

The State Board of Regents met at Iowa State University, Ames, Iowa on Wednesday and Thursday, June 20-21, 1984. Those present were:

	<u>June 20</u>	<u>June 21</u>
Members of the State Board of Regents:		
Mr. Brownlee, President	All Sessions	All Sessions
Mrs. Anderson	Excused	Excused
Mr. Duchon	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. Van Gilst	All Sessions	All Sessions
Office of the State Board of Regents:		
Executive Secretary Richey	All Sessions	All Sessions
Director Barak	All Sessions	All Sessions
Director Gross	All Sessions	All Sessions
Director Maxwell	All Sessions	Exc. 12:00 noon
Director Volm		All Sessions
Director Wright	All Sessions	Exc. 12:00 noon
Associate Director Runner	All Sessions	All Sessions
Associate Director Stanley	All Sessions	
Assistant Director Hunt	All Sessions	
Ms. Peters, Secretary	All Sessions	All Sessions
State University of Iowa:		
President Freedman		Exc. 12:00 noon
Vice President Remington		Exc. 12:00 noon
Associate Vice President Mahon		Exc. 12:00 noon
Associate Vice President Small		Exc. 12:00 noon
Assistant to President Mears		Exc. 12:00 noon
Director Jensen		Exc. 12:00 noon
Director Stork		Exc. 12:00 noon
Iowa State University:		
President Parks	All Sessions	All Sessions
Vice President Christensen	All Sessions	All Sessions
Vice President Hamilton	All Sessions	All Sessions
Vice President Moore	All Sessions	All Sessions
Associate Vice President Madden	All Sessions	All Sessions
Assistant to President Crawford		All Sessions
University of Northern Iowa:		
President Curris		Exc. 11:02 a.m.
Provost Martin		Exc. 11:02 a.m.
Vice President Conner		Exc. 11:02 a.m.
Assistant to President Voldseth		Exc. 11:02 a.m.
Director Kelly		Exc. 11:02 a.m.
Director Stinchfield		Exc. 11:02 a.m.
Iowa School for the Deaf:		
Superintendent Giangreco		Exc. 11:07 a.m.
Business Manager Kuehnhold		Exc. 11:07 a.m.
Iowa Braille and Sight Saving School:		
Superintendent DeMott		Exc. 10:50 a.m.
Business Manager Berry		Exc. 10:50 a.m.

GENERAL

The following business pertaining to general or miscellaneous items was transacted on Wednesday, June 20, 1984.

President Brownlee stated that Regent Anderson was excused from the meeting and seminar because she was absent from the state. Regents Neu and McDonald were excused from part of the ISU planning seminar.

IOWA STATE UNIVERSITY LONG-RANGE ACADEMIC PLAN 1984-89. It was recommended that the board receive the report on long-range planning at Iowa State University for 1984-89.

The Board Office explained that Regents long-range planning consists of a program review process in which each program within one of the Regent universities is reviewed with respect to four specific criteria: centrality, quality, need, and cost. On the basis of the reviews, programs are prioritized, and the priorities serve as a basis for resource allocation and reallocation. Iowa State University's process of review differs somewhat from that prescribed in the board's policy. The university's process is more informal, less precise in its application of specific criteria to each program, and relies to some degree on other types of evaluation such as accreditation. Nonetheless, the ISU process seems to be reasonably effective.

The Board Office noted that it is encouraging that a number of the program, research, and service developments at the university are related to the economic development of the state of Iowa. Both the "high tech" areas and the more traditional areas show indications of providing substantial contributions to economic development. In his "Capstone Statement," President Parks said that the university intends to maintain its traditional standards at the same time that it is exploring these new directions.

The Board Office said it is clear from the report and from recent accreditation actions that the university has serious resource needs (human and otherwise). Every college within the university indicated an increased trend toward computer utilization and the need for upgrading other equipment and facilities. The university also makes a strong case for continued Regental support of faculty vitality and a continuous effort to obtain and maintain competitive faculty salaries.

Almost every college noted plans to continue or expand the international dimension of its programs, demonstrating the university's global contributions in many fields. This is also consistent with the important international role of commerce of the state of Iowa and as such contributes to the economic development of the state.

Possible programmatic changes noted in the university's report include proposals for:

- Interdisciplinary Toxicology program (Colleges of Agriculture and Veterinary Medicine).
- Agricultural Data Management System Program at undergraduate level (College of Agriculture).
- Food Service and Lodging Management curriculum (College of Agriculture).
- New curricula related to Management Information Systems and Financial Information Systems (College of Business Administration).
- Master of Business Administration (College of Business Administration).
- The general education component and the "core program" in the College of Design are under review and redesign.
- The Master of Arts degree in Design Studies is being reexamined.
- Phasing out of the Bachelor of Arts in Architecture in favor of the Bachelor of Architecture, a professional degree (also possible new areas of concentration) (College of Design).
- Consolidation of the Bachelor of Arts and Bachelor of Fine Arts degrees (also possible new minors or majors) (College of Design).
- A Master of Fine Arts degree (College of Design).
- A concurrent B.A./M.L.A. degree program in Landscape Architecture (College of Design).
- An academic minor in Educational Computing (College of Education).
- An academic minor for the professional sequence in Secondary Education (College of Education).
- A major in Community Health Education (College of Education).
- A Master's program in Leisure Studies (College of Education).
- An interdisciplinary doctoral program in Nutritional Physiology and Exercise Physiology (College of Education).
- A Master of Science in Construction Engineering (College of Engineering).
- A Ph.D. in Operations Research (College of Engineering).
- An undergraduate program in Community Nutrition (College of Home Economics).
- Changing the Hotel, Restaurant, and Institutional Management Master's program options to majors with a creative component (College of Home Economics).

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- A new interdisciplinary undergraduate major in Nursing Home Administration (College of Home Economics).
- No specific new program proposals for the College of Science and Humanities.
- Ph.D. in Industrial Engineering (College of Engineering).

The Board Office reported that as the university attempts to find the necessary resources to carry out the ambitious plans of the various colleges, it is anticipated that it will continue to take a hard look at the various proposals coming forward. Some of the programs being proposed would appear to be duplicative of other programs at the Regent universities. Some others may be questionable given the lack of adequate resources to carry out the university's traditional programs (those which are perhaps more central to its mission) including some of those recently cited for deficiencies by professional accrediting associations. It also appeared that the progress in some of the programs noted in the long-range plan should have been reported earlier to the Board of Regents, since such reporting is essential for effective governance.

Complete copies of the minutes of the Long-Range Academic Planning Seminar which was held on June 20-21, 1984, and other documents relating to long-range planning at Iowa State University are on file in the Board Office.

MOTION:

The report on Iowa State University Long-Range Academic Planning 1984-89 was received by general consent of the board.

The following business pertaining to general or miscellaneous items was transacted on Thursday, June 21, 1984.

APPROVAL OF MINUTES. The Minutes of the Long-Range Planning Seminar for Iowa Braille and Sight Saving School, April 19, 1984, and the Minutes of the board meeting of May 16-17, 1984, were approved as distributed by general consent of the board. President Brownlee stated that any additions or nonsubstantive changes could be turned in to the secretary.

INTERINSTITUTIONAL COMMITTEE FOR EDUCATIONAL COORDINATION. a. Major in Religious Studies, Iowa State University. It was recommended that the board approve this request for a new undergraduate major in Religious Studies in the Department of Philosophy within the College of Science and Humanities at Iowa State University.

At the May board meeting, the board received the initial request from Iowa State University for approval of this proposal. This request was referred to the Interinstitutional Committee and the Board Office for review and recommendation. The Interinstitutional Committee had completed its review and it recommended approval.

The Board Office reviewed this proposed program on the basis of the usual criteria: need, cost, quality, and centrality. Need for a program can be demonstrated in a number of ways. As noted by the university, "Religious Studies plays a central role in the humanities, whose mission is to initiate youth into the great traditions of world cultures." This is important, according to the university's proposal, because of ". . . the overemphasis in our culture, including education, on consumerist, cost-benefit, instrumental aspects of life." In strictly manpower types of need, the university noted in its request that "employment opportunities are moderate." Undergraduate majors in Religious Studies may be employed as lay workers in religious institutions or as workers in some social service agency. However, most employment opportunities in full-time religious or academic work require additional seminary or graduate school training of one or more years.

Concerning the cost of the program, the institution indicated that "no new resources will be needed apart from those which are already in place to support the Religious Studies Program." This program has previously been in existence at the university as a minor. The Board Office said it appeared from the material submitted by the university that the quality of the proposed program is sufficient to warrant approval of this major. The centrality of this program to the mission of Iowa State University is perhaps less obvious than some other majors. Yet it is an area that relates to practically all of the humanities and social sciences and even sometimes the natural sciences.

The proposed major does duplicate offerings in other public and private institutions in Iowa. As noted in the university's report, "practically all colleges and universities in Iowa, as in the U.S.A., offer a major in religion." While understanding the need for a religion major at Iowa State University, the Board Office questioned the assumption that the university

should offer a program because "practically all colleges and universities . . ." offer such a program. It hoped that this rationale would not become an argument for proposing other programs that unnecessarily duplicate offerings at other institutions in Iowa, especially the Regent institutions.

The Board Office said it was clear from reading the ISU Long-Range Academic Plan developed in 1982 that this major was under consideration for some time, an indication that the university is doing an adequate job of planning for the development of new program offerings in this area.

The university was reminded that Regent procedures require a post-audit of all newly proposed major programs five years after receiving initial approval by the board. The university should take steps to ensure that the information required for the post-audit will be available at that time.

Vice President Remington, who prepared the report of the Interinstitutional Committee on this proposal, said Religious Studies seems to be becoming an almost universal part of the liberal arts. This program is essential to the academic enterprise, particularly in the environment of technology. He noted that Religious Studies has been a minor at the university, but previously, in the decade 1924 to 1934, a School of Religion was in existence at Iowa State. Enrollment in Religious Studies declined in the 1960s but has increased steadily since then and now is approximately 1,000 per year.

Regent Murphy commented that she had been prepared to vote against this proposal, chiefly because the employment opportunities are so moderate and because it is not central to the mission of the university. However, after listening to Vice President Remington speak in favor of the program she was persuaded to vote for approval.

MOTION:

Mr. Neu moved that the board approve the request for a new undergraduate major in Religious Studies in the Department of Philosophy within the College of Science and Humanities at Iowa State University. Mrs. Jorgensen seconded the motion and it passed unanimously.

b. Area School Approval Recommendations. It was recommended that the board approve the Area School Recommendations as recommended by the Regent Committee on Educational Relations.

The Board Office reported that the recommendations for area school approvals are submitted in compliance with administrative rules adopted jointly by the State Board of Public Instruction and the State Board of Regents.

During the 1983-84 school year, each of the merged area schools was visited by representatives of the State Department of Public Instruction. At the

invitation of the merged area school superintendents, these visits also included representatives of the Board of Regents. Each visit included opportunities for the visitors representing the two state boards to meet and confer with administrators, faculty, and students and included a review of suggestions of the previous year.

The major purpose of the visitations was a review of the administrative rules relating to certification. These rules were recently amended and it was decided this would be an appropriate time to review compliance with the new rules and identify any problems that might still need additional attention.

