term, effective August 26, 1981.

William E. Duffy, as chair, Division of Foundations, Post-secondary and Continuing Education, for a three-year term, effective July 1, 1981.

E. Richard Dustin, as chair, Division of Counselor Education, for a three-year term, effective July 1, 1981.

David J. Forkenbrock, as chair, Department of Urban and Regional Planning, for a three-year term, effective July 1, 1981.

Erling B. Holtsmark, as chair, Department of Classics, for a three-year term, effective August 26, 1981.

Jessie L. Hornsby, as chair, Department of French and Italian, for a three-year term, effective August 26, 1981.

Gregory K. Iverson, as chair, Department of Linguistics, for a three-year term, effective August 26, 1981.

William N. Nibbelink, as chair, Division of Early Childhood and Elementary Education, for a three-year term, effective July 1, 1981.

Professor Theodore Sjoerdsma, as chair, Department of Computer Science, for a three-year term, effective August 26, 1981.

Marilyn J. Zweng, as chair, Division of Secondary Education, for a three-year term, effective July 1, 1981.

In addition, Vice President Brodbeck presented an additional departmental executive officer appointment:

Sudhakar M. Reddy, as chair, Division of Information Engineering, College of Engineering, effective July 1, 1981.

MOTION: Mr. Nolting moved that the board approve the departmental executive officer appointments as listed above. Dr. Harris seconded the motion and it passed unanimously.

ENROLLMENT LIMITATIONS. It was recommended that the board authorize the University of Iowa to institute a selective admission policy in the College of Business Administration to maintain undergraduate majors at approximately the 1980 level of 1300 students during the 1981-82 academic year and amend board policy on suspension of entry and termination of academic programs as indicated below.

The Board Office reported that in May, action on the University of Iowa's notification of a selective admission policy in the College of Business Administration was deferred for receipt and analysis of further information.

The Board Office reviewed the general admission requirements common to the three state universities as stated in the Procedural Guide 6.01 and the Iowa Administrative Code 720 - Chapter 1. In addition to the requirements listed, it is stated that "Students desiring admission must meet the requirements in this section and also any special requirements for the curriculum, school, or college of their choice." Thus, the general rules provide for additional requirements within particular units.

In response to the May board request, each university provided information on programs in which there are enrollment limitations. Iowa State University indicated additional requirements for the Colleges of Education, Engineering, Veterinary Medicine, and the Graduate College. The University of Northern Iowa described limitations for the admission of majors in programs such as Special Education, Teacher Education, Social Work, and the School of Business.

The University of Iowa had notified the board in February 1981 of the possibility of suspension of new admissions to the College of Engineering for fall 1981. It reported that admissions to the College of Engineering have been closed for fall 1981 and that proposed admissions procedures for fall 1982 will be presented to the board in July. The university also limits enrollments in undergraduate programs in Nursing and Pharmacy. For

each of these colleges, the university catalog indicates that selection is made by a collegial admission committee and that fulfillment of minimal requirements does not ensure admission to the college.

The university noted that the Department of Computer Science and the School of Journalism within the College of Liberal Arts are also considering the restriction of majors because the numbers of students far outstrip the instructional resources available.

The College of Business Administration recommended implementation of selective admissions in undergraduate programs effective with the fall semester of 1981. The selective admission policy would mean that fulfillment of the minimum requirements would not ensure admission, but that students would be admitted by the college admission committee which would select those applicants who appear best qualified. A statement to this effect presently appears in the university's 1980-82 general catalog, which also indicates that the college normally admits undergraduate students at the beginning of their junior year. The university reported that implementation of selective admission requirements in the fall of 1981 is intended to maintain the number of undergraduate majors at the 1980 level of approximately 1300 students. Without selective admissions, it is projected that undergraduate enrollments would increase by at least ten percent per year through 1985.

Enrollment pressures in the college include dramatic increases in the number of pre-business majors as well as increases in the number of undergraduate majors and in the number of students in on-campus graduate programs. It was reported that enrollment increases are outstripping the college's ability to provide quality education in the undergraduate and graduate programs despite increases in faculty and staff in recent years. It was indicated that if increases in faculty and instructional resources become available in future years, the college will review its admissions policy and increase appropriately the number of new undergraduate students admitted. The college states that few, if any, applicants who meet all minimum requirements for admission would be affected by selective admission for the fall of 1981.

The Regents Procedural Guide, section 6.16, states the Regents' policy on suspension of entry and termination of academic programs as approved by the board in February 1980. This section states:

When an institution expresses a desire to terminate an academic program it will present its plans to the Board of Regents for approval. If an institution wishes to suspend or substantially reduce admission to a program, it should provide that information to the board and, six months later, report back to the board its intentions with respect to the program. If it has been decided to terminate the program, the institution will then request approval

of its intention to terminate after the last student has completed the requirements of the program. If admissions are to be reopened, no action by the board will be required.

The Board Office explained that when this policy was recommended, it was indicated by the Committee on Educational Coordination that it would apply in instances when suspension of entry is expected to be temporary, for staffing or fiscal reasons, as well as in cases in which program termination is considered. In order to state the policy more clearly, and to provide the board with information in the event of limitations in enrollment, it was recommended that the second sentence be amended to read as follows:

If an institution wishes to limit, suspend, or substantially reduce admission to a program, it should provide that information to the board and, six months later, report back to the board its intentions with respect to the program. (underline indicates addition)

The Board Office noted that the board may want to refer this recommendation to the Committee on Educational Coordination for consideration.

Vice President Brodbeck started this discussion by saying that a significant number of students would not be affected by this policy for the fall of 1981. It will probably affect more students applying for admission in the fall of 1982.

Vice President Brodbeck indicated that if there are more resources, teaching assistants, and faculty available at a later time, the college will review the admissions policy to increase the number of admissions.

Regent Anderson asked if the selection criteria for admission would be subjective or if this would just involve raising the minimum grade point required. President Brownlee said admission would not be automatic. The collegial committee would review students' grade point averages, the kinds of courses they have taken, and the kind of preparatory work they have done. He pointed out that the College of Business admits students in their third year.

Regent Anderson was concerned about the expectations of students entering the university as freshmen and planning to go into the College of Business Administration. She asked if students at this stage would be informed about the limitations on admissions. Vice President Brodbeck indicated that all pre-business students have been informed of this policy.

President Brownlee said he had serious reservations about restricting enrollment in the College of Business. However, he was persuaded that in order to maintain the excellence of the college, the policy must be adopted.

President Brownlee hoped that the board could convey to the state government that educational resources are needed for the College of Business at the University of Iowa and the Colleges of Business at the other Regent universities as long as demand for enrollment in the college persists. He said the board should dedicate itself to doing something about this if the trend continues. He said he hated to see a basic undergraduate college not be open to all those who are suited to be educated there. He believed the board would receive support from the citizenry at large if the trend continues and the young people of Iowa are unable to enroll in the College of Business Administration if they are suited to be there. President Brownlee recommended that the board authorize the university to institute a selective admission policy in the College of Business Administration.

MOTION:

Mrs. Murphy moved that the board authorize the University of Iowa to institute a selective admission policy in the College of Business Administration to maintain undergraduate majors at approximately the 1980 level of 1300 students during the 1981-82 academic year. Mr. Wenstrand seconded the motion and it passed unanimously.

The board then discussed amending board policy on suspension of entry and termination of academic programs.

Mr. Richey explained that the purpose of amending the policy was for the board to receive appropriate notice and to have an opportunity to make its views known on proposals to suspend entry and terminate academic programs.

Vice President Martin said the Committee on Educational Coordination had discussed the policy and said it would welcome an opportunity to examine it and make a recommendation to the board. He noted that the committee would need some time to consult with the deans on the campuses.

Vice President Christensen suggested that the committee could make a recommendation on the policy in October. There were no objections to this.

President Boyd agreed that it is important that limitations on admissions to collegiate programs be presented to the board. However, he said there would be problems if limits on undergraduate majors were presented to the board. President Brownlee explained that the proposed amendment was an effort to clarify what matters are presented to the board. He was concerned that as the policy reads now, the board would not necessarily be involved in limitations on admissions to collegiate programs.

MOTION:

Dr. Harris moved that the board refer the proposed amendment to board policy on suspension of entry and termination of academic programs be referred to the Committee on Educational Coordination for consideration with a report to be made in October 1981. Mr. Nolting seconded the motion and it passed unanimously.

NAMING OF BUILDING. The university presented a supplemental item and asked the board to approve changing the name of the Physics Building to Van Allen Hall.

The university noted that this change in name was recommended by the Committee on Building Names and the Campus Planning Committee.

The name change was proposed to honor James A. Van Allen who is the head of the Department of Physics and Astronomy at the university and Carver Professor of Physics.

Numerous honors have been awarded to Dr. Van Allen including early election to the National Academy of Science, citations and awards by learned societies, and the naming of the radiation belts around the earth after him.

Vice President Brodbeck said that Dr. Van Allen is one of the nation's most prominent physicists and one of the university's most distinguished members. She said that he was responsible for much of the federal funding available for the construction of the Physics Building.

MOTION: Mr. McDonald moved that the board approve changing the name of the Physics Building to Van Allen Hall. Mrs. Anderson seconded the motion and it passed unanimously.

AMENDMENTS TO THE UNIVERSITY OF IOWA PROFESSIONAL AND SCIENTIFIC GRIEVANCE PROCEDURE. It was recommended that the board approve the university's recommendation to amend its grievance procedure for professional and scientific personnel, as follows:

1. To section 1, Scope of Policy, add the following fourth paragraph to the three which presently define the kinds of action which may be appealed through the grievance procedure: (d) results in disciplinary action (up to and including dismissal) against a staff member with career status when the action is based on allegation of the lack of satisfactory performance or on university-related conduct.
2. To section 8, Hearing, paragraph (c), insert the underlined as follows: (c) Burden of Proof. Except in cases in which a staff member holding career status has appealed a disciplinary action based on lack of satisfactory performance or university-related conduct, the grievant shall have the burden of proving by a preponderance of the evidence that the action or non-action complained of is improper under one or more of the standards established in section 1 of this policy. The grievant will present evidence first.

The Board Office explained that in 1979 the board approved a grievance procedure for University of Iowa professional and scientific staff to

resolve complaints concerning alleged improper discrimination, improper interpretation or application of policy governing employment, and disciplinary action not related to job performance or conduct. Complaints concerning actions based on performance or job related conduct were not to be appealed through the grievance procedure but could be reviewed through normal administrative channels.

In 1980 the board approved personnel policies that provided for career status appointment. A career status designation includes the right to appeal a disciplinary action, such as dismissal because of unsatisfactory job performance, through the grievance procedure with the burden of proof on the university. The Board Office said the proposed amendments to the grievance procedure were needed to make it conform with the personnel policies and recommended that they be approved.

Assistant Vice President Small indicated that these amendments were the last step in the improvement of personnel policies to become effective in July. She said the amendments would be consonant with personnel policy and that the university would accept the burden of proof.

She noted that the amendments were discussed with the University Staff Council which unanimously supported the change.

Regent Nolting said this amendment would be consistent with the way this is handled in the private sector.

MOTION: Mr. Nolting moved that the board approve the amendments to the University of Iowa grievance procedure for professional and scientific personnel as outlined above. Mr. Neu seconded the motion and it passed unanimously.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office reported that the Register of Capital Improvement Business Transactions for June 1981 had been received, was in order, and was recommended for approval.

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

Oakdale Water Treatment Renovations - Phase II

Award to: R. M. Boggs Co., Inc., Iowa City, Iowa \$51,450.00

Children's Hospital Reoccupancy Remodeling - Phase II

Award to:

General: B.A. Westbrook Construction, Inc., Marion, Iowa \$145,366.00  
Mechanical: AAA Mechanical Contractors, Inc., Iowa City, Iowa \$117,988.00  
Electrical: Kahler Electric, Iowa City, Iowa \$ 38,852.00

East Hall - Remodeling for Sociology

Award to: Burger Construction Co., Inc., Iowa City, Iowa \$384,725.00

The board was requested to take action on the following contract change orders:

Campus Electric Supply Renovations - Contract 3 - General Construction for Substation "U"

The university requested authorization for Business Manager Mossman to approve Change Order #3 to O'Brien Electrical Contractors, Inc., in the amount of \$83,600.00. This was a follow through on action taken by the board in May when a revised project budget was approved and the board authorized the university to negotiate with the prime contractor on this substation for installation of cabling to provide additional transmission capacity.