The annual visitation reports were reviewed and accepted by the Joint Committee to Review Area School Approvals, composed of the nine-member Regent Committee on Educational Relations and an equal number of staff representing the State Department of Public Instruction. The Board Office noted that acceptance of these reports should not be construed as an endorsement of all the statements included in the reports. Although the reports do represent a sincere effort to present the findings of the visitors, they do necessarily contain some subjective comments that represent personal viewpoints of the visitors that cannot be endorsed by the Joint Committee without further study.

The Department of Public Instruction and the Regent Committees on Educational Relations and on Educational Coordination jointly submitted the following specific recommendations for each merged area school:

Merged Area 1 - Northeast Iowa Technical Institute (Calmar)

Continuation of approval -- to be revisited by an evaluation team during the 1986-87 school year.

Merged Area II - North Iowa Area Community College (Mason City)

Continuation of approval -- the present period of approval terminates at the end of the 1984-85 school year. The Joint Committee recommends another ten-year period of approval contingent upon satisfactory progress identified during the annual visitation during the 1984-85 school year.

Merged Area III - Iowa Lakes Community College (Estherville)

Continuation of approval -- to be revisited by an evaluation team during the 1985-86 school year.

Merged Area IV - Northwest Iowa Technical College (Sheldon)

Continuation of approval -- the present period of approval terminates at the end of the 1984-85 school year. The Joint Committee recommends another ten-year period of approval contingent upon satisfactory progress identified during the annual visitation during the 1984-85 school year.

Merged Area V - Iowa Central Community College (Fort Dodge)

Continuation of approval -- the present period of approval terminates at the end of the 1983-84 school year. The Joint Committee recommends another ten-year period of approval based on the satisfactory progress the institution has made during the past ten-year period.

Merged Area VI - Iowa Valley Community College District (Marshalltown)

Continuation of approval -- the present period of approval terminates at the end of the 1984-85 school year. The Joint Committee recommends another ten-year period of approval contingent upon satisfactory progress identified during the annual visitation during the 1984-85 school year.

Merged Area VII - Hawkeye Institute of Technology (Waterloo)

Continuation of approval -- to be revisited by an evaluation team in the 1987-88 school year.

Merged Area IX - Eastern Iowa Community College District (Davenport)

Continuation of approval -- to be revisited by an evaluation team during the 1987-88 school year.

Merged Area X - Kirkwood Community College (Cedar Rapids)

Continuation of approval -- the present period of approval terminates at the end of the 1983-84 school year. The Joint Committee recommends another ten-year period of approval based on the satisfactory progress the institution has made during the past ten-year period.

Merged Area XI - Des Moines Area Community College (Ankeny)

Continuation of approval -- the present period of approval terminates at the end of the 1983-84 school year. The Joint Committee recommends another ten-year period of approval based on the satisfactory progress the institution has made during the past ten-year period.

Merged Area XII - Western Iowa Tech Community College (Sioux City)

Continuation of approval -- to be revisited by an evaluation team in 1986-87 school year.

Merged Area XIII - Iowa Western Community College (Council Bluffs)

Continuation of approval -- to be revisited by an evaluation team during the 1987-88 school year.

Merged Area XIV - Southwestern Community College (Creston)

Continuation of approval -- to be revisited by an evaluation team during the 1985-86 school year.

Merged Area XV - Indian Hills Community College (Ottumwa)

Continuation of approval -- to be revisited by an evaluation team during the 1985-86 school year.

Merged Area XVI - Southeastern Community College (Burlington)

Continuation of approval -- to be revisited by an evaluation team during the 1986-87 school year.

President Brownlee noted that Dean Virgil Lagomarcino, who had worked with the Department of Public Instruction in arranging these visits, was present at the meeting. Dean Lagomarcino in turn introduced Mr. Charles Moench of the Department of Public Instruction who would answer questions concerning the area school approvals.

MOTION:

Mr. Duchen moved that the board approve the Area School Recommendations as recommended by the Regent Committee on Educational Relations. Mrs. Jorgensen seconded the motion and it passed unanimously.

QUALITY ANALYSIS OF ENTERING FRESHMEN AT THE THREE REGENT UNIVERSITIES. It was recommended that the board receive the report on the Quality of Entering Freshmen at the three Regent universities.

Last winter the board requested a report on the quality of the entering freshmen at the three Regent universities. The report prepared by the Board Office in response to this request stated that the quality of an institution's freshman class is in many ways an elusive and subjective area that is difficult to assess. For the purposes of its report, the Board Office chose two indicators that assess the potential academic strengths of entering freshmen. These two indicators were the two most readily available and are two that are frequently used as indicators of freshman quality nationally. These indicators are high school rank and ACT composite scores. A trend analysis was conducted for these two indicators at each of the universities over a ten-year period.

High School Rank. The Board Office said there seems to be a general decline in the percentage of entering freshmen in the top 30 percent of high school graduates, as shown in the following table:

	1983-84	1973-74	% of Change
University of Iowa	62.9	63.4	- .5
Iowa State University	64.8	70.8	-6.0
University of Northern Iowa	50.8	52.9	-2.1

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Examining the bottom 30 percent of high school graduates, Iowa State University and the University of Iowa show a slight increase and the University of Northern Iowa shows a decline, as shown below:

	1983-84	1973-74	% of Change
University of Iowa	3.4	3.3	+ .1
Iowa State University	2.4	.6	+1.8
University of Northern Iowa	4.7	8.1	-3.4

The Board Office concluded that no drastic change has occurred in the high school ranking of entering freshmen.

ACT Composite Scores. When examining ACT composite scores for 1983-84 and 1973-74, there is a general decline noted in the score of entering freshmen for all three universities. This ACT score decline is a state and national trend. Average ACT scores of Iowa ACT test takers declined from 22.0 in 1973-74 to 20.2 in 1983-84. Nationally, ACT scores average between 18 and 20.

Percentage of Entering Freshmen with
ACT Scores of 26 and Above

	1983-84	1973-74	% of Change
University of Iowa	30.40	44.60	-14.2
Iowa State University	34.44	49.74	-15.3
University of Northern Iowa	17.28	24.65	- 7.3

Percentage of Entering Freshmen with
ACT Scores of 19 and Below

	1983-84	1973-74	% of Change
University of Iowa	17.30	13.30	+ 4.0
Iowa State University	22.02	8.52	+13.5
University of Northern Iowa	39.48	26.92	+12.6

The Board Office said the lower level ACT scores may be attributable in part to efforts to ensure accessibility to the institutions for students who have experienced prior educational disadvantages.

Vice President Remington noted that if actual count was used instead of percentage figures, the conclusions regarding the decline in the upper 30 percent students would be reversed at the University of Iowa. There, the actual number of students entering who were in the upper 30 percent of their high school graduating class has increased 51 percent in the last 10 years, at a time when the number of graduates in the state in this category decreased by 11 percent. He felt that rather than the upper 30 percent the report should have focused on the upper 50 percent, since

Regent policy requires the universities to admit those students who are in the upper half of their graduating class. Vice President Remington added that he considered this an appropriate policy and urged no change. Freshmen in the upper half of their high school graduating class entering SUI have increased in percentage in the last 10 years, because students in the fourth and fifth decile are enrolling in greater numbers.

Mr. Richey noted that a large part of enrollment growth at the University of Iowa has been from nonresident students who are subject to more stringent entry requirements in terms of class ranking and ACT scores, which would tend to raise all of the averages.

Vice President Christensen felt that one reason for declines noted by the Board Office report is that the Regent universities are placing more emphasis on diversity. Further, if there is a problem with quality, much is being done to address this problem. There is cooperation with the Department of Public Instruction and the secondary schools. There is the recent report on excellence in education which is under serious consideration in terms of implementation. At Iowa State University, there are diligent efforts to award scholarships to academically bright students, but all three universities are also taking a look at how to help disadvantaged students, and this cannot be done if only top students are accepted.

Vice President Martin pointed out that in Cedar Falls/Waterloo, there is no community college that offers liberal arts courses, so the University of Northern Iowa performs this function for various levels of students. He noted that a few years ago the Legislature made a significant reduction in the funds the universities were using for recruiting because of concern for competition. Therefore, UNI is rather constrained in its efforts to attract the best students, since there is presumably a public policy against this. Furthermore, the university has no funds to attract top-flight students.

Regent Murphy asked if the universities are digging a little deeper for their students than in the past in terms of academic rankings. Vice President said not at the University of Iowa. In fact, the university had recently made more stringent the admission criteria that were within the university's control. He did not think that accepting students in the 30 to 50 percent range was digging deeper.

President Curris felt that digging deeper implies that the universities are making a conscious effort to go into the lower ranks for students. He did not think this is the case. The universities are attracting students in the 30th to 50th percentiles because they are eligible. Many students, in the past decade, have gone on to higher education for the first time. The universities are attracting many students who previously would not have gone to college. Vice President Remington added that currently many students who might have worked after high school graduation now get more training so they are more competitive for jobs.

Regent Jorgensen asked Iowa State University to comment on the fact that it had the largest percentage of entering freshmen with ACT scores of 19

or below of the three Regent universities. Vice President Christensen said he could not be sure of the reason for this, but clearly the effort to help educationally disadvantaged students has had some effect.

Regent Jorgensen said that the declining ACT scores indicate that students are not as well prepared academically as they used to be. She had a concern as to the proper role for a public institution when working with these students in terms of remedial courses. She felt that the secondary schools, students, and parents must know what the Regent universities expect in terms of preparation. When there are no specific entrance requirements, students often take easy courses to maintain their upper-half class ranking. Word has to get to students that they need a good academic basis. Vice President Christensen agreed, but still felt that the Iowa policy of accepting the upper half is sound.

President Brownlee said he was confident that all of the universities are doing a good job of admitting students with potential who are not in the upper half of their graduating class. He felt that the only thing better than admitting a brilliant student is educating a less brilliant one and helping that student attain his or her full potential. Regent Van Gilst concurred.

Mr. Barak commented that the Board Office had shared a draft of this report with the institutions earlier and would have appreciated knowing of their data and concerns at that time.

Mr. Richey said this report was to be read in conjunction with the major enrollment report from last fall which contained much information not repeated in this report. Regent Jorgensen requested that information similar to that contained in this report be included in the fall enrollment report.

MOTION:

President Brownlee stated that the report on the Quality of Entering Freshmen at the three Regent Universities was received by general report of the board.

REPORT ON IMPLEMENTATION OF RECOMMENDATIONS OF THE STATE OMBUDSMAN. It was recommended that the board receive the report and approve the proposed implementations as noted below.

The Board Office said the State Ombudsman prepared a report in February 1984 which investigated certain allegations at the Iowa School for the Deaf. This report contained 16 recommendations which are listed below with the current status of implementation for each.

1. We recommend that the Governor or the General Assembly consider the creation of a task force or study committee to review and evaluate the services provided deaf children and adults in Iowa. One focus of this study should be an assessment and possible redefinition of the Iowa School for the Deaf mission.

Status of Implementation: This issue will be considered in the overall review of the long-range plans during the fall of 1984.

2. We recommend that the Board of Regents and the Iowa School for the Deaf bring their contract with the Department of Human Services and the Glenwood State Hospital School into conformity with the provisions of Chapter 28E, The Code.

Status of Implementation: A new agreement negotiated with Glenwood State Hospital (the only agreement applicable to this recommendation) will be effective July 1, 1984, and will be filed with the Secretary of State and be recorded with both the Pottawattamie and Mills County Recorders, as required by the Code.

3. We recommend that the Board of Regents review Chapter 9 of the Iowa Administrative Code Policies, Practices and Procedures, to determine whether those encompass, or should encompass, the Iowa School for the Deaf and the Iowa Braille and Sight Saving School.

Status of Implementation: This recommendation is currently under review by the Board Office and the Attorney General's Office. A report will be forthcoming upon completion of this review.

4. We recommend that the Board of Regents consider establishing a program of sabbatical leave consistent with those of other Regent institutions for employees of the Iowa School for the Deaf.

Status of Implementation: The Board of Regents does not have a "sabbatical leave" program. Sections in the Regents Procedural Guide address the board's leave policies which are applicable to personnel at ISD and IBSSS. The Board Office believed that the recommendation of the Ombudsman reflected the lack of information on the board's leave policy in the ISD staff handbook. The Board Office recommended that the school incorporate the board's educational leave policy in its next version of its handbook.

5. We recommend that a written policy be promulgated defining the school's support in employees' attainment of advanced degrees.

Status of Implementation: ISD administration and the Board Office believe that inclusion of the board's educational leave policies and the current statements in the ISD "Teachers' Handbook" adequately address this issue.

6. We recommend that an Iowa School for the Deaf Employee's Manual be written to incorporate all the prescriptions and prohibitions, and the grievance resolution procedures in one document.

Status of Implementation: ISD is currently presenting to the board an employee handbook that addresses this recommendation (see these Minutes under Iowa School for the Deaf).

7. We recommend that Iowa School for the Deaf provide all employees intensive in-service training in sign language during their probationary

employment period. Successful completion of a competency test in sign language should be required before a probationary employee is allowed permanent employment status. Those employees who are not currently proficient in sign language should be raised to an acceptable level of competency as soon as possible.

Status of Implementation: ISD indicated that it will comply with this recommendation.

8. We recommend that the Iowa School for the Deaf review the entire recordkeeping procedure. Special emphasis should be placed on accountancy, inventory management and student files to include comprehensive records of behavior as well as academic progress.

Status of Implementation: The Board Office said recordkeeping procedures proposed by the school will appropriately respond to the recommendations for food service and equipment. With respect to the student files and academic records, a review has been scheduled with persons from the Department of Public Instruction which has responsibilities for records for special education students. After personnel from DPI have visited the school, a recommendation for implementation will be made.

9. We recommend that a definite policy be written and implemented which prohibits any personal purchases through the Iowa School for the Deaf accounts.

Status of Implementation: The school has included an item in their employee handbook a policy which would prohibit personal purchases through the school.

10. We recommend that a waiver of liability form be implemented and signatures be required when personal vehicles are serviced in the Auto Body Shop at the Iowa School for the Deaf.

Status of Implementation: A satisfactory waiver form is now in place at the Iowa School for the Deaf.

11. We recommend that the Iowa School for the Deaf promulgate written policy on corporal punishment and the policy be included in the appropriate handbooks and manuals published by the school.

Status of Implementation: A section of the new employee handbook includes a section that deals with discipline. A general directive containing this policy has also been sent to all houseparents.

12. We recommend that a physical confrontation incident reporting procedure be implemented at the Iowa School for the Deaf. This procedure should require written documentation whenever there is an incident of physical confrontation.

Status of Implementation: The school indicated that it has a procedure for requesting written documentation when any physical con-

frontation occurs between students, between staff, and between students and staff. These records are destroyed at the end of each school year. The policy implementing this procedure will be included in the ISD employee handbook.

13. We recommend that the Iowa School for the Deaf officials review the scope and staffing of psychological and counseling services and make appropriate changes or additions if so indicated.

Status of Implementation: It was the recommendation of the Board Office that the school in cooperation with the Board Office secure the services of professionals in this area from one or more of the Regent universities and the Department of Public Instruction to review the services provided to students in this area.

14. We recommend that emergency communication equipment be installed in all vehicles used to transport students of the Iowa School for the Deaf.

Status of Implementation: This recommendation is still under study, but the school is presently planning for the purchase of the appropriate communication equipment to comply with the Ombudsman's concern.

15. We recommend that the Iowa School for the Deaf hire a certified dietitian, or that the school submit all meal plans to the State Department of Health for approval, in order to guarantee proper nutrition.

Status of Implementation: The Lewis Central School system has a certified dietitian who has agreed to work with the ISD Director of Foods in menu planning. The ISD menus have been checked from time to time by the Department of Public Instruction which conducts similar services for local schools.

16. We recommend that the Iowa School for the Deaf Officials responsible for the swimming pool contact the Public Health Engineering Section of the Iowa Department of Health in order to insure that recommended maintenance and operation standards are followed.

Status of Implementation: Various procedures to insure the health of students will be in place when the students return in the fall.

Mr. Barak said there are two areas still to be resolved in implementing the recommendations. Outside assistance is needed for recommendations 8 and 13 (record keeping and counseling services, respectively). As noted above, the Department of Public Instruction has some responsibilities for the records of special education students, so a team from that agency will make appropriate recommendations. DPI will also be asked to assist in evaluation of psychological counseling services, along with personnel from the Regent universities, in order to address questions raised by the Ombudsman.

Superintendent Giangreco told the board that a second investigation, by the Division of Criminal Investigation (DCI) was now complete. The county attorney had arrested a former houseparent, a former student, and a house-

parent under suspension for sale of marijuana. The incident had not occurred on campus, nor were the persons involved active members of the staff or student body at the time of arrest. Dr. Giangreco told Regent Neu that the DCI had placed from four to six agents on the ISD campus for two months.

Regent Neu felt that by using that kind of resources the DCI should have given birth to an elephant rather than a gnat. He thought the DCI must have something better to do with its resources than pursue such a minor matter. After all of this effort, it only turned up this minor charge that didn't even happen on the campus. He suspected that putting that much manpower in any school system in Iowa would turn up similar charges. He commented that it is a tribute to the low crime rate in the state that the DCI can use so many agents for such a length of time for such a minor matter. However, it is appalling that this happened to the school. The Citizen's Aide Office did a fine job in its investigation, but it is appalling that the Ombudsman was even asked to make the investigation.

Regent Neu said that after all the fuss created when the allegations were raised against ISD, nothing really significantly wrong was found at the school. The people that made these charges had no basis for their charges. If there are legitimate concerns, those concerns can be addressed without holding press conferences and without damaging the school. The school was treated shabbily, but it came out very well. Regent Neu felt it was a sorry testimony for the state of Iowa that it had allowed this to go on. However, the school had done a fine job. He commended Superintendent Giangreco and his staff.

MOTION:

President Brownlee stated that the board by general consent received the report on implementation of recommendations of the State Ombudsman and approved the proposed implementations as noted above.

REPORT ON IMPLEMENTATION OF RECOMMENDATIONS OF THE REGENTS EFFICIENCY AND COST EFFECTIVENESS COMMITTEE. It was recommended that the board receive the report.

The Board Office reported that in May the Regents received a report from its Committee on Efficiency and Cost Effectiveness, at which time the committee presented 70 recommendations. The Regent committee estimated that these recommendations could achieve cost savings, avoid cost increases, or increase revenues by approximately \$29 million over the next three fiscal years. The board asked the institutions and the Board Office to report on a plan to implement these recommendations.

The Board Office noted that 10 of the 70 recommendations would require legislative action in order to be implemented. Board action is required for 27 of the recommendations, and institutional action is required for 56 of the 70 recommendations made by the committee. In some cases, the Legislature, the board, and the institutions all must act in order to assure the implementation of the recommendations. It was also noted that 13 of the 70 recommendations have already been implemented and some are in the process of being implemented.

The Board Office said it planned to establish an interinstitutional steering committee composed of business officers of each Regent institution and a representative of the Board Office to plan the implementation of these recommendations. The group will provide progress reports and detailed plans on implementation.

A report will be provided to the board in July on plans to implement each item in the report. These plans would include, but not be limited to, institutional responses to the recommendations; a timetable for any needed board, legislative, and institutional actions; the personnel to be assigned to oversee the implementation of the individual recommendations; and a method to account for and to assess the financial impact of these recommendations.

The Board Office said it is expected that the steering committee would provide information on those items requiring legislative action by October so the board could include appropriate items in its legislative program. It is also expected that this committee would fast track items requiring board action in order to expedite implementation of those items.

Vice President Ellis said his understanding was that the steering committee will suggest appropriate action for all recommendations, but allow the board to make the actual decisions on implementation. He was concerned because, while it is clear that many of these recommendations will be beneficial, the university has serious doubts about others. He did not disagree with the process as suggested by the Board Office, but the university would like an opportunity to discuss its concerns with the board. Mr. Gross said that if an institution has a problem with a recommendation, regardless of potential cost savings, this information will be provided to the board in July.

President Brownlee asked if a veto by an institution or the Board Office would ensure that a recommendation for implementation will come to the board. Mr. Richey said that all recommendations will come to the board, even those not requiring specific board action. He assumed that while objections will be brought to the board, no one has a veto except the board itself. Mr. Gross said that when the implementation plan is presented to the board, it will be made clear if everyone is in favor of the recommendation. If there are objections, this also will be made clear to the board.

MOTION:

President Brownlee stated that the report on implementation of recommendations of the Regents Efficiency and Cost Effectiveness Committee were received by general consent of the board.

COST OF INSTRUCTION: 1982-83. It was recommended:

1. That the board receive the unit and variable cost of instruction reports for 1982-83.

2. That the Committee of Nine and its Subcommittee on Unit Costs continue in the development of uniform methodology among the institutions for the next Unit Cost Study.
3. That the universities submit updated estimates of unit costs for the 1983-84 year by January 1985. The next biennial unit cost study will report on costs for the 1984-85 year.

The Board Office explained that a report on instructional costs at the Regent universities has been prepared every two years since 1962-63. In recent years, both unit costs and variable costs have been reported, with standardized methods of computation. The current report is for the 1982-83 fiscal year ending June 30, 1983. Highlights of the report include:

- The Regent universities' unit cost of instruction increased by 21 percent in FY 1983 as compared to FY 1981.
- Variable costs (unit costs minus fixed costs) increased by approximately 20 percent at the Regent universities during the same period.
- The unit cost of instructing a student at the Regent institutions was \$4,892 in FY 1983. The variable instructional cost was \$3,369 per FTE student.
- During the same time, higher education price inflation increased by 17 percent.
- The increases in unit costs in FY 1983 represented a "catch-up" from a real reduction in unit costs in FY 1981 over FY 1979.
- The increases in unit costs have exceeded higher education inflation since FY 1967, but unit costs are below the levels of FY 1979. In addition, the higher costs are attributable to instructional changes which tend to increase the costs of instruction.
- Variations in costs by unit of instruction reflect budget allocations, available resources, and enrollment fluctuations.