Kinnick Stadium - Turf Replacement

The university requested authorization for Business Manager Mossman to approve Change Order #2 to Iowa Road Builders Company in the amount of \$61,500. This change order would accommodate additional concession stands to be remodeled in Kinnick Stadium.

The Kinnick Stadium Turf Replacement project is budgeted at \$762,000. In April, contract award for the turf removal was made to Iowa Road Builders Company, Des Moines, Iowa, in the amount of \$198,924.50, less \$40,470 deduct in Contract Change Order #1. Since that time, the turf has been purchased on competitive purchase order. There are enough funds remaining to undertake renovation of two concession stands. This renovation program began in the summer of 1980 and comes as a result of inspections by the Johnson County Board of Health and the University of Iowa Department of Environmental Health and Safety. The program is needed to bring concession stands into code compliance.

The Board Office said time is of the essence in completion of the project as the concession stands need to be operable by the first football game

this fall. The only way to accomplish the project on a timely fashion is to add the work by contract change order to the present contract with Iowa Road Builders.

Regent Harris asked who would do the work on the concession stands. Vice President Bezanson said this work would be done by the people who worked on the subbase and related work.

Regent Harris wondered about the urgency on this project and asked if it would have been done if money had not been saved on the turf. Vice President Bezanson answered that the project would have been done.

The board was requested to approve the following new projects:

Renovation for Handicapped Access - Phase III - Lift - Pharmacy Building  
Source of Funds: 1979 Handicapped Allocation - Capital Funds \$21,950.00

Renovation for Handicapped Access - Phase II - Lift - Engineering Building  
Source of Funds: Handicapped Allocations - 1977 Capital Appropriations \$19,350.00

Both of the above projects were delayed because of other construction in the area. Both were in the original handicapped accessibility program of the university and will provide access to key areas of these two important student buildings.

The Physical Plant Department was selected as engineer and inspection supervisor. Both lifts will be purchased by the quotation/purchase order process with installation by Physical Plant forces.

University Hospitals - North Tower Mechanical Room Ventilation  
Source of Funds: University Hospital Building Usage Fund \$52,750.00

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

Jefferson Building - International Education and Services Remodeling  
Source of Funds: General University Building Repairs \$25,100.00

The Physical Plant Department was selected as engineer and inspection supervisor. The work will be accomplished by Physical Plant Departmental forces. Estimated cost of construction is \$22,000.

The project will enable vacation of the house at 219 North Clinton, known as the International Student Center. The house will be freed for reassignment to other uses.

Upon completion of the new building, two of the institute's primary experimental facilities - a sedimentation basin and a large wind tunnel - now housed in the Hydraulics Laboratory Annex would move to this building. The vacated building will be used for some years to come for other purposes. The reason for the move is that the building is currently settling so badly that it is impossible to maintain the research apparatus properly leveled.

The use of TTI funds is a temporary loan to be repaid in ten equal installments beginning June 30, 1984.

The Physical Plant Department was selected as inspection supervisor. In May the board ratified selection of Shive-Hattery and Associates, Iowa City, Iowa, to provide full range engineering services on this project on an hourly rate basis to a maximum of \$24,000. This is approximately 4.3% of the total project cost or 6% of the \$400,000 construction budget. Both figures are well within line for a project of this scope.

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

University Hospitals - C-53 Area Remodeling, HVAC Project No. 81-018

Ratify selection of Engineering Associates, Rock Island, Illinois, to provide final design services and site survey services on this project on an hourly rate basis to a maximum of \$5,400. The board has not approved a project budget to date.

Quadrangle Lounge Renovation

Ratify selection of Pierce King Associates, Iowa City, Iowa, to provide additional architectural services on this project consisting of contract administration, project quality control, and site visits during construction on an hourly rate basis to a maximum fee of \$4,200. In January, this firm was selected to provide final design services on an hourly rate basis to a maximum of \$2,200.

Hospital School - First Floor Enclosure

Ratify selection of R. Neumann Associates, Iowa City, Iowa, to provide final design services, contract administration, and project quality control on a lump sum fee basis of \$9,290. The board has not approved a project budget to date. It is estimated that the cost of the construction will be \$115,000 to \$120,000. This continues the project in the Hospital School. In April the board approved a \$135,790 project on ground floor enclosure.

University Hospitals - Neonatal Intensive Care Unit Remodeling  
Source of Funds: University Hospital Building Usage Fund \$99,000.00

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

Medical Research Center - Renovate Rooms 442 and 442A  
Source of Funds: Department of Neurology Trust Fund \$11,500.00

The Physical Plant Department was selected as engineer and inspection supervisor. Work will be accomplished by Physical Plant departmental forces. Estimated cost of construction is only \$3,000 of the total budget.

Schaeffer Hall - Bike Parking and Site Development  
Source of Funds: Income from Treasurer's Temporary Investments \$35,942.00

The Physical Plant Department was selected as engineer and inspection supervisor. The work will be accomplished by Physical Plant departmental forces. The project is intended to improve the site to complement the urban renewal project on Washington Street.

University Hospitals - Psychiatric Hospital Exterior Window Refinishing  
Source of Funds: Account No. F-480-024 \$43,600.00

This account is Psychiatric Hospital Plant Operation and Maintenance Purchase Service. This is an appropriate use of funds since the project consists of window replacement and refinishing.

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

University Hospitals - Completion of Radiology Faculty Offices on 7th Floor West Facade  
Source of Funds: University Hospital Building Usage Funds \$222,040.00

The University Architect's Office was selected as inspection supervisor. In April, the board ratified selection of Hansen Lind Meyer, Iowa City, to provide full design services on an hourly rate basis to a maximum of \$11,500 which is 5.2% of the total project cost and 6% of the general construction budget of \$191,400.

Hydraulics Laboratory - Wind Tunnel Annex  
Source of Funds: Income from Treasurer's  
Temporary Investments \$400,000  
Inst. of Hydraulic Research  
Reserves 160,000  
TOTAL \$560,000.00

This project provides for the construction of a 14,000 square foot preengineered metal building on a site just to the west of the University Laundry Building and the services area on the east side of the campus. It will be necessary to demolish three wooden/metal structures on this site. The board was requested to approve demolition of these buildings. The buildings total 8,406 gross square feet.

Zoology 1 and II - Fume Hood, Ventilation Retrofit, Phase I

Ratify payment for additional engineering services to Environmental Engineers, Inc., Des Moines, Iowa, for bid negotiation, shop drawing, and final project review on an hourly rate basis to a maximum of \$3,900. The board previously ratified selection of the firm as engineer on the project for a lump sum fee of \$22,291.

Campus Electrical Supply Renovations - Contract 3 - General Construction for Substation "U"

Ratify selection of Iowa Soiltest, Inc., Iowa City, Iowa, to provide contract administration, project quality control, coordination services, and testing services on an hourly rate basis to a maximum fee of \$24,800.

Old Capitol - West Terrace Area

Ratify selection of Crose-Gardner Associates, Des Moines, Iowa, to conduct a preliminary study and a structural feasibility study and to come up with design concepts, including alternatives for reconstruction of the existing terrace with redesign of plant materials and a landscape solution. Fees would be on an hourly rate basis to a maximum of \$9,000 in March.

University Hospitals - Primary Electrical Service to South Pavilion and Carver Pavilion

Ratify selection of Shive-Hattery & Associates, Iowa City, Iowa, to provide services related to the design of vaults and a duct bank to both additions to University Hospitals. The services would be provided on an hourly rate basis to a maximum of \$7,600.

MOTION:

Dr. Harris moved that the board approve the Register of Capital Improvement Business Transactions for June 1981; ratify award of construction contracts made by the executive secretary; authorize approval of the contract change orders; approve the new projects; authorize the demolition of three buildings; ratify consultant contract actions; and authorize the executive secretary to sign all necessary documents. Mr. Wenstrand seconded the motion and it passed unanimously.

UNIVERSITY TENANT PROPERTY RENTAL RATES FOR ACADEMIC YEAR 1981-82. It was recommended that the board approve the revised rental rates for university apartments, rooms, and special use facilities excluding residence system housing for the period September 1, 1981 through August 31, 1982.

The university reported that room and apartment rates for 1981-82 are based on comparable facilities in the community. Rates for preschool, Student Senate Coops, and day care centers are based on repair and maintenance costs only.

The university proposed rental rate changes on 129 units. Residence rate changes range from \$7 per month to \$115 per month. The large rent increase per month on two units reflected a significant adjustment based on market conditions. The increases will be in effect with a change in tenant

Apartment rental rates were proposed to increase from \$11 per month to \$40 per month. Room rates per month were proposed to change from \$5 per month to \$8 per month.

There were no rate changes proposed for preschool and day care centers of Student Senate Coop housing. Rates would remain at \$75 per month.

The Board Office noted the rental rate increases average 11.9%.

Vice President Bezanson said that the level of increase in rents was normal. He noted that the university has a policy of renting facilities for a maximum period of time and then there is a turnover in tenants. Unit rates sometimes change after a two-year period rather than once a year.

MOTION:

Mrs. Anderson moved that the board approve the revised rental rates for university apartments, rooms, and special use facilities excluding residence system housing for the period September 1, 1981 through August 31, 1982. Mr. Wenstrand seconded the motion. Upon a roll call, the following voted:  
AYE: Anderson, Harris, Jorgensen, McDonald, Murphy, Neu, Nolting, Wenstrand, Brownlee  
NAY: None  
ABSENT: None

ALLOCATION OF STUDENT ACTIVITY AND BUILDING FEES. It was recommended that the board approve the distribution of student activity, student services, and building fees during each semester of the 1981-83 biennium as shown on the following page.

THE UNIVERSITY OF IOWA  
ALLOCATION OF STUDENT ACTIVITY AND BUILDING FEES

	<u>Per Semester</u>	
	<u>1980-81</u>	<u>1981-83</u>
<u>Student Activities</u>		
SPI Board, Inc.	\$ 2.50	\$ 2.65
Lecture Committee	.30	.35
Recreation Services	.50	.55
UICAC	2.82	2.83
UISAS	2.83	2.82
UISA Office	.07	.07
Contingency	.06	.06
Yearbook	.25	.00
	<u>\$ 9.33</u>	<u>\$ 9.33</u>
<u>Student Services</u>		
Cambus/Bionic Bus	\$ 4.54	\$ 7.13
Student Health	0.00	4.00
	<u>\$ 4.54</u>	<u>11.13</u>
<u>Building Fees</u>		
Recreation Building	\$ 3.50	\$ 3.50
Hancher Auditorium	8.00	8.00
Arena/Recreation Project	10.64	12.86
	<u>\$22.14</u>	<u>\$24.36</u>
Total Fees - Semester	\$36.01	\$44.82

The Board Office noted that there was discussion on this item at the May board meeting.

Vice President Bezanson said that the most notable point about the allocation of student activity and building fees was that the students held the level of student activity fee constant rather than reallocating the increase. By doing this, they contributed significantly to the library acquisition budget and student financial aid.

He also pointed out that the fees for Cambus and student health reflected decisions that were made by the board last fall.

MOTION: Mr. Wenstrand moved that the board approve the distribution of student activity, student services, and building fees during each semester of the 1981-83 biennium. Mr. Nolting seconded the motion and it passed unanimously.

NEW LEASE FOR THE SOUTHEAST REGIONAL OFFICE FOR STATE SERVICES FOR CRIPPLED CHILDREN WITH ST. JOSEPH HOSPITAL, OTTUMWA, IOWA. It was recommended that the board approve a new lease with St. Joseph Hospital, Ottumwa, Iowa, for space to house the southeastern regional office for State Services for Crippled Children commencing April 7, 1981, at an annual cost of \$3,600.