The Board Office reported that, in simplest terms, the average unit cost of instruction is determined by dividing total costs by the total number of students. However, the cost of instruction varies significantly according to student level, and unit costs are therefore determined for each of five levels: lower division (freshman, sophomore), upper division (junior, senior), masters, advanced graduate, and professional. The student counts which form the "units" in this study are based on 31 credit hours per student per fiscal year for undergraduates and 18 for graduate students. Each professional student is counted as one full-time equivalent. The costs allocated to those FTE are based on actual funds expended, by appropriate instructional category. Expenses deemed non-instructional are excluded. The expenses per FTE are then broken into fixed cost (e.g., physical plant, etc.) and variable cost (e.g., faculty, etc.) components.

GENERAL
June 20-21, 1984

University of Iowa. Unit costs per FTE student supported by general funds, as shown below, ranged from \$2,297 for lower division students to \$16,459 for professional level students.

	Unit Cost Per FTE Student		Percent Change
	1980-81	1982-83	
Lower Division	\$ 1,816	\$ 2,297	26.5%
Upper Division	3,633	4,307	18.6
Undergraduate	<u>2,714</u>	<u>3,243</u>	<u>19.5</u>
Master's	5,606	6,801	21.3
Advanced Graduate	9,070	12,596	38.9
Professional	14,073	16,459	17.0
Total	<u>\$ 4,665</u>	<u>\$ 5,469</u>	<u>17.2%</u>

The overall university composite of \$5,469 per FTE student was 17.2 percent above the comparable figure for 1980-81. This percentage increase in the composite is held to a low value by the relatively low increases for professional level students. The university reported that the increase of 26.5 percent in lower division unit costs is the result of substantial increases in enrollment with limited marginal capacity. It was necessary to add additional staff and class sections in order to meet student needs. Increases in costs at the graduate and professional levels are reported to have been influenced by the costs of research and technology associated with advanced graduate teaching. The substantial increase in cost for the advanced graduate level is also presumed to be associated with the decline in the number of FTE students at that level.

Iowa State University. Unit costs for 1982-83, shown below, range from \$3,157 for lower division students to \$17,602 for professional level students.

	Unit Cost Per FTE Student		Percent Change
	1980-81	1982-83	
Lower Division	\$ 2,584	\$ 3,157	22.2%
Upper Division	3,447	4,338	25.9
Undergraduate	<u>3,028</u>	<u>\$ 3,756</u>	<u>24.0%</u>
Master's	5,206	6,319	21.4
Advanced Graduate	7,279	9,214	26.6
Professional	13,774	17,602	27.8
Total	<u>\$ 3,750</u>	<u>\$ 4,680</u>	<u>24.8%</u>

Increases for all categories were in the range of 22 to 28 percent over the two-year period of this report. The composite unit cost for the institution was \$4,680 per FTE student, an increase of 24.8 percent over 1980-81. The university indicated that the increases since the last unit cost study are primarily the result of inflation.

University of Northern Iowa. The 1982-83 unit cost of instruction per full-time equivalent student supported by general funds, as shown below, varies from \$2,998 for lower division undergraduates to \$7,578 for advanced graduates, with a university composite of \$3,956.

	Unit Cost Per FTE Student		Percent Change
	1980-81	1982-83	
Lower Division	\$ 2,616	\$ 2,998	14.6%
Upper Division	3,709	4,416	19.1
Undergraduate	<u>3,123</u>	<u>3,703</u>	<u>18.6</u>
Master's	4,100	5,836	42.3
Advanced Graduate	4,637	7,578	63.4
Total	<u>\$ 3,260</u>	<u>\$ 3,956</u>	<u>21.4%</u>

The composite unit cost has increased by 21.4 percent between 1980-81 and 1982-83. The university noted that large increases in unit costs at the master's and advanced graduate levels reflect the large decline in FTE enrollments at those levels. The university further stated that the major reason for this decrease in enrollment was a change in the university's method of classifying graduate students, beginning in 1980-81. This change resulted in the shifting of some enrollments from the graduate to the upper division undergraduate category.

The Board Office noted that unit costs of instruction include both fixed and variable costs. Variable costs represent costs which change in proportion to changes in the number of full-time equivalent students while fixed (or semi-fixed) costs are expected to remain stable within a reasonable enrollment range.

It was recommended that consistency among institutions be sought with regard to the accounting of research expenditures. With the recommended modification in treatment of research expenditures, composite variable costs per FTE student are computed to be \$3,748 at the University of Iowa, \$3,115 at Iowa State University, and \$3,045 at the University of Northern Iowa. These costs represent between 68.5 and 77.0 percent of total unit costs.

Unit cost studies have been completed by the Regent universities in alternate years since 1962-63. Data are available in generally comparable form for alternate years since 1966-67 so an analysis of changes in unit costs over time is possible. For this analysis to be reliable, it is necessary to correct for the effects of inflation using an established price index. The most appropriate index is the Higher Education Price Index (HEPI) which measures average changes in the prices of goods and services purchased by colleges and universities. A constant dollar comparison demonstrated a decline in unit costs for 1982-83 as compared to 1978-79, despite an increase over 1980-81.

The Regent university costs of instruction increased at a somewhat more rapid rate than the Higher Education Price Index over the 16-year period being reviewed. From 1966-67 to 1982-83 the overall Regent university composite unit cost increased by 255 percent while the HEPI increased by 208 percent. For the same period, the composite unit cost expressed in constant 1966-67 dollars increased from \$1,378 to \$1,584, an increase of 14.9 percent in real dollars. In the two year period from 1980-81 to 1982-83, the HEPI increased 17.0 percent while the Regent university composite unit cost increased 21.3 percent.

Recommendations for Future Unit Cost Studies. Unit cost Studies have been completed by the institutions on a two-year cycle and are generally reported to the board in the spring or summer of the year after the year being reported. In order to provide more timely information, the institutions were requested to prepare off-year extrapolations of the Unit Cost Study information. It was recommended that such an updated estimate be submitted to the Board Office by January 1985 for the 1983-84 year. The next full Unit Cost Study will be for the 1984-85 year.

Areas in which current methodology is not uniform among the institutions or in which questions have been raised in the past were noted in the Board Office report and it was recommended that these be made uniform. Uniformity in the collection of information on instructional effort was also recommended. Further, it was recommended that the Committee of Nine reconsider the allocation of costs between fixed and variable categories in order to provide the most appropriate representation of variable costs.

In summary, the Board Office said this report indicates that the institutional unit costs during BY 1983 were an average of 21.3 percent above those determined in FY 1981. Variable costs increased by approximately 20 percent during that time period. These increases were in excess of the 17 percent inflation in higher education costs at that time. However, to a considerable extent, the FY 1983 increase compensates for real dollar reductions in unit costs in FY 1981. Over the past 16 years, Regent unit costs have increased faster than inflation. However, real dollar unit costs remain below the peak FY 1979 levels. Unit costs by level of instruction vary according to budget allocations, enrollment fluctuations, and available resources.

Mr. Richey told board members that the institutional tables reveal how each institution is really allocating its money, at least as a summary of distribution by level of instruction. The largest increase was at the University of Iowa for advanced graduate. Iowa State University has almost even distribution at all levels. University of Northern Iowa levels reflect a change in mission for that institution with respect to its doctoral program, where costs increased 63 percent as opposed to an average increase for the university of 21 percent.

Associate Vice President Madden commented that costs are driven by the resources available, but this does not address the question of what costs really should be. He noted that, in general, 70 to 80 percent of resources are spent on salaries, the largest component of which is faculty salaries.

Mr. Madden said there is the question of quality. There is a different cost for a class if it is taught by a graduate student rather than a full professor. The quality question must be kept in mind. The Unit Cost Study is a historical report showing how each university has allocated its resources by level. He felt the Regent costs compare favorably to comparable institutions around the country although it is difficult to obtain comparable data. Mr. Gross said that since the report was written, the Board Office had obtained some national data which shows that the Regent cost of instruction has kept pace with the national averages. National cost increases have also exceeded the inflation rate.

MOTION:

President Brownlee stated that the board by general consent (1) received the unit and variable cost of instruction reports for 1982-83; and approved the following recommendations: (2) that the Committee of Nine and its Subcommittee on Unit Costs continue in the development of uniform methodology among the institutions for the next Unit Cost Study; and (3) that the universities submit updated estimates of unit costs for the 1983-84 year by January 1985.

PHASED RETIREMENT POLICIES. It was recommended (a) that the board approve the phased retirement policy proposed for full-time permanent Regents Merit System employees, effective July 1, 1984; and (b) that the board approve the phased retirement policy proposed for faculty and professional and scientific staff at ISD and IBSSS and the professional employees of the Board Office.

The Board Office explained that the proposed policy is the same as the policies approved previously by the board for university faculty and professional and scientific staff members. Like the faculty and P&S policies, the proposal would make phased retirement available to those 60 years of age and over with 20 or more years of service at the institution. Individual plans would be developed between the employee and the involved department, subject to approval of the appropriate department head, vice president, superintendent, or executive secretary, and the board. During the first four years of the five-year phasing period, the salary received by the participant would be proportional to the reduced responsibilities plus an additional 10 percent of the budgeted salary had the person worked full time. In the fifth and all subsequent years prior to full retirement, the participant's appointment would be no greater than 50 percent and the salary would be proportional to the budgeted salary had the person worked full time. During the phased retirement period, employer and employee contributions to insurance and retirement programs, except as otherwise prescribed by law, would continue at the same levels had the staff member continued a full-time appointment.

Mr. Volm said that when the board first approved phased retirement for University of Iowa faculty, it noted that extension of the policy to

merit system employees required further study because of the coverage of those employees under the State Merit Employment Act. The Attorney General's Office subsequently advised the Board Office and a Governor's Task Force on Retirement Incentives that legislation should be sought in order to implement phased retirement for merit system employees. Extension of phased retirement to merit system employees was recommended by the Regents Committee on Efficiency and Cost Effectiveness and by the Regents Merit System Advisory Committee. A phased retirement for state employees also was recommended by the Governor's Task Force on Efficiency and Cost-Effectiveness. A proposal establishing phased retirement for full-time state employees was introduced as House File 2473 in the legislative session just completed and enacted by the Legislature to be effective July 1, 1984. The Board Office noted that the proposed policy is consistent with House File 2473.

The Board Office said that the phased retirement policies approved by the board for university faculty and professional and scientific staff members on a five-year experimental basis appear to have contributed to the vitality of the universities and have helped facilitate the transition of long-term employees from work to retirement. Associate Vice President Small commented that, for the groups already covered, this is a benefit that has been greatly appreciated by those taking advantage of the policy, as well as a benefit for the institution.

Associate Vice President Madden said that, while Iowa State University is certainly supportive of this policy, it expected that as the number of eligible employees increases it may be somewhat more difficult to find appropriate working schedules. He wanted the board to know that the institutions may have to exercise some managerial responsibility to maintain productivity.

President Brownlee commented that this is an action of some magnitude, and asked if there was any dissent from this policy change. There was none.

MOTION:

Dr. Harris moved (a) that the board approve the phased retirement policy proposed for full-time permanent Regents Merit System employees; and (b) that the board approve the phased retirement policy proposed for faculty and professional and scientific staff at ISD and IBSSS and the professional employees of the Board Office. Mrs. Jorgensen seconded the motion and it passed unanimously.

VENDOR APPEAL AND COMPLAINT PROCEDURES. It was recommended that the proposed procedures be approved for use in the event of vendor appeals because of removal from a Regent institution qualified vendor list and vendor complaints.

Vendor Appeal Procedures. The Board Office explained that in January 1983, the Regents approved a comprehensive revision to Regent purchasing policy.

In that revision to the Regents Procedural Guide, new sections were added relating to the removal of vendors for cause from qualified vendor lists of the Regent institutions. The new policy states that removal for cause cannot exceed three years except upon specific authorization of the board, and that reinstatement on the list will require application to the institution involved. The board also approved a policy that vendors may appeal their removal from the list through a process to be established by the executive secretary upon approval of the board.

The proposed procedures encourage the resolution of differences without directly involving action by the board. In every case, an effort is made to resolve the issue at the institutional level. The vendor may request Board Office assistance. The Board Office will continue to attempt to resolve differences informally through exchange of information between the institution and the vendor. If a mutually satisfactory solution cannot be found, the executive secretary may docket the matter for review by the board. If this step is necessary, the executive secretary will propose a recommended action to the board.

Vendor Complaint Investigation Procedures. Board policy on vendor complaints for many years has been that upon receipt of a complaint from a vendor, the board member will refer it to the Board Office for an investigation. The results of that investigation are sent to each board member. At the time of the comprehensive revision and reorganization of the Regents purchasing policies and procedures in 1983, two additional statements were added on vendor complaints. First, institutions were required to share with the Board Office any vendor complaints at the institutional level which have interinstitutional implications. Second, regardless of how the Board Office receives a vendor complaint, the complainant is required to make every effort to resolve issues by working first with the institution.

Because of the similarity between vendor complaints and vendor appeals for removal from institutional qualified vendor lists (as discussed above), the same basic procedure was proposed.

The Board Office reported that these policies were worked out mutually by the institutions and the Board Office.

MOTION: Mr. Van Gilst moved that the board approve the proposed procedures for use in the event of vendor appeals because of removal from a Regent institution qualified vendor list and vendor complaints. Mr. Duchon seconded the motion and it passed unanimously.

FINAL ADMINISTRATIVE RULE ON INSURANCE PREMIUM PAYROLL DEDUCTIONS. It was recommended:

1. That the Board of Regents approved the proposed amendments to the Notice of Intended Action published in the "Iowa Administrative Bulletin," Volume VI, No. 23, May 9, 1984.

2. That the Board of Regents approve the adoption of the rule on insurance premium payroll deductions as amended, as an amendment to the administrative rules, pursuant to Section 79.17 of the Code of Iowa 1983.

The Board Office explained that, at the April meeting, the board approved the submission of a Notice of Intended Action to adopt an amendment to the Regents administrative rules incorporating insurance premium payroll deductions required by Chapter 79.17 of the Code of Iowa 1983. Among other things, this section of the Code requires that, at the request of at least 500 state employees, the state must allow the deduction from wages and salaries an amount specified by those employees for the payment to any insurance company authorized to do business in the state. Subsequent to the board's action, a Notice of Intended Action to adopt these rules was published in the "Iowa Administrative Bulletin" on May 9 of this year.

Since that time, as a result of discussions and a thorough review of the statute, the Board Office and the Regent institutions, as well as the Comptroller's Office, agreed on several amendments to the Notice of Intended Action to be incorporated in the final adopted rule. There are two significant changes made in the proposed rules:

1. The previously proposed rules required that at least 500 employees request an additional insurance payroll deduction for a particular insurance company for a particular type of insurance. A close analysis of the statute indicated that there is no specific requirement that at least 500 employees request the deduction for the same type of insurance. Therefore, this particular requirement was deleted from the final rule. As a result, at least 500 state employees can obtain an additional insurance payroll deduction if it is requested from the same insurance company even though they may be requesting deductions for different types of insurance with that company.
2. The originally proposed rules did not specifically prohibit insurance companies from counting toward the required 500 state employees those employees who are already enrolled in insurance programs authorized by state law. Language was added to the final rule which specifies that, for purposes of certifying the required 500 employees, an insurance company cannot count enrollments of state officers and employees in programs currently authorized by state laws.

The Regent institutions and the Comptroller's Office concurred in the proposed amendments. If approved by the board, this rule would become effective on August 22, 1984.

MOTION:

Mr. Neu moved (1) that the Board of Regents approve the proposed amendments to the Notice of Intended Action published in the "Iowa Administrative Bulletin," Volume VI, No. 23, May 9, 1984; and (2)

that the Board of Regents approve the adoption of the rule on insurance premium payroll deductions, as amended, as an amendment to the administrative rules, pursuant to Section 79.17 of the Code of Iowa 1983. Mr. McDonald seconded the motion and it passed unanimously.

FINAL ADOPTION OF THE SUSPENSION OF THE PARIETAL RULE. It was recommended that the Board of Regents adopt the suspension of the parietal rule for freshmen and sophomores at the University of Iowa for the three years commencing with academic year 1984-85 and continuing through academic year 1986-87. The suspension would be established on a temporary basis for the three-year period.

The Board Office explained that in February 1984, the board approved the notice of intended action to suspend this parietal rule. In May 1984, the Administrative Rules Review Committee objected to the Regents' practice of temporary suspension of the parietal rule. In August 1983, the committee had objected to a similar rule for the University of Northern Iowa. Both objections were based on the grounds that it is "unreasonable to constantly waive the requirements of a 'permanent' rule as an alternative to rescinding the rule and repromulgating it if ever needed."

When such an objection has been filed, the burden of proof is on the board, in the event of future judicial review, to establish that the rule is not unreasonable. If the board failed to meet the burden of proof, the rule would be declared invalid and the board would be responsible for court costs.

Mr. Barak told the board that, in spite of the objection of the Administrative Rules Review Committee, the Board Office recommended that the board follow its normal procedure and adopt this suspension.

MOTION:

Mrs. Murphy moved that the board adopt the suspension of the parietal rule for freshmen and sophomores at the University of Iowa for the three years commencing with academic year 1984-85 and continuing through academic year 1986-87. The suspension would be established on a temporary basis for the three-year period. Mr. Duchon seconded the motion and it passed unanimously.

REPORT FROM THE FEDERAL RELATIONS COMMITTEE. It was recommended that the board receive the report.

The report was prepared by a committee consisting of Duane Priestersbach (SUI), Daniel Zaffarano (ISU), Richard Stinchfield (UNI), and Robert Barak (Board Office). The report provided the board with current information concerning the higher education budget, Reauthorization of

Higher Education Act, student aid, tax related issues, and other federal proposals. The Board Office noted the following highlights of the report:

- President Reagan has requested \$15.5 billion for the Department of Education in FY 1985, an amount approximately level with FY 1984 appropriations voted by Congress.
- The President's budget includes promoting educational excellence and restructuring student financial aid.
- These restructuring proposals, except for the Guaranteed Student Loan, would not affect the academic year beginning this fall.
- The House and Senate have proposed different FY 1985 budgets and a House-Senate conference on the budget resolution had not been scheduled when the report was written.
- No activities are planned this session to address the Reauthorization of Higher Education Act (the current version of which expires next year).

MOTION:

President Brownlee stated that the report on federal legislative matters was received by general consent of the board.

SUPPLEMENTAL PRELIMINARY BUDGET, FY 1984-85. It was recommended that the board (1) receive the report and (2) establish Fiscal Year 1985 salaries for Regent institutional heads.

In May, the board received and approved the preliminary operating budgets for fiscal year 1985 for each of the Regent institutions. In the preliminary budget, the Board Office indicated that the health insurance funding needs for Regent employees were still in a state of flux. These health insurance contracts have a significant impact on the salary adjustment needs for each of the institutions. It was recommended that the institutions adjust their final line budgets in accordance with the actual health insurance rates which were to be determined before July.

Following the May board meeting, the State Executive Council approved a state health insurance contract which applies to all Regent merit employees. This contract requires a 14 percent overall premium increase for the contract period beginning August 1 of this year. The rates for the dental portion of this contract, coverage for which will begin on January 1, 1985, have not yet been determined by the State Executive Council.

The Board Office said that, since the state has frozen the employee's contribution for some of the health insurance programs offered in the state health insurance contract, the employer's contribution will increase by as much as 24 percent for some of these programs. This is in addition to substantial increases in the present fiscal year.

Since the state salary adjustment fund provided for only a 24 percent increase in employer health insurance rates over both years of the biennium, the salary adjustment funds will not be sufficient to fund the health insurance contract fully. The institutions will be required to meet these needs with institutional income and should adjust their line item expenditures to account for this change.

In addition, the University of Iowa and Iowa State University were in the process of determining the rates required for faculty and professional and scientific personnel which are on separate health contracts. Each of these institutions had estimated the employer contributions for the preliminary budgets and should modify their final line budgets to reflect the actual employer contribution rate increases.

The University of Northern Iowa had previously negotiated its health insurance contract for P&S and faculty employees. These funding needs were reflected in the preliminary operating budget presented to the board in May. However, since that time, the institution took action, with Board Office concurrence, to make the employer contributions for family health insurance plans offered to P&S and non-organized faculty similar to the state and the other Regent institutions. This action will take effect for the contract year beginning August 1, 1984, and is expected to cost the institution \$35,000 annually. These funding needs will be reflected in the final line budget submitted to the board in July.

The University of Northern Iowa plans to provide employees with comparable life insurance policy coverage. Presently, the university offers life insurance coverage at two times the employee's salary up to a maximum of \$124,000. Effective July 1, the university will provide these employees with life insurance coverage two and one-half times their salary, with the maximum to remain at \$124,000. This increase in coverage can be provided from available reserves and no increase in premiums is expected.

The board will receive the final line budgets from the institutions in July. These final line budgets will include the recommended proposed salaries for all institutional officials and must include the salaries for institutional heads as well as the information on health insurance as discussed above.

The Board Office recommended that the board take action to establish salaries for institutional heads for FY 1985.

Regent Harris said he did not believe it necessary to make a speech on the quality of leadership at the Regent institutions. This leadership speaks well for itself in terms of management and in presentations at the board meetings. He pointed out that there were no pay increases for the institutional heads during the current fiscal year. He proposed that the board increase the salary of each institutional head by 9.6 percent for the coming year. President Brownlee commented that an increase of this percentage would bring the Regent salaries up to the median of the Big 10 and hopefully allow them to maintain this ranking over the coming year.

MOTION:

Dr. Harris moved (1) that the board receive the supplemental budget report and (2) that the board establish salaries for institutional heads for FY 1985 as follows:

President Freedman, SUI	\$98,100
President Parks, ISU	\$98,100
President Curris, UNI	\$80,500
Superintendent Giangreco, ISD	\$49,900
Superintendent DeMott, IBSSS	\$42,750

Mr. Duchen seconded the motion and it passed unanimously.

REPORT ON AFFIRMATIVE ACTION GOALS OF REGENT INSTITUTIONS. It was recommended:

1. That the board accept the affirmative action reports as submitted by the Regent institutions.
2. That the chief executive officer at each institution continue to support strongly their affirmative action staff in carrying out aims and purposes of equal employment opportunity/affirmative action.