The Board Office explained that the regional office has rented space since 1977 from the City of Ottumwa, which in turn subleased the space from St. Joseph Hospital. The city cancelled the lease in April 1981. Subsequently, the regional office rented space at the same address, 317 Vanness Avenue, Ottumwa, Iowa, directly from the lessor, St. Joseph Hospital. There are slightly different space arrangements with different rooms being rented than previously. Additional lounge space is available under the new lease. The cost per square foot of space available has increased from \$5.40 per square foot to \$6.38 per square foot. The cost of clinic space has been reduced from \$65 per month to \$50 per month.

The university reported that rate and terms of the new agreement appeared to be fair and equitable. The total cost is the same as in 1980-81.

The Board Office recommended that the new lease be approved.

MOTION: Mrs. Murphy moved that the board approve the new lease with St. Joseph Hospital, Ottumwa, Iowa, for space to house the southeastern regional office for State Services for Crippled Children for one year commencing April 7, 1981, at an annual cost of \$3,600. Mr. Nolting seconded the motion. Upon a roll call, the following voted:  
AYE: Anderson, Harris, Jorgensen, McDonald, Murphy, Neu, Nolting, Wenstrand, Brownlee  
NAY: None  
ABSENT: None

DEPARTMENT OF DEFENSE RESOLUTION. It was recommended that the board adopt the resolution as developed by the University of Iowa which is shown on the following page.

THE UNIVERSITY OF IOWA

DEPARTMENT OF DEFENSE - RESOLUTION REQUIRED BY  
INDUSTRIAL SECURITY REGULATIONS

WHEREAS, security regulations of the Department of Defense permit the governing board to affirm that they will not require, nor have, and will be effectively denied, access to classified information in the possession of the institution, and do not occupy positions that would enable them to affect adversely the organization's policies or practices in the performance of classified contracts, or programs for the user agencies, the Board resolves that the following members will be considered as excluded from Industrial Security regulations requiring personnel security clearance:

Members of the State Board of Regents and its staff as of May 1, 1981:

STATE BOARD OF REGENTS: Margaret Anderson, S. J. Brownlee,  
Percy G. Harris, Ann Jorgensen, John McDonald, June Murphy,  
Arthur Neu, Fred Nolting, Peter J. Wenstrand.

STAFF: R. Wayne Richey, Executive Secretary  
Robert G. McMurray, Director, Facilities and Business Management  
Lyle Sonnenschein, Budget Director  
Robert J. Barak, Acad. Aff. - Dir. Research

WHEREAS, security regulations of the Department of Defense require a certified listing of those officers who have been designated by action of the State Board of Regents as the managerial group, and have been processed for personnel clearance for access to classified information, to the level of the facility clearance granted to this institution; and,

WHEREAS, the said managerial group is hereby delegated all of the Board's duties and responsibilities pertaining to the protection of classified information under classified contracts of the Department of Defense or User Agencies of its industrial security program awarded to the University of Iowa;

THEREFORE, the State Board of Regents affirm that the following individuals of the State University of Iowa have been granted a Letter of Consent and are executive personnel:

Willard L. Boyd, President  
Ray B. Mossman, Business Manager and Treasurer  
L. R. Brcka, University Secretary and Controller  
Duane C. Priestersbach, Vice President for Educational Development and Research

THEREFORE, the State Board of Regents affirm that the following individual of the State University of Iowa has been granted a Letter of Consent and is security personnel:

William S. Tynan, Jr., Director, Security and Parking

The Board Office explained that federal regulations permit the adoption of such resolutions so that the board will affirm that it will not require access to the classified information in the possession of the institution and so that board members do not occupy positions that would enable them to adversely affect the organizations' policies and practices in the performance of such contracts. The university does not have any classified research on campus at the present time. Furthermore, it has established procedures which prohibit the conduct of classified research except under unusual circumstances which must be approved by the Vice President for Research with the advice of the University Research Council. Adoption of the resolution was necessary to allow the university to continue to keep its status as a "cleared facility" with the government.

Vice President Bezanson indicated that the adoption of the resolution was a routine matter required by federal regulations. He said it would not affect the operations of the university.

MOTION: Mr. McDonald moved that the board adopt the resolution as developed by the University of Iowa in regard to the Department of Defense industrial security regulations. Mrs. Anderson seconded the motion and it passed unanimously.

CITY OF CORALVILLE - FIRE PROTECTION AGREEMENT. It was recommended that the board approve an agreement with the City of Coralville to furnish fire protection services for University of Iowa property on the Oakdale Campus and the Graphic Services Building to become effective July 1, 1981, and authorize the executive secretary to sign the agreement.

The Board Office said the cost of services of the City of Coralville to furnish fire protection to the Oakdale Campus and the Graphic Services Building would be determined by prorating the cost of the volunteer Coralville Fire Department according to the square feet of building space.

Income received by Coralville for service for University Heights and the square feet of building space in University Heights would be excluded from the formula for prorating the university's share of the cost. The method of prorating cost to the university is similar to that contained in the agreement between the University of Iowa and the City of Iowa City. The cost for the Coralville Fire Department service for 1981-82 would be \$5,781.

The agreement provides for including equipment costs as amortized over useful life. No equipment has been purchased by the university for the Coralville Fire Department.

The agreement includes provisions for monthly payments and cancellation by either party.

It was noted that the Coralville Fire Department has been furnishing fire protection services to the university without charge. This agreement recognizes this service and establishes an equitable rate.

The Board Office recommended that the proposed agreement be approved for signature by the executive secretary.

MOTION:

Mr. Wenstrand moved that the board approve the agreement with the City of Coralville to furnish fire protection services for University of Iowa property on the Oakdale Campus and the Graphic Services Building to be effective July 1, 1981, and authorize the executive secretary to sign the agreement. Mrs. Jorgensen seconded the motion and it passed unanimously.

JOHN F. MURRAY ENDOWMENT FUND QUARTERLY REPORT. It was reported there was no activity to report in the John F. Murray Endowment Fund for the quarter ending March 31, 1981.

President Brownlee received the report on the John F. Murray Endowment Fund Quarterly Report on behalf of the board.

The following business pertaining to the State University of Iowa was transacted on Friday, June 19, 1981.

REPORT OF STATEWIDE HEALTH SERVICE PROGRAMS. It was recommended that the board receive the report of Statewide Health Service Programs at the University of Iowa and endorse the university's position regarding block grant funding for Statewide Health Service Programs.

The Board Office noted that in April there was discussion regarding Iowa's Specialized Child Health Services concerning the federal government's proposed shift of the locus of responsibility to state government of categorical grants into a state-administered "block grant" concept of funding. At that time, the board expressed its desire to explore this situation so that timely action can be taken to properly communicate and accommodate the needs of the University of Iowa Statewide Health Service Programs.

In summary, the Board Office reported, it is the university's position that the Governor and the General Assembly should directly designate future block grant sums for these services to the University Statewide Health Service Programs - Iowa's Specialized Child Health Services via the Regents' budget. The university emphasized that the direct appropriation of these sums to the Regent budget, while serving to promote efficiency and cost effectiveness, will not alter the collaborative relationship that two of these programs have with the Maternal and Child Health Division of the Iowa State Department of Health. Through enactment of Senate File 563 the Legislature made provision for this arrangement during the next federal fiscal year. This bill provides that for fiscal year 1981-82, federal categorical grants converted to the block grant program will be directly designated to the state agency which has previously administered the categorical program. This designation will continue the present pattern of direct University of Iowa responsibility for operation and financing of the specialized health service programs only through the next fiscal year. The university asked that the board prepare for the 1982-83 state budget process, wherein longer range and important priority decisions regarding these matters will be made. The university maintained that it is essential that operational and financial control over these programs remain within the university and that they be reasonably supported via block grant resources.

The financial summary provided in the university's report shows approximately \$2.5 million currently flows from the federal government to support these programs, which operate at an aggregate cost of \$3.3 million. This \$2.5 million of federal support less cutbacks and other adjustments may be converted to block grant funding and the university is requesting that the funds be allocated to the Regents on a direct basis to support those program elements for which the University of Iowa bears responsibility.

President Boyd began the presentation on the Statewide Health Service Programs by noting that the title of John Colloton was changed to reflect the organizational changes approved by the board last month. Mr. Colloton's title is now Director of University Hospitals and Clinics and Assistant to the Director for Statewide Health Services. He said the reorganization was an attempt to give the Statewide Health Service Program the necessary recognition within the university and outside of the university.

Mr. Colloton said that the report on the Statewide Health Service Program focused on the children's programs which are now functioning under the name of Iowa's Specialized Child Health Services. He explained that most of these programs presently are financed from federal categorical grants which are being converted to federal block grant funding in which priorities will be set at state level and which will be administered at state level. Mr. Colloton referred the board to Section #3 in the brochure "Financing - Statewide Health Services" for a description of the financial dimension.

Mr. Colloton said it appears that Congress will provide for a separate maternal and child health block grant which will target federal funds toward these children's programs in an effort to sustain them in future years.

While the method that Iowa will use to allocate federal block grant funds is currently undetermined, said Mr. Colloton, it is the university's position that the portion of federal block grant dollars available for perpetuating maternal and child health outreach programs emanating from the University of Iowa should be directly appropriated to the University of Iowa for this purpose and accounted for through the Regents' budget structure.

He noted that the Legislature made provision for this arrangement during the next fiscal year through Senate File 563 which provides that for fiscal year 1981-82, federal categorical grants converted to the block grant program will be directly designated to the state agency which has previously administered the categorical program. The university feels it is essential that operational and financial control of these programs remain within the university in order that continuity of care to involved patients can be assured, that the successful administration of these services not be disrupted, and so that the University Health Service Programs will continue to smoothly complement primary public health services emanating from other state and local agencies.

Mr. Colloton said that approximately half of all maternal and child health categorical programs in Iowa are now based at the University of Iowa. While in general, the federal block grant legislation requires administration of the block grant program through a single state agency,

the proposed legislation includes a grandparent clause to recognize and perpetuate the continuing administration of all or a portion of the maternal and child health programs on a decentralized basis. This provision is particularly applicable to the Iowa Specialized Child Services Unit which has been instrumental in developing and monitoring highly successful Iowa programs since 1936. In this context, said Mr. Colloton, it should also be recognized that states are required to maintain their present level of financial support of current categorical programs in order to be entitled to continued block grant allocations. Iowa has historically used the University Hospital indigent patient care appropriation as its contribution, a practice which has been accepted because of the intimate linkage between the Specialized Child Health Service Programs and the University Hospitals.

Mr. Colloton summarized that it is the posture of the university that the Governor and General Assembly should directly designate future block grant sums for these services to the University Statewide Health Programs - Iowa Specialized Child Health Services via the Regents' budget. He said it should be emphasized that the direct appropriations of these sums to the Regents' budget, while serving to promote efficiency and cost effectiveness, will not alter the collaborative relationship that some of these programs have with the Iowa State Department of Health. It is also fully recognized that the executive branch, with the advice of advisory groups, will wish to establish some mechanism for evaluating the programs to be supported by block grant funds in order to fulfill accountability for the grants. Mr. Colloton said the University of Iowa will, of course, fully cooperate in this process, as well as totally comply with whatever continuing evaluative, financial, and operational reporting programs are established.

Mr. Colloton concluded by expressing appreciation for the board's support in this matter.

Fred Smith, Head of the Department of Pediatrics, gave the board an appraisal of the considerations in Congress regarding block grants. He said that this issue has been in a state of flux. A month ago it appeared that all health services for mothers and children would be concentrated in a single block grant. He felt this was one of the better proposals. He said the block grant funds would include all funds minus a 25% rescission.

Dr. Smith said it is extremely important to identify and place children's programs in a competitive position for funds. If those funds were to come in a large block grant, it would be an uphill battle to identify them out of a mass of money. He explained that House Resolution 3732 would amend Title V which presently supports most of these programs. In Iowa, Title V is primarily used for outreach programs of specified health services for children. These programs have been developed through the interest of the staff and administration of University Hospitals in collaboration with Iowa community. He said these programs are tremendously cost effective. The thrust of these programs is to get care as close to the child as possible.

Dr. Smith said that if maternal and child health funds are not placed in a single block grant, it would be even more important to have a structure through which to channel services for children in the state. He said the present system has been very efficient. He said that communities have benefitted in terms of care of children and the community physicians' ability to take on special problems.

President Boyd said that because of the fluid situation in regard to the block grants, that it would be imperative for Mr. Colloton and Dr. Smith to have the opportunity of working directly with the Governor and Legislature to directly designate future block grant sums for these services to the University Statewide Health Service Programs. Mr. Colloton added that the board was being asked to endorse this policy. President Brownlee indicated that along with this endorsement there would be an expectation that Mr. Colloton and Dr. Smith and members of the Board Office staff work with the state government to see that the board's policy is adopted.

MOTION:

Mrs. Anderson moved that the board endorse the University of Iowa's posture that the portion of federal block grant dollars available for perpetuating maternal and child health outreach programs emanating from the University of Iowa should be directly appropriated to the university for this purpose and accounted for through the Regents' budget structure. Dr. Harris seconded the motion and it passed unanimously.

President Boyd expressed appreciation for the board's action. He said that the university would require the board's active assistance in hearings that may be held on this subject. President Brownlee said the board would do its best but that the board had a lot of faith in Mr. Colloton's efforts.

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

President Boyd said that the University of Iowa had been very fortunate and pleased to have as its academic vice president a person of great quality and good leadership. When Vice President Brodbeck came to the university, he was told she was a great philosopher and that she would bring great distinction to the faculty. President Boyd said she had done this and that she was received by the faculty as their colleague and leader. He said Vice President Brodbeck has been a wonderful colleague to everyone and that the university will miss her for the year that she is gone. The university is pleased that she will return.

President Brownlee thanked Vice President Brodbeck for her services on behalf of the board. He said it is rare to find an individual with a strong determination to advance the cause of education and the university but who is at the same time so kind and friendly.

Vice President Brodbeck said it has been her privilege to work with President Boyd and the Board of Regents.

UNIVERSITY LIBRARY ORGANIZATIONAL CHANGE. On another matter President Boyd informed the board about an organizational change at the University Library. He said that Leslie Dunlap, Professor and Dean of Library Administration, and Dale Bentz, University Librarian, have been working together in the administration of the library.

Dean Dunlap will retire in December of this year. Upon his retirement, his duties will be assigned to Mr. Bentz. There will be no change in Mr. Bentz's title.

President Boyd said that the University Library committee was consulted about this change in assignments.

President Boyd said that Dean Dunlap made enormous contributions through his scholarly efforts.

President Brownlee received the report on the organizational changes at the University Library on behalf of the board.

LANDGRANT ASSOCIATION MEMBERSHIP. Regent Harris noted that President Boyd had distributed a copy of a letter written to Robert L. Clodius explaining why the University of Iowa was dropping its membership from the Landgrant Association. He said he agreed to the contents of the letter except that in the opinion of the board President Boyd had in sense failed the university.

President Boyd said he was not happy to forego this membership. He said he had consulted with the Faculty Senate Budget Committee and with the college deans on this matter. The university has had a wonderful relationship with the Landgrant Association, said President Boyd, but he did not feel that the administration and institutional memberships could be free from the same budgetary burdens to which the rest of the university has been subjected.

President Brownlee noted that Mr. Clodius was holding the dropping of the university's membership from the association in abeyance until September 1 because of his hope that the matter will be reconsidered upon the selection of a successor to President Boyd.

## IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Thursday, June 18, 1981.

ANNUAL TENURE ANALYSIS, 1980-81. It was recommended that the board receive the 1980-81 tenure analysis for Iowa State University.

Vice President Christensen briefly explained the procedure for granting tenure. He said every department has tenure policies which are distinct for that department. The faculty review each person eligible for tenure very carefully. The department head has veto power over the decision of the faculty.

A college-wide committee then considers whether tenure should be granted. The college dean may or may not advocate the committee's decision. Vice President Christensen said that he meets with each dean to go over the recommendations for tenure. He also consults with the dean of the Graduate School to learn if the candidates for tenure contribute to graduate education and research.

Vice President Christensen said this is a fair process and that it is good for the institution. He noted that faculty members are jealous of their right not to give tenure to colleagues they feel are not contributing to the long-range process of the university.

Vice President Christensen said that the average number of faculty who are tenure at Iowa State University is below the national average.

Tenure at all three Regent universities and receiving of the reports is discussed in the general section of these minutes.

ACADEMIC REVENUE BONDING. It was recommended that the board adopt a resolution directing the advertisement and sale of \$15,600,000 Academic Building Revenue Bonds, Series I.S.U. 1981.

The Board Office explained that the Legislature in Senate Concurrent Resolution 35 authorized issuance in fiscal year 1982 of \$30 million in academic revenue bonds for the three universities. The bonding plan is explained in the general section of these minutes.

IOWA STATE UNIVERSITY  
June 17-18, 1981

The amount recommended for allocation to Iowa State University was \$15,600,000. Estimated project costs are as follows:

North Campus Storm Sewer	\$ 908,000
Heating Plant Improvements	1,290,000
Library Addition	4,200,000
Fire Safety Deficiencies	1,185,000
Quadrangle Equipment and Utilities	1,020,000
Campus Utility Improvements	1,036,000
Library Addition Equipment	1,520,000
Energy Management Program	1,340,000
Gilman Hall Renovations	3,000,000
Issuance Costs	101,000
	<u>\$15,600,000</u>

The Board Office explained that the bonds offered for sale would be in denominations of \$5,000 each dated July 1, 1981, and maturing in numerical order beginning July 1, 1984, in annual amounts of \$800,000 for the years 1984 through 1987, \$850,000 for 1988 through 1991, and \$900,000 for the years 1992 through 2001.

The board would have the right to call and redeem any bonds maturing on or after July 1, 1994, upon terms of par and accrued interest plus a premium equal to 1/2 of 1% 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% of the principal amount of said bonds.

The resolution calls upon the executive secretary to publish notice of the sale seven days prior to the date of the sale in the Des Moines Register. Sale date was established as 1:00 p.m., Central Daylight Savings Time, July 13, 1981.

The notice of sale also states that the sole paying agent shall be the Office of the Treasurer of Iowa State University. It goes on to state that bonds are expected to be delivered within forty days after the sale.

MOTION:

The board took up for consideration the matter of providing for the advertisement and sale of \$15,600,000 Academic Building Revenue Bonds, Series I.S.U. 1981. Whereupon Mr. Wenstrand introduced and caused to be read a resolution entitled "Resolution directing the advertisement and sale of \$15,600,000 Academic Building Revenue Bonds, Series I.S.U. 1981," and moved that said resolution be adopted. Mr. Nolting seconded the motion, and after due consideration the president put the question on the motion and, the roll being called, the following voted:

AYE: Anderson, Harris, Jorgensen, McDonald, Murphy, Neu, Nolting, Wenstrand, Brownlee.

NAY: None

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

PRELIMINARY BUDGET FOR 1981-82. It was recommended that the board approve the preliminary budgets for 1981-82 as follows:

General University	\$114,191,000
Agriculture and Home Economics Experiment Station	12,095,505
Cooperative Extension Service in Agriculture & Home Economics	13,790,000

GENERAL UNIVERSITY

Expenditures for employees amount to about 80% of the total budget. In 1980-81 the university attempted to maintain the work force intact by limiting reductions to a little over 1% by greater reductions (3%) of nonsalaried expenditures.

The appropriation reduction of 4.6% in FY 1980-81 was accompanied by an increase in institutional income of 7.6%, most of which was derived from increased enrollment. However, if one adds the additional cost of instruction for the increased enrollment which was unfunded and the reduction in appropriations, the effective reduction of general university operations may be in the 6-8% range. Student fee income supports about one-fourth of the total cost of instruction and the remainder would be funded by appropriations.

For 1981-82, budget increases are funded by the salary adjustment fund, student fee income from increased enrollment of 232 students, and student fee income from the rate increase.

The institution proposed to place its highest priority on funding faculty and professional staff salaries and to maintain support staff in so far as possible. Funding for supplies and services and library books was emphasized in support of student instruction. Of the remaining funds, as much support as possible was proposed for equipment and building repairs.

In order to offset the impact of appropriations reduction and the effect of enrollment increases, the university conducted a major study of work-load trends. Among other things, the study examined for each college the student credit hours per fulltime equivalent teaching staff and the change of enrollment during recent years. As a result of the study, it was proposed that funds be reallocated to increase temporary teaching funds by 18.2% to increase flexibility in responding to enrollment shifts among the various colleges and departments. The next largest allocation would be to Engineering and Sciences and Humanities in the amount of 5%. The allocation to the College of Design would amount to 4.8%. The lowest allocations were proposed for EMRRI (0%), Physical Plant (2.1%) and 2.2% for Information and Development - Student Affairs, Business & Finance and Home Economics.

Turning from considerations of impact on the general university programs to categories of expenditure, funds were proposed for salary increases in accordance with the development of the salary adjustment fund. The Board of Regents' request for funds for fuel and purchased electricity was honored and provides for price increases applied to average consumption during the three years prior to 1980-81. Of the remaining items, the institution recognized the high inflation rate for supplies and services and books by proposing budgets of 12.9% and 10.5% respectively above the level as originally budgeted by the Board of Regents for 1980-81.

In spite of the serious need for more modern equipment for instructional laboratories and upkeep of buildings, the institution proposed budgets 4.6% and 4.5% respectively below that budgeted by the Board of Regents at the beginning of 1980-81. In spite of the need and the effect of inflation on equipment and building repairs, the Board Office said it was probably appropriate to defer building maintenance and equipment purchases.

In view of the comprehensive study by the university and the proposed internal reallocations to optimize operations for instructional service to the students, the Board Office recommended that the proposed preliminary budget of \$114,191,000 be approved.

#### Agriculture & Home Economics Experiment Station

The institution reported that Iowa State University worked with the state agricultural experiment station system and the United States Department of Agriculture to develop a systematic plan for research. The plan includes such agricultural concerns as economic and social implications, pest control management, energy, national food security, human nutrition, and land use.

During 1980-81, the budget reduction was accomplished by a 3.3% reduction in expenditures for salaries and elimination of any expenditures for building repairs. The budgets for supplies and services and equipment have been maintained at nearly the level approved originally by the Board of Regents.

However, in order to provide for the 8% salary adjustment policy for 1981-82, the budget for supplies and services is being reduced by 9.3% from the original budget for 1980-81, equipment by 79%. Funds for building repairs are being eliminated for the second year.

As a consequence of the budget reductions for equipment and building repairs, it may be necessary to terminate some basic research programs.

In 1980-81, 31 positions were frozen or eliminated. In the budget proposal for 1981-82, the institution expects to continue these position reductions. In addition, 15% of the graduate assistant positions are to be frozen by establishing a reserve of \$322,000.

The Board Office said it recognized the need for flexibility which is provided by the frozen staff and graduate assistant positions and anticipated that some internal reallocation may occur as federal appropriations are known in October.

In addition to the implications to the Experiment Station research noted above, it is important to recall Dean Kolmer's presentation to the Joint Appropriation Subcommittee on Education in which he compared Iowa's investment in agricultural research in the amount of \$0.83 per thousand dollars of cash farm receipts with Minnesota at \$3.00, Texas at \$2.50, California at \$3.70, New York at \$4.50, and Florida at \$8.00.

Although it is of concern that the institution has reduced dramatically its expenditures in the non-salaried categories, an effort must be made to retain qualified staff and flexibility to restore research effort as federal funding policies become clearer and the state's economy improves. In view of these considerations, the Board Office recommended that the proposed preliminary budget for the Agriculture and Home Economics Experiment Station in the amount of \$12,095,505 be approved.

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

The mission of the Cooperative Extension Service is to communicate research findings in agriculture and home economics throughout the state of Iowa. Consequently, its budget consists primarily of salaries for its employees and supplies and services for travel, telephone, printed matter and mailing costs.