At its March meeting, the board requested a report from each institution indicating affirmative action numerical goals for October 1, 1983 to September 30, 1984. Each institution had complied with the board's request.

The Board Office explained that the criteria used by the universities in developing their affirmative action programs are based on standards established by the Office of Federal Contract Compliance Program and the Office of Civil Rights. The institutions base their projected goals on an Eight-Factor Analysis Standard as developed by the Federal Contract Compliance Office. In addition, the universities consider the availability of women and minorities from higher education data, qualified work force, and census data.

In applying these standards to the universities' work forces, it was concluded that underutilization of women and minorities continues at Regent institutions. Board Office review indicated, however, that measures have been and are being taken to overcome this underutilization of women and minorities. Measurable progress has been made by the institutions during 1979-1983, particularly the University of Iowa and Iowa State University.

University of Iowa. The number of minorities increased by 8 (15 percent) of the new Executive/Administrative/Managerial positions while women increased their representation by 12 (23 percent) of similar positions. Women received 35 Faculty tenure track appointments while men lost 2 positions overall. Among other significant changes was the increase of 11 minority Secretarial/Clerical staff members. Of the overall increase, minorities received 58 (6.7 percent) of the new positions while women received 586 or 68.6 percent of the new positions.

Iowa State University. In 1981, Iowa State University was advised by the Office of Federal Contract Compliance Program to regroup its jobs by classification and categories. The information as presented by the university continues to reflect this regrouping of jobs. In comparing this information with 1979 data, the Board Office found that women received 49 (25.7 percent) of the 190 new positions listed under Executive/Administrative/Managerial while minorities increased by 8 (4.2 percent) in similar positions. Minorities received 11 (33 percent) of the new Faculty tenure track positions and women received 7 (21.2 percent) of similar positions. Women received 91 (39.9 percent) of the overall increase of Faculty non-tenure track positions. The number of minorities and women increased by 41 in Professional and Scientific positions during the period when the number of positions declined by 155 in this category. Major concerns noted by the Board Office were the loss of 8 minority Secretarial/Clerical employees and no progress in the Technical/Paraprofessional area during a period when both employment categories experienced significant growth. Of the total, women received 150 (45.0 percent) of the new positions while minorities received 49 (14.7 percent).

University of Northern Iowa. In reviewing the university's report, the Board Office did not attempt to compare employment figures for Executive/Administrative/Managerial positions for 1979-1983. The university reported that department chairs were included as Faculty tenure track in 1979. Department heads are now included in the Executive/Administrative/Managerial category. Thus comparison would not be meaningful.

The Board Office said the university must give additional emphasis to its affirmative action program. As pointed out in previous reports to the board, the university has relied heavily on the employment of minorities in Service/Maintenance positions. The Board Office expressed its confidence that the posture of affirmative action will continue to change at the University of Northern Iowa.

Mr. Maxwell said that in his conversations with the affirmative action officers of the institutions, he learned that they would like to do more but are restricted because of lack of funds. The goals set are realistic. He was sure that if resources had been available there would have been more affirmative action.

MOTION:

President Brownlee stated that the board, by general consent, (1) accepted the affirmative action reports as submitted by the Regent institutions; and (2) recommended that the chief executive officer at each institution continue to support strongly their affirmative action staff in carrying out the aims and purposes of equal employment opportunity/affirmative action.

Copies of the institutional reports are on file in the Board Office.

Regent Harris said he has had conversations with the institutional heads about affirmative action. It was his feeling, and he was sure board members shared this feeling, that this is a most important policy. It isn't always easy to carry out. The board has accepted this report today as it has accepted affirmative action reports in the past, but all of the institutions understand, perhaps better than the board that, while things are not as good as the Regents would like, at least an effort is being made.

Regent Harris said the Regents had done a great, historic thing related to affirmative action recently. He referred to development of the Minority Business Enterprises/Women Business Enterprises policy adopted by the board in December 1983. This policy will give minorities and women an opportunity to do business with the Regent institutions both as sub-contractors on construction projects and as vendors. Regent Harris felt this was an important step. Many people in the state are pleased to be given the opportunity to work for or make sales to the Regent institutions.

APPOINTMENTS TO COMMITTEES. It was recommended that the board approve the appointments as outlined below:

Iowa Public Broadcasting Board

Reappoint John McDonald for term expiring June 30, 1987.
Appoint Carl Hamilton for the term expiring on June 30, 1985 (replacing Timothy Neville)

Iowa Coordinating Council for Post-High School Education

Accept resignation of Arthur Neu from term expiring July 31, 1986
(President Brownlee noted that the death of Mr. Neu's partner required Mr. Neu to devote more time to his professional duties.)
Appoint Bass Van Gilst to replace Arthur Neu for the term expiring July 1, 1986. (John McDonald is the alternate for Bass Van Gilst.)
Reappoint Peg Anderson and Charles Duchen (alternate) for the term expiring July 31, 1987.
Reappoint Constantine Curris and Edward Voldseth (alternate) for term expiring June 30, 1987.

Iowa State University Research Foundation Board of Governors

Reappoint Charles Duchen for term expiring June 30, 1987.

University of Northern Iowa Foundation Board of Directors

Reappoint Percy G. Harris for the term expiring June 30, 1987.

Ad Hoc Committee on Banking

Appoint Bass Van Gilst to position vacated by the resignation of Timothy Neville.

Iowa School for the Deaf Advisory Committee

Charles V. Anderson, University of Iowa, 1985-87 (reappointment)
Kenneth L. Moll, University of Iowa, 1985-87
Virgil L. Lagomarcino, Iowa State University, 1985-87 (reappointment)
Anton Netusil, Iowa State University, 1985-87 (reappointment)
Catherine Hatcher, University of Northern Iowa, 1985-87 (reappointment)
Marion R. Thompson, University of Northern Iowa, 1985-87 (reappointment)

Iowa Braille and Sight Saving School Advisory Committee

Kenneth L. Moll, University of Iowa, 1985-87
Elaine McNally Jarchow, Iowa State University, 1985-87 (reappointment)
Virgil S. Lagomarcino, Iowa State University, 1985-87 (reappointment)
Catherine Hatcher, University of Northern Iowa, 1985-87 (reappointment)
Marion R. Thompson, University of Northern Iowa, 1985-87 (reappointment)

In addition, Superintendent Giangreco is an ex officio member of the ISD Advisory Committee, Superintendent DeMott is an ex officio member of the IBSSS Advisory Committee, and Robert Barak of the Board Office is an ex officio member of both committees.

MOTION: Dr. Harris moved that the board approve the appointments to committees as listed above. Mr. Neu seconded the motion and it passed unanimously.

NEXT MEETINGS. President Brownlee said that he was in the process of setting dates for next fall and winter. He told board members to maintain a flexible schedule for February because it might be necessary to coordinate the board meeting with budget hearings and other legislative matters. Next meetings are as follows:

July 11-12	University of Iowa	Iowa City
August	No Meeting	
September 19-20	University of Northern Iowa	Cedar Falls
October 17-18		Des Moines
November 15	Iowa School for the Deaf	Council Bluffs
December 19-20	Iowa State University	Ames

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

STATE UNIVERSITY OF IOWA

The following business pertaining to the State University of Iowa was transacted on Thursday, June 21, 1984.

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

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

Appointment of Secretary and Treasurer:

Ray B. Mossman as Treasurer for the University of Iowa for the period July 1, 1984, through December 31, 1984, at the salary budgeted.

Douglas Young as Secretary for the University of Iowa for 1984-85, at the salary budgeted.

Resignations:

Ursula Delworth, Director of the University Counseling Service, effective June 30, 1984.

Ray A. Muston, Associate Dean of Academic Affairs, effective August 26, 1984.

George Chambers, Director of the Iowa Institute for School Executives, effective immediately.

Gary L. Smidt, Director of the Physical Therapy Education Program, Division of Associated Medical Sciences, College of Medicine, effective June 30, 1984.

Appointments:

William Albrecht as Associate Dean for Undergraduate Affairs, College of Business Administration, effective July 1, 1984.

Eleanor Birch as Associate Dean for MBA Programs, College of Business Administration, effective July 1, 1984.

Myron P. Mustaine, Jr., as Assistant Dean of Operations, College of Business Administration, effective July 1, 1984.

Brian H. Clarkson as Acting Director of the Dows Institute for Dental Research, College of Dentistry, at an annual salary of \$66,500, effective July 1, 1984.

Austin Mueller as Director of Training and Educational Services at University Hospital School, at an annual salary of \$37,419, effective July 1, 1984.

Derek H. Willard as Acting Associate Vice President for Educational Development and Research at an annual salary of \$47,000, effective July 1, 1984.

James B. Lindberg as Associate Dean in the College of Liberal Arts and as Director of the Liberal Arts Advisory Office, effective July 1, 1984, at a fiscal-year salary of \$52,000.

Paul Zimmer as Director of the University of Iowa Press at an annual salary of \$55,000, effective August 30, 1984.

President Freedman told the board that the appointment of Mr. Zimmer is an important one to the university's future. Universities around the country have been looking for places to cut costs, and one of the first things considered is university presses. As a consequence, publication of scholarly books has been reduced, because commercial presses are taking fewer risks. Shortly after coming to the University of Iowa and learning that John Simmons, current Director of the Press, would be retiring, President Freedman asked for an evaluation of the University of Iowa Press. The evaluation strongly affirmed continuation of the press as a publisher of scholarly books and, further, recommended strengthening the press and increasing the number of books published each year. Outside consultants confirmed that the press financially will be able to do this. After this decision was made, a search was made for a director which resulted in the appointment of Mr. Zimmer. He has been a director of the University of Georgia Press for five years and is himself a published poet. The university believes it has attracted a person who will build a modest press to a medium size press of great quality. President Freedman said this appointment not only has great implications for the structure of the University Press but is important to faculty and scholars in general.

The university requested approval of the following appointments and reappointments of departmental executive officers, at salaries budgeted for 1984-85:

John Birch as Acting Chair of the Department of Statistics and Actuarial Science, College of Liberal Arts, for a one-year term effective August 27, 1984.

William Bozeman as Chair, Division of Educational Administration, College of Education, for a one-year term effective July 1, 1984.

N. Peggy Burke as Chair, Department of Physical Education and Dance, College of Liberal Arts, for a three-year term effective August 27, 1984.

Nicholas Colangelo as Chair, Division of Counselor Education, College of Education, for a three-year term effective July 1, 1984.

William Duffy as Chair, Division of Foundations, Postsecondary, and Continuing Education, College of Education, for a three-year term effective July 1, 1984.

Arthur Fleck as Chair, Department of Computer Science, College of Liberal Arts, for a three-year term effective August 27, 1984.

Erling Holtmark as Chair, Department of Classics, College of Liberal Arts, for a three-year term effective August 27, 1984.

Thomas Lewis as Chair, Department of Spanish and Portuguese, College of Liberal Arts, for a two-year term effective August 27, 1984.

William Nibbelink as Chair, Division of Early Childhood and Elementary Education, College of Education, for a three-year term effective July 1, 1984.

Ray Parrott as Chair, Department of Russian, College of Liberal Arts, for a three-year term effective August 27, 1984.