The appropriations policy caused a reduction in funds for salaries in 1980-81 of \$345,000 and elimination of 22 positions including approximately 7 faculty, 10 professional and scientific staff, and 5 Regent Merit System positions. The revised budget for 1980-81 required a reduction in equipment expenditures of \$58,000. No increase in federal funds has been available.

The institution proposed to continue the reduction in force for 1981-82 in order to provide the 8% salary adjustment and to increase supplies and services by 9.5%. The proposed budget can be accomplished only by means of an anticipated increase in federal funds of \$580,000 from the federal fiscal years 1980-81 and 1981-82.

The staff reduction will have a direct effect on the programs to disseminate research information in such areas as conservation tillage to save soil, water, and energy; in cost reduction of livestock production; in education regarding family life and human nutrition; in 4-H programs for the development of youth; in methods for providing in rural areas for water supply, waste water disposal, and solid waste disposal; and other important programs.

Reduction of 22 employees, about 5% of the total employees, is expected to cause a reduction in the services that can be provided throughout Iowa.

Again, the institution expressed the concern of the federal government about the substitution of federal funds for state responsibilities in agricultural related programs.

The 41% reduction in the equipment budget with respect to the original budget for 1980-81 is expected to delay acquisition of telecommunications and computer equipment. This equipment is expected to reduce expenditures for travel.

In view of the balance that the institution has established between funding salaries, supplies and services and equipment, the Board Office recommended that the preliminary budget of \$13,790,000 be approved.

President Parks began the discussion by stating that the budget was difficult to put together. He noted that there was a great deal of cooperation from those in the university.

President Parks explained that the university began preparing the budget by reducing it by 4.6%. The university then selectively restored funds as need appeared and as resources became available. He said the university had a severe problem of providing instruction. It tried to put money back into colleges and departments where the pressures for instruction were heaviest. President Parks said this would leave some areas seriously undersupported. This includes supplies, building repairs, etc.

President Brownlee noted that Iowa State University had a particular problem in regard to the Cooperative Extension Service and the Agriculture and Home Economics Experiment Station. Vice President Madden explained that the 8% salary increase was to be borne by federal funding and that the net effect was an underfunding of these units. It was necessary to do more internal reallocating.

Vice President Madden said it appeared that the Cooperative Extension Service would not experience a reduction in federal funds and would benefit from increased federal revenues. Even in consideration of this, it was necessary to approve a 50% reduction of support directly affecting research projects these units undertake. He said it was unfortunate to have to make these adjustments. There did not seem to be any other alternative because of the uncertainty of federal fund revenues in fiscal year 1982. The units are reducing programs they feel are of low priority

The units are reducing programs they feel are of low priority. He said the extension offices would continue to function but that there would be less staff and fewer people in the field. It may take more time now for questions to be answered by the extension offices.

Mr. Richey commended the institution for doing a fine job on the fringe benefits program in regard to health insurance.

MOTION:

Mrs. Anderson moved that the board approve the preliminary budgets for 1981-82 as follows:

General University	\$114,191,000
Agriculture and Home Economics Experiment Station	12,095,505
Cooperative Extension Service in Agriculture and Home Economics	13,790,000

Mrs. Murphy seconded the motion and it passed unanimously.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for May 1981 were ratified by the board.

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

Appointments:

Patric D. Gouran as Acting Chair of the Department of Speech, effective July 1, 1981 through June 30, 1981 with salary as budgeted.

Lennox N. Wilson as Chair of the Department of Aerospace Engineering, effective July 1, 1981 through June 30, 1986, with salary as budgeted.

President Parks presented two additional appointments for approval:

Kenneth E. Carpenter as Chair of the Department of Architecture, effective July 1, 1981, through June 30, 1986, at a salary of \$46,000.

Robert L. Crom as Dean of University Extension and Director, Cooperative Extension Service in Agriculture and Home Economics and the rank of Professor in the Department of Journalism and Mass Communication at Iowa State University beginning September 1, 1981, at a salary of \$56,000 on a twelve-month basis.

President Parks noted that Dr. Crom would carry on the interinstitutional cooperation.

President Parks emphasized that the appointment of Dr. Crom would be a cooperative one with the U.S. Department of Agriculture and would not be final until the university receives endorsement of the appointment from the Department of Agriculture. President Parks said that he had consulted with the Department of Agriculture and that it would support the appointment of Dr. Crom but that the appointment could not be finalized until the endorsement is received.

MOTION: Dr. Harris moved that the board approve the appointments as outlined above. Mr. McDonald seconded the motion and it passed unanimously.

APPROVAL OF FAMILY ENVIRONMENT PH.D. DEGREE CHANGE. It was recommended that the board refer Iowa State University's request to offer the current Ph.D. degree in Family Environment as an independent degree rather than as a joint major with other disciplines at the university to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

The Board Office said this proposal would simply remove the requirement that doctoral students in Family Environment must also major in another discipline. The university indicated that no additional resources would be needed for this program although the proposal mentions the need for additional resources for space, graduate assistants, and computer time. These expenses were independent of the request for the programmatic change.

Vice President Christensen said a Ph.D. in Family Environment has been offered for many years but it has always been a joint major with other departments. The university feels it can provide better service in this field by providing a degree solely from the Family Environment Department. He said the department is highly qualified to do this.

MOTION: Dr. Harris moved that the board refer the university's request to offer the current Ph.D. degree in Family Environment as an independent degree rather than as a joint major with other disciplines at Iowa State University to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation. Mr. Neu seconded the motion and it passed unanimously.

APPROVAL TO CHANGE TITLE OF CURRICULUM TO GRAPHIC DESIGN. It was recommended that the board refer the request to change the title of the Department of Art and Design Curriculum in Advertising Design to Graphic Design to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

The university indicated that the change of curriculum title to Graphic Design will provide a more appropriate identification for this curriculum. Vice President Christensen indicated that this would be a change to keep up with current nomenclature and would not involve program changes.

MOTION: Mr. Wenstrand moved that the board refer the request of Iowa State University to change the title of the Department of Art and Design Curriculum in Advertising Design to Graphic Design to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation. Mr. Nolting seconded the motion and it passed unanimously.

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

Appointments:

Bernard O. Randol, Controller, to be University Secretary for the fiscal year beginning July 1, 1981.

Warren R. Madden as University Treasurer for the fiscal year beginning July 1, 1981.

MOTION: Mr. Nolting moved that the board approve the appointments of Mr. Randol and Mr. Madden. Mrs. Anderson seconded the motion and it passed unanimously.

STUDENT TEACHING AGREEMENTS FOR 1980-81 - RATIFICATION. It was recommended that the board ratify the student teaching agreements for 1980-81.

The Board Office reported that the list of student teaching agreements fulfilled the university's obligation for the 1980-81 school year to docket the student teaching agreements. The format for the 1981-82 year agreements was approved by the board earlier in the year.

MOTION: Mrs. Jorgensen moved that the board ratify the student teaching agreements for 1980-81 at Iowa State University. Mr. Wenstrand seconded the motion and it passed unanimously.

CHRISTMAS RECESS - EXCEPTION OF MERIT SYSTEM OVERTIME PAY POLICY. It was recommended that the board approve the university's proposal to modify the Merit System overtime pay policy on an experimental basis to permit compensatory time off at a straight time rate (hour-for-hour) during the June 1981 through January 1982 payroll periods within the following policies:

1. The university personnel office, in consultation with the Board Office, will conduct an appropriate evaluation of the impact of the modification with a documented report of the project to be submitted in the winter of 1982.
2. A decision regarding the need to schedule overtime will continue to rest with an employee's supervisor and will require supervisory approval for the implementation of any overtime required. This decision will be made by supervisory personnel based upon the need for the work to be done.

3. Individual staff members electing to utilize this option will be required to indicate their voluntary agreement to participate in the accumulation of compensatory time for the Christmas shutdown on an hour-for-hour basis by signing an acknowledgment of their agreement to accumulate compensatory time for this purpose.
4. No individual employee will be permitted to accumulate more than nine hours of compensatory time on an hour-for-hour basis in any single work week. No individual employee will be permitted to accumulate more than 40 hours of compensatory time on an hour-for-hour basis during the June 1981 through January 1982 payroll periods. Overtime beyond this limit will be compensated at a time and one-half basis.
5. To the extent possible, overtime will be distributed among all eligible employees in an equitable fashion. Employees who do not indicate a desire to participate in the voluntary hour-for-hour program will continue to earn compensatory time or premium pay under the existing Board of Regents overtime policy at the rate of time and one-half after 40 hours compensated.

The Board Office explained that in May 1981, the board approved the university's minimal operation schedule during the Christmas recess, from December 19, 1981, to January 11, 1982, but deferred for further study the university's proposal to modify the Merit System overtime pay policy.

Discussions took place between the Board Office and university officials and between the Board Office and officials of the other Regent institutions. Based on the desires expressed by the board to deal with possible inequities in the proposed modification of the existing Merit System overtime pay policy while attempting to provide flexibility for both the institution and its employees, the policies governing the proposed modification were developed.

The proposed policies would reiterate the commitment to the equitable distribution of overtime between employees to the extent possible while limiting the amount of hour-for-hour overtime which could be earned by an employee to 40 hours. The policies also would limit to nine hours the number of hour-for-hour compensatory time which could be earned in any week. They also maintain the decision regarding the need to schedule overtime with an employee's supervisor where proper administration requires that it be made.

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By following the policies recommended and limiting the modification to Iowa State University for a one-year study followed by a report, the Board Office felt both flexibility and equity could be maximized.

The revision to the current policy will require the concurrence of the State Merit Employment Commission and the State Executive Council.

Mr. Richey began the discussion by indicating that the Board Office felt the proposal should be allowed because of the management controls included to assure equity. He noted that participation in the plan would be completely at the discretion of employees who want to avoid payless days or having to use vacation during the Christmas break.

Regent Anderson said her concerns were that there be a need for the work done during the overtime and that there be equitable distribution of opportunity for employees to work overtime. She said it was important that all employees have an equal opportunity to participate in the plan.

Mr. Richey thought these concerns had been addressed by the proposed policy. The institution won't know for sure how the plan works until it has gone through the process.

In answer to Regent Anderson's question about whether a report would be made on how well the plan worked, President Parks said the university was anxious to see how it works. The university will share a report on this with the board.

MOTION:

Mr. Nolting moved that the board approve the university's proposal to modify the Merit System overtime pay policy on an experimental basis to permit compensatory time off at a straight time rate (hour-for-hour) during the June 1981 through January 1982 payroll periods within the policies outlined above. Mrs. Anderson seconded the motion and it passed unanimously.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office reported that the Register of Capital Improvement Business Transactions for the period of May 23 through June 19, 1981, had been received, was in order, and was recommended for approval.

The Board Office reported that the Register contained two items of specific interest:

Pearson Hall - Ground Floor Extension

The university requested approval of a revised project budget. In April the budget was reestablished at \$347,500 following award of

contract. The university now presented a budget totaling \$425,000 funded by Overhead Reimbursement for Use of Facilities. Of the \$77,500 increase in budget, about \$70,000 is additive to the preliminary estimate of \$135,000 for work to be done by plant forces. Those forces were initially intended to accomplish the interior general construction, mechanical, and electrical construction work. The demolition and reconstruction work was bid.

The increase was the result of completion of drawings and specifications of the interior finish work making it possible for the first time to develop a detailed cost estimate of intended physical plant work. It was understood that there was no increase in the scope of the project from that originally intended - only the cost increased. The other \$7,500 is in the contingencies and miscellaneous account.

The Board Office recommended that the board approve the additional \$70,000 in institutional work on this project.

Accessibility Modifications for Orthopaedically Handicapped - Phase II

A final report was submitted on this project. There was a balance upon the completion of the project of \$52,072.70 which was transferred to the major phase for Iowa State University on handicapped accessibility which was initially funded in 1979 and is near completion.

MOTION: Mr. McDonald moved that the board approve the Register of Capital Improvement Business Transactions for the period of May 23 through June 19, 1981; approve the revised budget and use of plant forces; accept the final report; and authorize the executive secretary to sign all necessary documents. Mrs. Murphy 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 Iowa State University.

President Brownlee said that the board viewed the departure of David Henry with great sadness. He has been a distinguished member of the university and a good friend. He wished Mr. Henry good luck.

## UNIVERSITY OF NORTHERN IOWA

The following business pertaining to the University of Northern Iowa was transacted on Thursday, June 18, 1981.

OPERATION OF TENURE POLICIES, 1980-81. It was recommended that the board receive the report on operation of tenure policies for 1980-81 for the University of Northern Iowa.

President Kamerick said that the University of Northern Iowa has had special problems in regard to tenure. He explained that since 1970 the standards for granting tenure have been strengthened and ranking for tenure is now more appropriate to the university level. Over the past 10 years, the percentage of faculty members with tenure has dropped. President Kamerick indicated that the university is in a fairly good position in regard to tenure.

Vice President Martin said that there is now more consistency in granting tenure. He noted that there were no new grievance cases on tenure this year and hoped that was an indication of university-wide acceptance of the standards for granting tenure and consistency in applying them.

Vice President Martin said the university is making tenure track appointments more cautiously. Departments are also being more cautious because there are fewer opportunities to make these appointments.

Tenure at all three Regent universities and receiving of the reports is discussed in the general section of these minutes.

ACADEMIC REVENUE BONDING. It was recommended that the board adopt a resolution directing the advertisement and sale of \$5,315,000 Academic Building Revenue Bonds, Series U.N.I. 1981.

The Board Office explained that the Legislature in Senate Concurrent Resolution 35 authorized issuance in fiscal year 1982 of \$30 million in academic revenue bonds for the three universities. The bonding plan is explained in the general section of these minutes.

The amount recommended for allocation to the University of Northern Iowa was \$5,315,000. Estimated project costs are as follows:

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Electrical System Improvements	\$ 800,000
Turbine Generator Supplemental	800,000
Russell Hall Renovation	500,000
Steam Distribution System Improvements	1,315,000
Fire Safety Deficiencies	825,000
Energy Management Program	1,025,000
Issuance Costs	50,000
	<hr/>
	\$5,315,000
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The Board Office said that bonds offered for sale would be in denominations of \$5,000 each dated July 1, 1981, and maturing in numerical order beginning July 1, 1984, in annual amounts of \$250,000 for 1984, \$275,000 for 1985, \$290,000 for 1986, and \$300,000 each year for 1987 through 2001.

The board would have the right to call and redeem any bonds maturing on or after July 1, 1994, upon terms of par and accrued interest plus a premium equal to 1/2 of 1% 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% of the principal amount of said bonds.

The resolution calls upon the executive secretary to publish notice of the sale seven days prior to the date of the sale in the Des Moines Register. Sale date was established as 1:00 p.m., Central Daylight Savings Time, July 13, 1981.

The notice of sale states that the sole paying agent shall be the Office of the Treasurer of the University of Northern Iowa. The notice states that bonds are expected to be delivered within forty days after the sale.

MOTION:

The board took up for consideration the matter of providing for the advertisement and sale of \$5,315,000 Academic Building Revenue Bonds, Series U.N.I. 1981. Whereupon Dr. Harris introduced and caused to be read a resolution entitled "Resolution directing the advertisement and sale of \$5,315,000 Academic Revenue Bonds, Series U.N.I. 1981," and moved that said resolution be adopted. Mrs. Anderson seconded the motion, and after due consideration the president put the question on the motion and, the roll being called, the following voted:  
AYE: Anderson, Harris, Jorgensen, McDonald, Murphy, Neu, Nolting, Wenstrand, Brownlee  
NAY: None  
Whereupon the president declared the motion duly carried and said resolution adopted.

PRELIMINARY BUDGET FOR 1981-82. It was recommended that the board approve the proposed preliminary budget for 1981-82 in the amount of \$41,535,000.

The Board Office noted that budget increases for 1981-82 relative to the original budget for 1980-81 approved by the board are to be funded by the salary adjustment fund, student fee income from increased enrollment, and student fee income from rate increases. A substantial head count enrollment increase of 638 students occurred in 1980 relative to 1979. Enrollment for 1981 is estimated to be slightly less than for 1980-81.

The institution's highest priority is to maintain its regular faculty and remainder of its staff insofar as possible. The next priority is to maintain supplies and services, equipment and library books at approximately the budget level of 1980-81. Building repairs would be cut about 20% with respect to the original budget of 1980-81.

During 1980-81 about 78 positions have been frozen consisting of about 10 faculty positions (as a lump sum amount), 29 professional and scientific staff, and 39 general service staff. The plan for 1981-82 is to restore the regular faculty positions although it is not expected that temporary faculty positions will be filled. The additional faculty positions will be accomplished by internal reallocation of funds including freezing of two additional professional and scientific staff positions, and six general service staff positions.

The budget cut has had a significant impact on the instructional program. The institution reported that during the 1980-81 spring semester, a record 580 classes out of a total of 2,417 classes were closed. Closing classes has forced many students to reduce their enrollment to part-time status and extended the time for completion of their degree program.

The institution reported that its most serious problem in responding to increased student enrollment is in business and industrial technology for which about five additional faculty positions have been reallocated. There is some need to increase faculty in economics to support the business program and in the computer science classes of mathematics.

The institution is allocating less support to such areas as the media center, library, curriculum laboratory, art gallery, and educational opportunities program.

Student demand for placement and career services and for financial aid information indicates a need for improved services.

As noted above, the funding of nonsalary expenditure categories is budgeted at about the 1980-81 level except for building repairs. This represents a cut of at least 9% due to inflation. In the case of library books, it would be considerably more than 9% plus the 4% proposed reduction.

The revised budget for 1980-81 represents the plan in response to the 4.6% reversion requirement. It does not reflect the estimated expenditures for 1980-81. The institution expects the salary expenditures to be

close to the plan; however, as stated in the Fuel and Purchased Electricity Report, the institution expects to realize a surplus of \$491,000 rather than \$110,000. These funds should help the nonsalary budgets for 1981-82 by purchasing materials, equipment and/or books in 1980-81 in preparation for 1981-82.

The institution plans to maintain its regular faculty positions and reallocate to the academic areas where enrollment increases are greatest. The institution plans to support other areas insofar as possible. The reduction of 20% in building repairs would be of considerable concern if the budget were to remain low too long or if building maintenance were deferred which would result in much greater expense due to other building damage.

In view of these considerations and the practical plan set forth by the institution, the Board Office recommended that the proposed preliminary budget in the amount of \$41,535,000 be approved.

President Kamerick indicated that the budget is tight and there is little flexibility left in it. Reallocation of funds were made within academic areas to meet changing enrollment patterns. Enrollments in the College of Business is experiencing the highest enrollment it has ever had and this is creating problems in staffing.

President Kamerick said the deans and department heads were very cooperative in preparing the preliminary budget.

President Brownlee noted that these budgets were difficult to prepare because the university had so little to say about the changes.

Mr. Richey called the board's attention to the changes in certain fringe benefits which will bring the University of Northern Iowa into line with policies at Iowa State University and the University of Iowa. He noted that this issue was discussed by the board several months ago.

MOTION:

Mr. Wenstrand moved that the board approve the preliminary budget for 1981-82 in the amount of \$41,535,000 for the University of Northern Iowa. Mrs. Jorgensen seconded the motion and it passed unanimously.

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

OTHER PERSONNEL TRANSACTIONS. The board was asked to approve the following actions on personnel:

Resignation:

Margarette Eby, Professor and Dean, College of Humanities and Fine Arts, effective July 31, 1981.

Appointment:

Robert J. Krajewski, Professor and Head, with tenure, Department of School Administration and Personnel Services, effective August 1, 1981, at a salary of \$32,500.

Change of Position:

John C. Downey, from Professor and Head, Department of Biology with tenure, to Professor and Dean, Graduate College, with tenure, effective July, 1981, at a salary of \$49,000.

Reappointments:

James Bailey, Associate Director of Business Services, as University Treasurer for the 1981-82 fiscal year.

Gary Shontz, Controller, as University Secretary for the 1981-82 fiscal year.

President Kamerick said the university was very sorry to lose Dean Eby. He said she is the third college dean in less than a year to move to an academic vice presidency at a substantial increase. There has been a heavy turnover in dean positions at the university.

MOTION:

Mr. Wenstrand moved that the board approve the personnel transactions as listed above. Mr. Neu seconded the motion and it was passed unanimously.

President Brownlee apologized to the board because some appointments of deans were coming to it precipitously. He said he had agreed to allow the institutions to bring them in this way in the interest of efficient operations although it was contrary to long-established board procedure.

As the searches for major positions narrow down, the board will be apprised by the institutions on the progress of the searches so it will have more information on the candidates in advance.

UNIVERSITY OF NORTHERN IOWA ACADEMIC CALENDARS, 1981-82 THROUGH 1984-85. It was recommended that the board approve revisions in the University of Northern Iowa academic calendars for 1981-82 and 1982-83 and academic calendars for 1983-84 and 1984-85.

In April 1980, the board approved calendars for the University of Northern Iowa for the years 1981-82 and 1982-83. The university requested revision of those calendars in order to provide a later starting date and an earlier ending date, with reductions in the between-term break, in registration days, and in mid-term holidays. The fall semester 1981, summer session 1982, and summer session 1983 calendars were unchanged. The calendar proposed for spring semester 1982 begins five days earlier than that previously approved. It also ends eight days earlier and provides for Friday rather than Saturday commencement. It is similar to those approved previously for the University of Iowa and Iowa State University. The University of Northern Iowa indicated that the calendar contains the same number of instructional days. The proposed change to a Friday commencement day will eliminate conflicts with spring commencements at the other universities which have both scheduled commencements for Saturday, May 15, 1982.

For the 1982-83 academic year, it was proposed that the fall semester classes begin two days later than in the previously approved calendar and that the mid-term break be reduced by one day. This calendar is also similar to those approved for the other two universities. Spring term changes comparable to those for 1981-82 were suggested.

The calendars for 1983-84 and 1984-85 follow trends similar to those developed for 1981-82 and 1982-83. The university indicated that the calendars were approved by the University Faculty Senate.

The Board Office said the university has not yet submitted its full schedule of university holidays for calendar years 1982, 1983, and 1984. The university indicated that these will be provided for approval at a later date.

The Board Office recommended approval of the revised and proposed calendars.

Vice President Martin said the changes in the calendars would bring the University of Northern Iowa's calendars into congruity with the other Regent universities.

The calendars were approved by the Faculty Council and department heads, added Vice President Martin.

On the matter of Christmas vacations, Vice President Martin said students had been campaigning to have the fall semester to start soon enough so that it could be concluded before the Christmas break. The

proposed calendars would put the end of the semester near Christmas. Vice President Martin said the students seemed satisfied with the proposed calendars.

MOTION: Mr. Nolting moved that the board approve the revisions in the University of Northern Iowa academic calendars for 1981-82 and 1982-83 and the academic calendars for 1983-84 and 1984-85. Mrs. Anderson seconded the motion and it passed unanimously.

REQUEST FROM THE UNIVERSITY OF NORTHERN IOWA TO SEPARATE SOCIAL WORK FROM THE DEPARTMENT OF SOCIOLOGY/ANTHROPOLOGY AND ESTABLISH SOCIAL WORK AS AN AUTONOMOUS DEPARTMENT. It was recommended that the board refer this request to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

The University of Northern Iowa requested the establishment of a Department of Social Work at the university. It recommended that the change from program status to departmental status take effect with the commencement of the 1981-82 academic year.

The program is presently a part of the Department of Sociology, Anthropology, and Social Work in the College of Social and Behavioral Sciences.

In 1978 accreditation of the program by the Council on Social Work Education was reaffirmed. In its latest visit to the university, the Council on Social Work Education noted that "...it is unclear whether the current structure adequately assures integrity of the social work program in such areas as faculty workloads, curriculum-building, budgeting, and recognition of the Master of Social Work as a professional degree in decisions of hiring, retention, promotion, and tenure." While this concern was raised in the site visit report, the Board Office noted that the council accreditation standards do not require departmental status of a social work program.

The Board Office recommended that this request be referred to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendations.