Thomas Rohlich as Chair, Department of Asian Languages and Literature, College of Liberal Arts, for a three-year term effective August 27, 1984.

Russell Ross as Acting Chair, Department of Political Science, College of Liberal Arts, from July 1, 1984, until January 9, 1985.

Peter Snow as Acting Chair, Department of Political Science, College of Liberal Arts, from January 10, 1985, until June 30, 1985.

Douglas Trank as Chair, Rhetoric Program, College of Liberal Arts, for a three-year term effective August 27, 1984.

Steven Ungar as Chair, Department of French and Italian, College of Liberal Arts, for a three-year term effective August 27, 1984.

Marilyn Zweng as Chair, Division of Secondary Education, College of Education, for a three-year term effective July 1, 1984.

MOTION:

Dr. Harris moved that the board approve the appointment of Mr. Mossman as Treasurer and Mr. Young as Secretary for the University of Iowa; and that the board approve the resignations and appointments as requested by the university. Mrs. Jorgensen seconded the motion and it passed unanimously.

PHASED RETIREMENT REQUESTS. It was recommended that the board approve, effective July 1, 1984, the phased retirement plans requested for two University of Iowa professional and scientific staff members: Neil B.

Fisher, Water Plant Manager, Physical Plant Department; and Mary J. McCarney, Patient Representative Assistant, College of Dentistry.

The Board Office reported that both staff members meet the age and service requirements established for eligibility for phased retirement.

MOTION: President Brownlee stated that the board by general consent approved the phased retirement plans of Mr. Fisher and Ms. McCarney.

CHANGES IN THE DEPARTMENT OF ZOOLOGY. It was recommended that this item be referred to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

The Board Office explained that the university was requesting four actions with respect to the Department of Zoology. These changes include a change in the name of the department, termination of the B.S. degree in Zoology, termination of the M.S. degree in Zoology, and renaming the Ph.D. degree in Zoology as a Ph.D. in Biology.

MOTION: President Brownlee stated that by general consent of the board the requested changes in the Department of Zoology were referred to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

CHANGES IN THE DEPARTMENT OF COMMUNICATION AND THEATRE ARTS. It was recommended that these requested changes be referred to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

The university requested three changes in the Department of Communication and Theatre Arts: a separation into two different departments, the change of the current B.A. degree in Communication and Theatre Arts into separate B.A. degree programs, and changes in the titles of the M.A. and Ph.D. degrees in Communication to the M.A. and Ph.D. in Communication Studies.

MOTION: President Brownlee stated that by general consent of the board the requested changes in the Department of Communication and Theatre Arts were referred to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

SPECIAL SECURITY OFFICERS. The university requested the commissioning of Thomas G. Merritt and James A. Hale as permanent Special Security Officers.

Officers Merritt and Hale successfully completed the Iowa Law Enforcement Academy's 87th Basic Training Session on April 27, 1984.

MOTION: President Brownlee stated that Mr. Merritt and Mr. Hale were appointed as permanent Special Security Officers by general consent of the board.

PROFESSIONAL AND SCIENTIFIC CLASSIFICATION SYSTEM CHANGES. It was recommended that the board approve the following additions, reclassifications, and changes in pay grade assignments, effective July 1, 1984:

1. Manager of Parking and Transportation Services, pay grade 11 (\$25,020 - \$40,010) - new classification;
2. Director of Security and Parking, pay grade 13, to Director of Security Services, pay grade 11 (\$25,020 - \$40,010);
3. University Cashier, from pay grade 11 to pay grade 12 (\$27,080 - \$43,310);
4. Supervisor of Grant Accounting, from pay grade 11 to pay grade 12 (\$27,080 - \$43,310);
5. Associate Director, Examination and Evaluation Services, from pay grade 11 to pay grade 12 (\$27,080 - \$43,310);
6. Coordinator of Student Activities, pay grade 10, to Director of Campus Programs and Student Activities, pay grade 12 (\$27,080 - \$43,310);
7. Director of Radiation Protection, from pay grade 13 to pay grade 14 (\$31,730 - \$50,290);
8. Associate Director of Radiation Protection, from pay grade 11 to pay grade 12 (\$27,080 - \$43,310);
9. Cytotechnologist, pay grade 5 (\$15,540 - \$24,650) - new classification;
10. Assistant Chief Cytotechnologist/Education Coordinator, pay grade 6 (\$16,830 - \$26,680) - new classification;
11. Chief Clinical Laboratory Technologist II, pay grade 10 (\$23,110 - \$36,960) - new classification;
12. Transplant Coordinator, pay grade 11 (\$25,020 - \$40,010) - new classification;
13. Assistant Director, Facilities Planning, pay grade 10, to Associate Director, Facilities Planning, pay grade 11 (\$25,020 - \$40,010).

The university reported that recommended pay grade assignments for each of the proposed classes has been determined by application of its point count evaluation system and that funds are available to support the proposed changes.

Associate Vice President Small said these changes were recommended as a consequence of the review that is done annually for budget purposes. She did not believe any were controversial.

MOTION:

President Brownlee stated that the additions, reclassifications, and changes in pay grade for the University of Iowa Professional and Scientific Classification System as noted above were approved by general consent of the board.

Complete copies of the classification descriptions are on file in the Board Office.

SUPPLEMENTAL: REPORT ON ENROLLMENT OF ATHLETES IN COLLEGE OF EDUCATION COURSES. President Freedman said there had been recent publicity about a class at the university in which undergraduate athletes were enrolled in a graduate course for what appeared to be a disproportionate number of credits. Since this raised questions about the integrity of both the academic program and the athletic program, he wished to explain this situation to the board.

In April 1982, the chair of the department involved noticed a high concentration of basketball players in a certain course. The chair brought this to the attention of the dean who in turn went to the then acting Vice President for Academic Affairs who spoke to the Board in Control of Athletics. Within 10 days, the number of credits offered for this course was reduced from 10 or 11 to 3 or 4. In addition, the dean of the College of Education instructed the professor that it was not appropriate in the future to enroll undergraduate students in graduate courses. President Freedman felt the university had acted promptly and correctly to be sure this would not happen again. However, in the following year university administration learned that a single athlete was enrolled by this same professor. Again, the professor was told that any students, graduate or undergraduate, must be approved by the head of the department. What made it particularly distressing was that the faculty member involved was a member of the Board in Control of Athletics, and the university believes that faculty on that board must be scrupulous about athletes enrolled in their courses. It is important to bend over backwards to be sure that students in the public eye are enrolled in courses that meet their educational needs. The professor involved had asked to be relieved of his responsibilities as a member of the Board in Control of Athletics, and this resignation was accepted.

The university reported the facts to the Big 10 as it was reporting them to the board. It is the university's judgment that no violations occurred. However, it had asked for a review by the Big 10 office and the NCA. President Freedman believed the university had acted properly.

Regent Neu asked if there is such freedom that a professor can develop a course of independent study and determine the number of hours without

review at the departmental level. President Freeman said there is a review, but the assumption is that faculty exercises good faith judgment. In the incident under discussion, when the chair of the department became aware of the situation he concluded that there was obviously too much credit offered for the course. It is now required that any student athlete not only receive approval of the professor but also the dean's office of the college in which he or she is enrolled to be sure courses chosen are appropriate academically.

Regent Neu said it has been his impression that members of the Board in Control of Athletics are usually faculty members with a great interest in athletics. He asked if it was possible that these people are such fans of the program they are supposed to be controlling that their judgment might not always be sound. President Freedman said this is a problem faced by many institutions and it is necessary to be careful. He pointed out that members of the Board in Control are first-rate scholars. Regent Neu said he did not question this but pointed out that scholars are also human. They can become so committed to an athletic program that their judgment is just as biased as someone who is not a scholar. President Freedman agreed that this is a risk, and considered it proper for the board member to resign when it is no longer appropriate to serve, as in the situation under discussion.

Regents Neu and Duchon said the university had handled this well. Regent Harris concurred and noted that this was an isolated incident in the midst of many years without any trouble. He asked how the professor involved developed this relationship with basketball players. Professor David Vernon of the College of Law explained that the professor, while undergoing rehabilitation for an injury, became a good friend of basketball player Ronnie Lester who was also undergoing rehabilitation. The professor and Lester worked on a book for young people about basketball. This book was a success, and the professor felt this type of project would be a good educational tool for other athletes. He envisioned a series of pamphlets for young people. He had gathered these basketball players into a class to prepare these pamphlets.

President Brownlee said he appreciated the way in which the university had handled this situation and thanked President Freedman for keeping the board informed.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office reported that the final register for June 1984 had been received, was in order, and was recommended for approval with the request that the university report to the board on the establishment of financing arrangements for the Ronald McDonald House Electrical Services project.

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

<u>University Hospitals--South Wing Emergency Power Riser</u>	
Award to: Merit Electric, Ltd., Iowa City	<u>\$32,373.00</u>

STATE UNIVERSITY OF IOWA
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<u>Quadrangle--Air Condition Study Room, Store, and Office</u> Award to: B. G. Brecke, Inc., Cedar Rapids	<u>\$24,948.00</u>
<u>Fire Safety Deficiency Corrections--1981--Phase II--Contract 2--University Hospital School (Fire Rated Construction for Horizontal Exits)</u> Award to: TRICON, Iowa City	<u>\$32,600.00</u>
<u>Mayflower Residence Hall--Site Lighting</u> Award to: Meisner Electric, Inc., Newton, Iowa	<u>\$12,751.00</u>
<u>Burlington Street Bridge Utilities Relocation--Steam Line</u> Award to: AAA Mechanical Contractors, Inc., Iowa City	<u>\$50,697.00</u>
<u>Hawkeye Apartments--Parking Lot Resurfacing</u> Award to: L. L. Pelling Co., Inc., Iowa City	<u>\$162,727.00</u>

In awarding this contract, the executive secretary waived an irregularity. Only one bid was received. However, six other firms reviewed the plans but chose not to bid. Additionally, six contractors were contacted about the project and did not bid because they had enough work for the summer construction season. The one bid received is well within the estimated construction budget, and the institution needs to proceed with the work this summer.

The university reported 18 change orders. These change orders were on 12 different projects and ranged in price from a credit of \$1,206.46 to an addition of \$24,259.25. Five of the change orders are on the College of Law Building and increase the general construction contract with PCL Construction, Ltd., by \$114,493. With these revisions, the PCL contract is now \$15,422,472.75. The revisions represent an aggregation of minor changes and do not modify the project scope.

The university reported the acceptance of two construction projects: University Hospitals--Pediatric Nutrition Remodeling and University Hospitals--18 MEV Room Refurbishing. In each case, final inspection found that the contractors had carried out the work in accordance with plans and specifications and the work was accepted as complete.

The board was requested to approve the following new projects:

<u>Quadrangle Residence Hall--SE Wing Masonry Repair</u> Source of Funds: Dormitory Improvement Reserves	<u>\$40,000.00</u>
<u>University Hospitals--Autopsy Suite Ventilation</u> Source of Funds: University Hospital Building Usage Funds	<u>\$81,815.00</u>

In September 1983 the board ratified the university's selection of Hansen Lind Meyer, P.C., Iowa City, as the architectural firm on this project. The University's Architect's Office will serve as inspection supervisor. The construction will be accomplished through public bidding procedures.