Vice President Martin said the university does not allow external accrediting agencies to dictate internal administration or academic structure. However, he believed there were sound reasons for making this change. The Advisory Council has strongly urged that this action be taken and the proposed change was approved by the Faculty Senate.

He indicated that the Social Work Program now operates with substantial autonomy and that becoming a separate department would not be a radical change in terms of its day to day operation. The change in status would give the program more autonomy.

The Department of Sociology, Anthropology, and Social Work is a large department. The areas of sociology and anthropology are more kindred in terms of programs.

MOTION: Mrs. Anderson moved that the board refer the request to separate Social Work from the Department of Sociology/Anthropology and establish Social Work as an autonomous department to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation. Mrs. Murphy seconded the motion and it passed unanimously.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office reported that the Register of Capital Improvement Business Transactions for the period of May 9 through June 8, 1981, had been received, was in order, and was recommended for approval.

The Board Office also recommended that a single bid received on the Renovate Tropical Greenhouse project be rejected and that the project be rebid later in the month.

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

Tuckpoint East Gym

Award to: Western Waterproofing Co., Inc., West Des Moines, \$32,700.00  
Iowa

Reconstruct Campus Street and 27th Street (Hudson Road to Campus Street)

Award to: Cedar Falls Construction Co., Cedar Falls, Iowa \$297,786.58

It was recommended that the board approve the following contract action:

Renovate Tropical Greenhouse

Bids were received on June 2 on this \$33,000 project funded by current year Building Repair Funds. A single bid was received from Winandy Greenhouse Co., Inc., Richmond Indiana, in the amount of \$38,697.

It was recommended that this single bid be rejected, that a revised budget be approved, and that the project be rebid. The revised budget submitted for approval totals \$48,000, funded by Building Repairs. The project will be rebid on June 23 with the intent that contract award be made prior to July 1, by which time current year Building Repair funds need to be encumbered.

The following acceptance of contract was recommended for approval:

Coal-Fired Boiler Project

Accept the contract with the Waldinger Corporation for mechanical equipment, piping, and erection in the amount of \$884,675.46.

The board was requested to approve the following new projects:

Seerley Hall - Management Development Facilities

Source of Funds:	University Building Repairs	\$13,000	
	UNI Foundation	<u>50,000</u>	
	Total		<u>\$63,000.00</u>

This project modifies an existing classroom to provide a business-related workshop area and a professional management seminar/conference area. Building Repairs funds will be used primarily for structural and electrical improvements, while the alumni contributions to the Foundation will consist of either actual equipment or cash contributions.

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

Coal-Fired Boiler Replacement and Auxiliaries

Approve payment of \$11,239.83 to Brown Engineering Company, Des Moines, Iowa, for additional services requested by the university which were outside the scope of the original design agreement. The three items involve compliance testing of the new boiler, design of a fan room addition to the new boiler plant, and a redesign of the ash piping for the vacuum pump. In the latter instance, \$234.32 was involved and the affected contractor has been billed for the extra design costs. The university stated it had good reason to believe it will be reimbursed for these costs by the contractor.

MOTION:

Mr. Wenstrand moved that the board approve the Register of Capital Improvement Business Transactions for the period of May 9 through June 8, 1981; ratify award of construction contracts made by the executive secretary; reject the single bid on a contract; approve the revised project budget; approve acceptance of a contract; approve the new projects; approve payment on a consultant contract; and authorize the executive secretary to sign all necessary documents. Dr. Harris seconded the motion and it passed unanimously.

REDUCTION IN UNIVERSITY OPERATIONS, DECEMBER 24, 1981, TO JANUARY 4, 1982. It was recommended that the board approve the University of Northern Iowa's request for reduced operations during that portion of the Christmas-New Year's semester break extending from December 24, 1981, to January 4, 1982.

The university reported that a reduced operating schedule covering 16 days last year resulted in a savings of approximately \$43,000. The reduction requested for an 11-day period this year will save an estimated \$35,000. Partial reduction during the remainder of the semester break is estimated to result in another \$15,000 savings in fuel and electricity costs.

The Board Office said existing personnel policies and rules will be observed during the period of the shutdown. Employees have been alerted to the proposed plan and generally support it.

The Board Office recommended approval of the university's request.

Vice President Stansbury said the university was requesting approval of the plan for reduced operations during semester break at this time in order to let employees know about it as soon as possible. The employees need this information so they can plan their vacations for the next nine months.

MOTION:

Mr. Nolting moved that the board approve the University of Northern Iowa's request for reduced operations during that portion of the Christmas-New Year's semester break extending from December 24, 1981, to January 4, 1982. Mrs. Anderson seconded the motion and it passed unanimously.

CONTINUING SUSPENSION OF PARIETAL RULE. It was recommended that the board continue the suspension of the parietal rule for sophomores for an additional two years (through May 1983) and suspension of the parietal rule for freshmen for two years (through May 1983).

The Board Office noted that during this period, efforts to maintain and enhance the educational benefits received by those living in the dormitories should be continued and extended. It was understood that the present parietal rule at the University of Northern Iowa is automatically reinstated at the end of the two-year suspension unless the Board of Regents takes action to extend the period of suspension.

The Board Office provided the following background information. In June 1979, the board approved the suspension of the parietal rule for sophomores at the University of Northern Iowa beginning with the academic year 1979-80 and extending, on an experimental basis, for a period of two years. It was understood that the parietal rule would be automatically reinstated for sophomores at the close of the two-year suspension unless

the board took action to extend the period of suspension. It was also understood that during that period the university would ascertain if educational benefits received by those who live in the dormitories can be maintained and improved.

In order to examine the educational benefits received by those living in the dormitories, the university established a Residence Hall Educational Environment (RHEE) Committee. This committee was directed to assess student and faculty perceptions of the residence halls as learning environments, assess factors which impact on the educational atmosphere of the university's residence halls, and recommend to the Office of the Vice President for Educational and Student Services measures which might enhance the educational environment of the residence halls. The committee conducted several surveys. As a result of its study, the committee provided recommendations on rules and regulations, student staff, faculty involvement, facilities and atmosphere, and intellectual stimulation. With respect to facilities and atmosphere, the committee recommended exploration of ways in which academic life might be more closely linked with residence hall life, the possibility of offering community-based educational programs, and faculty-led discussion groups, the discontinuation of tripling, the examination of residence hall study facilities, and the conducting of studies regarding the extent of alcohol and/or drug problems in the residence hall. With regard to intellectual stimulation, the committee recommended that students should be more directly encouraged to participate in the cultural and intellectual events offered on campus and that guest lecturers and artists visit the residence halls as part of their stay on campus.

Although the university indicated that the work of the committee was complete, it was encouraged to continue efforts to enhance the educational benefits of residence hall life and to provide a full report on those benefits if further suspension of the parietal rule was requested.

The university reported that occupancy remained high. Sophomore occupancy dropped by approximately 4 percent when the parietal rule was first suspended but has remained stable at 60 percent from the fall of 1979 to the fall of 1980. The university does not expect that the suspension of the parietal rule for freshmen will result in an appreciable decline in freshman occupancy for the period 1981-83. Overall, it was estimated that residence system occupancy will be 50 percent of the university enrollment if the parietal rule is suspended, contrasted with 51 percent of the university enrollment if the parietal rule is reinstated. If this assumption is correct, the university appeared to be indicating that the educational effects of residence hall life in terms of the numbers of freshmen and sophomores actually living in the dormitories will be essentially unchanged with the suspension of the parietal rule.

For the two years for which suspension was requested (1981-82 and 1982-83), it was projected that occupancy based on design capacity

would remain greater than 100 percent although declining slightly from 105.8 percent in 1980-81 to 104.2 percent in 1982-83. The number of tripled rooms should therefore decline, alleviating a concern with student perceptions that tripling has a negative effect on academic performance.

The university's study of the financial implications of suspension of the parietal rule indicated that the University of Northern Iowa residence system should remain financially strong over the next two years without a parietal rule. Voluntary transfers to the surplus fund will decrease as enrollments and the number of students living in the residence system decrease. However it was reported that the surplus fund would exceed \$1 million following proposed projects during 1981-83. The university reported that other voluntary and mandatory reserves are maintained at or above the level required by the bond resolutions.

The university emphasized that residence hall occupancy will drop with or without a parietal rule as a result of projected enrollment declines. The university indicated it would continue to monitor itself and that rate increases sufficient to compensate for inflation and declining occupancy will be recommended for 1982-83 and future years.

Vice President Hansmeier said the University of Iowa residence halls are a pretty good place to live. A survey showed that many students will choose to live in the residence halls without the coercion of the parietal rule.

In a survey of 481 students declaring majors conducted by the Office of Student Research, 91 had lived in a residence hall. Ninety-two percent of those students said they were satisfied with the residence hall. In another survey conducted by the Office of Student Research, 80% of graduating seniors attending a commencement rehearsal indicated they had lived in the residence halls at some point in their college life. About 80 percent of these students said they were satisfied; less than 20% were not satisfied.

Mr. Richey indicated that the basic reason the Board Office was recommending approval of suspension of the parietal rule was that it was clear the educational benefits to freshmen and sophomores can be maintained since the university anticipates that occupancy in the residence system will be at or above capacity.

President Kamerick said the university would only request reinstatement of the parietal rule if there were substantial educational benefits. He said the educational benefits of living in a dormitory are to some extent diminished if there is extensive crowding.

In recommending the suspension of the parietal rule, said President Kamerick, the university was cognizant of federal court decisions and of benefits that are lost because of crowding.

President Kamerick noted that there had been extensive consultation with students about suspension of the parietal rule. Two years ago there was a division of opinion between the Student Association and the Residence Hall Association. The Residence Hall Association thought it was important for freshman to live in the dormitories because of the educational benefits. There is now agreement between the two associations that the parietal rule should be suspended for two years.

Regent Jorgensen asked if anyone was monitoring the financial aspects in regard to bonding requirements. Mr. Richey noted that the board receives annual reports on the residence halls at the Regent universities and that that information is included in these reports.

Regent Neu asked about abolishing the parietal rule. He thought if the occupancy in the dormitories dropped below the appropriate level, the parietal rule could be reinstated. Mr. Richey noted that the proposal provides an opportunity to review the suspension of this program every two years. President Brownlee indicated that it is easier to reinstate a suspended program than to propose a new rule which would involve going through the Administrative Rules procedures.

Regent Neu noted that the board would not reinstate the parietal rule for any reason other than the students' benefit.

MOTION:

Mr. Neu moved that the board approve the continued suspension of the parietal rule for sophomores for an additional two years (through May 1983) and suspension of the parietal rule for freshmen for two years (through May 1983). Mrs. Jorgensen seconded the motion and it passed unanimously.

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

## IOWA SCHOOL FOR THE DEAF

The following business pertaining to the Iowa School for the Deaf was transacted on Thursday, June 18, 1981.

PRELIMINARY BUDGET FOR 1981-82. It was recommended that the board approve the proposed preliminary operating budget in the amount of \$4,198,784

The Board Office said that in 1980-81, the Iowa School for the Deaf was able to increase its institutional income by \$54,000 over its original budget by sales of obsolete equipment and increased investment income. This increase was in spite of the loss of \$5,000 in federal funds for the food program. This additional institutional income offset the 4.6% appropriation reduction to provide a net budget reduction of 3.2%.

In order to maintain its staff, the institution took about three-quarters of its reduction in non-salaried items, principally supplies and services and equipment.

The main effect on the teaching program pertains to lack of speech teachers. The institution informed the Board Office that it is accepting a loss of one speech teacher to reduce the number of speech teachers to four. It would like to have six speech teachers. A staff of highly qualified speech teachers is of critical importance to the instruction of deaf children because of the great difficulty of such children in learning to speak. Other reductions include a teacher's aide for the multiple handicapped and a recreation worker. This summer the number of physical plant workers is being limited to three rather than six.

The institution proposed to continue the staff reduction for 1981-82. Salary increases will be provided as funded by the salary adjustment fund.

By maintaining its staff at the proposed level, the non-salary budget categories will still be about \$50,000 below the original budget for 1980-81. Funds for fuel and purchased electricity have been appropriated in accordance with the Regents' request. The proposed budget for supplies and services is about 7% below the original budget for 1980-81 which amounts to about a 16% cut when 9% for inflation is included. The institution severely cut the amounts for equipment and building repairs by about 28% and 52%, respectively, relative to the original budget for 1980-81.

In addition to the general program budget limitations, funds for the restricted program budget are expected to be reduced by about 25%. The institutional plan is to discontinue any unfunded restricted programs such as summer travel, student-parent workshop, houseparent workshop, reading consultant, physical therapy and related supplies.

The institution reported that it is under strength in every department, that the food budget is tight, and that building repairs and equipment needs must be deferred in order to maintain the needed staff. The institution reported that the staff recognizes the economic condition of the state and is cooperating well to carry out its mission within the constraints of the limited budget.

The Board Office said the proposed preliminary budget appeared to achieve a reasonable balance with respect to the needs of the institution and is recommended that the proposed preliminary budget of \$4,198,784 be approved.

The Board Office will expect to review the final budget in detail including the non-salary budget categories.

Mr. Richey noted that the two special schools do not receive the benefit of tuition rate increases. Consequently, the 4.6% mandated budget reduction and absence of allocations for inflation, affect them much harder. In addition, the schools are expecting severe cutbacks on federal funding. The schools will have problems in making the budgets work next year.

Superintendent Giangreco indicated that the key to next year would be whether the school receives federal funds. He noted that the school is short instructional staff and has reduced its campus crew. It has also cut back on equipment, supplies, building repairs, and non-teaching personnel.

He said the personnel at Iowa School for the Deaf had been very cooperative in trying to work out the budget.

Superintendent Giangreco indicated that a critical area is in speech instruction. The schools receives requests from parents for more speech instruction.

**MOTION:**

Mr. Nolting moved that the board approve the preliminary operating budget in the amount of \$4,198,784. Mrs. Murphy seconded the motion and it passed unanimously.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the month of May 1981 were ratified by the board.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. Mr. McMurray introduced three new projects which had been added to the Register of Capital Improvement Business Transactions.

Wheel Chair Lift - Primary Hall

Source of Funds: 1980-81 Balances \$35,000.00

This will be the last part of the handicapped accessibility program at Iowa School for the Deaf which began in 1977. Primary Hall is the only building not accessible to upper levels by the handicapped.

Mr. McMurray noted that this project was on the Board of Regents' request for this biennium but that it was not funded.

Alternatives for accessibility were investigated and it was determined that this type of lift could be installed for less than half the cost of an elevator. It will give added flexibility and allow the building to be modified in the future for other uses. Mr. McMurray explained that there are tentative plans to use Primary Hall as senior student living quarters.

He said the wheel chair lift would go up the side of the stair. It can be stored flat against the stairwell when it is not in use. This enables the stairwell to be used for ingress and egress.

This kind of lift has been used at the University of Iowa in several buildings and has been found to be quite satisfactory.

Energy Audit - Phase II

Source of Funds: 1980-81 Balances \$17,800.00

In the past year a Class A energy audit was undertaken on the Main Building at a cost of about \$10,000. It was estimated that an energy audit on the 5 remaining principal buildings would cost \$17,800.

The advantage of the energy audits is that they point out future energy conservation projects, what cost savings would be if projects were implemented, and how long it would take to recover costs of modifications.

The energy audits are a first step to becoming eligible for federal funding for energy conservation opportunities under the schools and hospitals program.

Replace Windows - Two Buildings  
Source of Funds: 1980-81 Balances

\$78,200.00

The third project Mr. McMurray introduced was to replace existing windows with thermal energy efficient windows in the Elementary School and Infirmary Building. Estimated costs are \$78,000. As much of this work would be done as possible with the funds available in this fiscal year.

Mr. Richey explained that the above three projects were presented for board approval at this time because it was learned money was available for them. The projects should be done while the opportunity exists because of the paucity in institutional budgets for repair and upkeep.

MOTION:

Dr. Harris moved that the board approve the new projects and authorize the executive secretary to sign all necessary documents. Mr. Wenstrand seconded the motion and it passed unanimously.

TENANT PROPERTY RENTAL SCHEDULE FOR FY 1981-82. It was recommended that the board approve the tenant property rental schedule for July 1, 1981 to June 30, 1982.

The Board Office reported that the FY 1978 general audit at Iowa School for the Deaf resulted in an exception relating to lease arrangements between the school and its tenants and the rental rates being charged. There was a misunderstanding on the part of the institution as to its responsibilities and that of the Board of Regents relating to property rentals. Additionally, the auditor asked that the Regents review the rental fee structure and costs of maintenance relating to Iowa School for the Deaf residences. It also recommended that leases be obtained from all lessees to protect both the lessor and the lessee.

All properties will be covered by an executed lease on the Iowa State Bar Association form.

A review by the institution of various conditions affecting property rental rates resulted in a proposed increase on all units. The increases ranged from 6.7% through 16%. The primary criteria used was a 7% factor allowed by an agency of the federal government relating to federally subsidized tenants without prior authorization. The institution pointed out the difficulty of comparing Iowa School for the Deaf rental rates to those on the open market.

Iowa School for the Deaf tenants are expected to provide year-round caretaker services and have emergency duty responsibilities on campus. Competitive market rates could result in vacancies and this is not considered in the best interest of the institution.

The Board Office recommended approval of the schedule for residence and garage units. It said they indicated a positive movement toward meeting the increasing costs of maintenance.

Mr. Kuehnhold said the rental rates were fair. The school expects a lot from the tenants as year-round caretakers and in their emergency situation assignments as needed.

MOTION: Mr. Wenstrand moved that the board approve the tenant property rental schedule for July 1, 1981, to June 30, 1982. Mr. Nolting seconded the motion and it passed unanimously.

OTHER PERSONNEL TRANSACTIONS. The board was asked to approve the following appointment:

Appointment:

Melvin H. Kuehnhold as Secretary and Treasurer for the year beginning July 1, 1981.

MOTION: Mrs. Anderson moved that the board approve the appointment of Mr. Kuehnhold. 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 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 June 18, 1981.

PRELIMINARY OPERATING BUDGET FOR 1981-82. It was recommended that the board approve the proposed operating budget of \$2,246,615.

The Board Office said that actual headcount enrollment for Fall 1980 was 87. Forecast headcount enrollment for fall 1981 is 80. The headcount reduction represents an 8% decrease. The severity rating associated with the multiply handicapped child at Iowa Braille and Sight Saving School indicated a 10% decline in workload.

Institutional income will exceed budget in 1980-81 by 9%. An additional 6% is forecast for 1981-82. Institutional income, however, represents only about 4% of the total general educational funding. More significantly, the institution estimated a loss of \$88,000 in restricted funds from Title I (educational enhancement) and Title VIC (deaf/blind) programs.

The school absorbed the continuing 4.6% appropriation reduction through revisions to support staff, equipment, and building repair budgets. A substantial reallocation of funds occurred, additionally, as the result of a loss of the \$88,000 in federal funding noted above. Approximately 5.8 full-time equivalent positions were shifted from the lost restricted fund operations to existing general fund operations. An existing professional and scientific position was reallocated as well as 4.7 full-time equivalent general service positions to accommodate this shift. Through the reallocation process, the school reported it was able to maintain overall staffing complement at approximately the same level as in 1980-81 within the general fund.

Overall, 5.7 positions were lost in terms of total campus operations. In terms of needed service level, the impact was significantly less.

Positions shifted to general fund support include faculty staffing for the six-week extended school year program, a developmental teacher, and a liaison teacher. General service staff shifts from restricted funds to general funds include extended school year support, a school aid, and five houseparent/aides.

The proposed level of support for 1981-82 equipment and building repair budgets was \$51,000, or a 51% reduction when compared to 1980-81.

There was no question but that the reduction in building repairs will have a negative effect on the maintenance of the campus, which is relatively old and has substantial building repairs requirements. An essential program adjustment of \$9,000 received for fuel and purchased electricity associated with the recent opening of the campus service building addition and the 1980 swimming pool renovation was reallocated to support the instructional program.

The campus administration made every effort to maintain the existing capability in the instructional program. Concurrently, reallocation and position losses have not impaired the school's ability to provide services related to its state resource center role.

Overall, said the Board Office, salaries and fringe benefits as a percent of total operations increased from 79% in 1980-81 to 82% in 1981-82. This change was a function of internal priorities and the inability of the campus to support non-personnel expenditure categories at needed levels.

The Board Office recommended that the proposed operating budget of \$2,246,615 be approved.

Superintendent DeMott said that the budget reflected the movement of some positions from federal support to state support. This appears to be an increase in positions but it is not. The actual number of faculty and other employees has been reduced. The federal funds are no longer available for the positions involved.

In answer to a question from Mr. Richey, Superintendent DeMott said that the school had good fortune this year in attracting professionals to positions it has been difficult to fill in the past. The school did its best to fill the positions and had to draw the money for them from other budget categories. The school felt it could do this in the short run.

He said that in the past few years the school has used salary savings to meet needs in the area of building repairs. He said some badly needed changes took place and wanted to be sure that in the long run this process is not reversed.

**MOTION:**

Mr. McDonald moved that the board approve the proposed operating budget of \$2,246,615. Dr. Harris seconded the motion and it passed unanimously.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the month of May 1981 were ratified by the board.

OTHER PERSONNEL TRANSACTIONS. The board was asked to approve the following appointment:

Appointment:

M. D. Berry as Secretary-Treasurer for 1981-82.

MOTION: Mr. Nolting moved that the board approve the appointment of Mr. Berry. Mr. Neu seconded the motion and it passed unanimously.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office reported that the final register for June 1981 had been received, was in order, and was recommended for approval.

There was a contract change order with B. A. Westbrook Construction, Inc., Marion, Iowa, on the handicapped accessibility project in the amount of \$6,758.85. This covers a large number of last minute items discovered in the windup of the project. The major items include fire-proof doors for Palmer Hall and a ramp modification.

There was an acceptance of completed construction contract with B. A. Westbrook Construction, Inc., on the handicapped accessibility project. With the above change order, that contract totaled \$241,316.85. The campus is now accessible to the orthopaedically handicapped, as the project involved installation of elevators in three buildings, rest-room modifications, and entrance modifications in a total of four buildings on campus. The school expects installation shortly of the wheelchair lift in Palmer Hall, which is the last item to be completed in the project.

There was an acceptance of completed construction contract with B. A. Westbrook Construction, Inc., on the Enclosed Walkway between Rice Hall and the Gymnasium. The contract including two change orders was in the amount of \$138,401.14. With this walkway, the tunnel system is completed and enclosed access is provided between all dormitories, the Main Building, and the Gymnasium.

In addition to the above projects, Mr. McMurray introduced two new projects for approval.

Heating Plant Roof Repairs

Source of Funds: 1980-81 Balances \$25,000.

A portion of new roof will be installed and selected drains on the upper and lower roofs will be repaired. It was recommended that the project be undertaken at this time because of an anticipated announcement of a 10% price increase on roofing materials.

Technical Energy Audits

Source of Funds: 1980-81 Balances

\$18,000.

Mr. McMurray noted that the Iowa School for the Deaf would have its energy audits completed by the end of the year and that Iowa Braille and Sight Saving School needed to be brought to the same level.

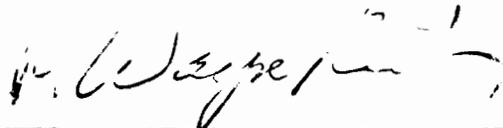
The estimated costs of the energy audits is \$18,000. The school will contact a consultant and do as much as possible this year and start phasing in the projects shortly thereafter.

MOTION:

Mr. McDonald moved that the board approve the Register of Capital Improvement Business Transactions for June 1981; approve the contract change order; accept the completed contracts; approve the new projects; and authorize the executive secretary to sign all necessary documents. Dr. Harris 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 Braille and Sight Saving School. There were none.

The meeting of the State Board of Regents adjourned at 3:30 p.m. on Friday, June 19, 1981.



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R. Wayne Richey  
Executive Secretary