University Hospital--Spray Paint Shop Remodeling
Source of Funds: Psychiatric Hospital Building Usage Funds \$45,425.00

The University Architect's Office will serve as inspection supervisor.

University Hospitals--First Floor Public Restrooms
Source of Funds: University Hospitals Building Usage Funds \$52,800.00

The University Architect's Office will serve as architect and inspection supervisor.

University Hospitals--3 West Mechanical Equipment and Duct Revisions
Source of Funds: University Hospitals Building Usage Funds \$32,600.00

Miner Consulting Engineers, P.C., Rock Island, Illinois, are the engineers on this project, and the University Architect's Office will serve as inspection supervisor.

University Hospitals--Transformer Vault and Planter Repair
Source of Funds: University Hospitals Building Usage Funds \$97,850.00

In November 1983 the board ratified the university's selection of Hansen Lind Meyer, P.C., Iowa City, as project architect. The University Architect's Office will serve as inspection supervisor.

University Hospitals--Surgery Inpatient Support Remodeling
Source of Funds: University Hospitals Building Usage Funds \$81,360.00

The University Architect's Office will serve as architect and inspection supervisor.

The Board Office noted that construction for the above five projects will be accomplished through public bidding procedures.

Oakdale Campus Roads Resurfacing
Source of Funds: Oakdale Building Repairs \$99,500.00

The university also requested ratification of its selection of Shoemaker and Haaland/Professional Engineers, Coralville, to provide engineering services on this project. The Physical Plant Department will serve as inspection supervisor.

Mayflower Residence Hall--Site Lighting
Source of Funds: Dormitory Improvement Reserves \$37,150.00

The university also requested ratification of its selection of Shive-Hattery Engineers for additional engineering services on this project, with additional compensation not to exceed \$4,600. The Physical Plant Department will serve as inspection supervisor for the project.

Ronald McDonald House--Electrical Service

Source of Funds: Treasurer's Temporary Investments \$157,700.00

This project involves extending the university electrical power system to the Ronald McDonald House, which is presently under construction. The university will fund this improvement, and the Children's Family Living Foundation, Inc., (Ronald McDonald House) will repay the cost through a monthly electrical utility surcharge.

The Board Office noted that the lease approved by the board in May stipulates that the tenant will obtain utility connections at the tenant's expense. The university should review the financing arrangements for constructing the utility connection in order to insure that the complete cost reimbursement is accomplished.

The university also requested ratification of its selection of Hansen Lind Meyer, Iowa City, Iowa, for engineering services on this project with compensation not to exceed \$12,200. The Physical Plant Department will serve as inspection supervisor for the project.

Intercampus Multimedia Communication Cables

Source of Funds: Computing Equipment Depreciation Reserve and
Oakdale Campus Equipment & Building Repairs \$131,947.00

This project will establish a communication cable between the Oakdale Campus and the main campus capable of transporting video, computer data, voice, and frequency modulated stereo radio information. This communication link is needed.

The university requested permission from the board to quote competitively the equipment and cabling on this project because of its technical nature. The university also sought permission to award the construction portion of this project, estimated at \$31,000, through a competitive quotation process. Public bidding would not be appropriate for this construction work because the required expertise for installation of fiber optics cable is very limited. The Board Office concurred in the university's request. The Physical Plant Department will serve as engineer and inspection supervisor on this project.

Storm Water Inflow Removal--1984

Source of Funds: Treasurer's Temporary Investments \$133,500.00

The university also requested ratification of its selection of Hall Engineering Company, Iowa City, to provide engineering services on this project with compensation not to exceed \$17,500. The Physical Plant Department will serve as inspection supervisor.

Oakdale Hall--University Hygienic Lab Remodeling

Source of Funds: University Hygienic Laboratory Revenues-est. \$385,000.00

In May the board approved the university's request to negotiate an agreement with Hansen Lind Meyer, Iowa City, for architectural services on

this project. The project involves relocating from the main campus the remaining portions of the University Hygienic Laboratory. The university has undertaken a feasibility study to identify possible locations for the lab in Oakdale Hall. The feasibility study concluded that the various units of the Hygienic Lab should be relocated from numerous buildings across campus into 7,000 square feet of remodeled space in Oakdale Hall. The university requested acceptance of the feasibility study and permission to proceed with the planning on this project.

The university also requested ratification of a design contract with Hansen Lind Meyer for a fixed fee of \$21,560 for full design services. Upon completion of schematic design and the establishment of a budget, the project will be presented to the board for formal consideration.

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

Health Sciences Library--Exterior Waterproofing and Window Flashing

The university requested ratification of its selection of Harvey W. Henry Associates, Coralville, to provide architectural services on this project with compensation not to exceed \$5,750.

University Hospitals--Seven South Radiology Remodeling

The university requested ratification of its selection of Brown Healey Bock, P.C., Cedar Rapids, to provide architectural services on the project with compensation not to exceed \$2,750.

Graphic Services Building Addition

The university requested ratification of an increase in compensation to Shoemaker and Haaland/Professional Engineers, Coralville, for additional engineering services on this project. Additional compensation shall not exceed \$3,500.

University Hospitals--John W. Colloton Pavilion--Phase B

The university requested ratification of an increase in compensation to Hansen Lind Meyer, P.C., Iowa City, to provide additional architectural services on this project. Additional compensation shall not exceed \$22,000.

Mayflower Apartments--Site Work

The university requested ratification of an increase in compensation to Shive-Hattery Engineers, Iowa City, for additional engineering services on this project. Additional compensation shall not exceed \$2,900.

University Hospitals--Upgrade Corridor Walls--Oakdale Patient Ward

The university requested ratification of its selection of Brown Healey Bock, Cedar Rapids, to provide architectural services on this project with compensation not to exceed \$2,750.

University Hospitals--Westlawn Antepartum Fire/Smoke Separation

The university requested ratification of its selection of Brown Healey Bock, Cedar Rapids, to provide architectural service on this project with compensation not to exceed \$2,750.

Oakdale Hall--Third Floor Air Conditioning

The university requested ratification of its selection of The Durrant Group, inc., Dubuque, to provide engineering services on this project with compensation not to exceed \$4,159.67.

University Hospitals--EMI CT Scanner Replacement--7th Floor General Hospital

The university requested ratification of its selection of Hansen Lind Meyer, P.C., Iowa City, to provide architectural services on this project which involves remodeling various rooms in order to accommodate a new CT scanner. Probable construction cost is \$148,170. Compensation shall not exceed \$15,100.

Hawkeye Drive--Heating Plant Replacement

The university requested ratification of an increase in compensation to Gene Gessner, Inc., Iowa City, to provide additional engineering services on this project. The estimated cost of the additional services is \$1,088.50.

Chilled Water Plant--Phase V--Chilled Water Storage Facility

In May the board approved the university's request to negotiate a contract with Shive-Hattery Engineers for this project. The negotiations have been completed and the university recommends approval of the Standard Agreement between Owner and Engineer. Compensation for basic services shall not exceed \$76,000 and reimbursable expenses shall not exceed \$1,000. The Board Office recommended approval, as the fees appear reasonable for a project of this type and size.

Energy Management Program--Building Automation--Academic Revenue Bond--1981

In March the Iowa Energy Policy Council awarded an energy management demonstration grant in the amount of \$575,000 to the University of Iowa. At that time, the university requested permission to negotiate an engineering contract with Shive-Hattery Engineers, Iowa City, Iowa. The university had completed negotiations and requested approval of the contract with Shive-Hattery Engineers. Compensation for consulting engineering services shall not exceed \$155,000 with reimbursable expenses not to exceed \$18,200.

The Board Office recommended approval of this contract, as the fee appears appropriate for the work required from the consultant. While the fee is 13.5 percent of the project's cost, the contract calls for special services that exceed the standard services on a construction project.

MOTION:

Mr. Neu moved that the board approve the Register of Capital Improvement Business Transactions for June 1984; ratify award of the construction contracts made by the executive secretary; accept the completed construction projects; approve the new projects; ratify and approve the consultant contracts; and authorize the executive secretary to sign all necessary papers. Mrs. Jorgensen seconded the motion and it passed unanimously.

LEASES OF PROPERTY. It was recommended that the board approve leases with landlords for the benefit of the University of Iowa, as follows:

- (a) Marycrest College, Davenport, Iowa, (renewal) for the use of approximately 720 square feet of office space in the college's West Hall from July 1, 1984, to and including June 30, 1985, as a part of an annual fee of \$3,636 for the use of the space, facilities, equipment, and services.

The Board Office noted that the renewed lease will allow for the continued operation of the university's existing Social Work Training Center which coordinates placement of students in the Master of Social Work Program.

- (b) Drake University, Des Moines, Iowa, (renewal of arrangement, new location) for the use of approximately 1,550 square feet of classroom and office space in the frame building at 1155 28th street, Des Moines, from July 1, 1984, to and including June 30, 1985, as a part of an annual fee of \$14,600 for the use of space, facilities, equipment, and services.

The facility is needed to enable the university to offer appropriate work for graduate students in central Iowa who are pursuing a Master's Degree in Social Work. The Drake location was selected by the university some years ago after consultation with students, social agencies in central Iowa, and Drake University.

The Board Office reported that the rent for the Marycrest College facility is 88 cents less than last year's rate per square foot per year for the same facilities. The new space at Drake University has 100 fewer square feet than the current location, and the annual rent is \$2,400 less than the current charge. The university considers both leases to be equitable.

Pursuant to Executive Order No. 44, the university considered vacant schoolhouses in the respective communities. Because proximity to the libraries of the respective institutions was an essential program need, no vacant schoolhouses could be used.

MOTION:

Mr. Van Gilst moved that the board approve leases with landlords for the benefit of the University of Iowa, as follows: (a) Marycrest College, Davenport, Iowa, for the use of approximately 720 square feet of office space in the college's West Hall from July 1, 1984, to and including June 30, 1985, as a part of an annual fee of \$3,636 for the use of the space, facilities, equipment, and services; and (b) Drake University, Des Moines, Iowa, for the use of approximately 1,550 square feet of classroom and office

space in the frame building at 1155 28th Street, Des Moines, from July 1, 1984, to and including June 30, 1985, as a part of an annual fee of \$14,600 for the use of space, facilities, equipment, and services. Mr. Neu seconded the motion and upon the roll being called, the following voted:

AYE: Duchen, Harris, Jorgensen,
McDonald, Murphy, Neu, Van Gilst,
Brownlee

NAY: Absent

ABSENT: Anderson

The motion passed unanimously.

PROPERTY RENTALS, 1984-85; MONTHLY RATES. It was recommended that the board approve the schedule of monthly rates for residences, apartments, rooms, preschool, and day-care centers for the period August 15, 1984, to August 14, 1985.

The Board Office reported that the university rents the properties covered by this recommendation at fair market value with the exception of the preschool, day-care centers, and Student Senate Coop units for which the rental is intended to cover only average repair and maintenance costs consistent with the university's interest in these activities. There is no change in rentals for 1984-85 from the 1983-84 schedule for the 135 units covered by this recommendation except as required by changed use of the property. The university indicated that the rates will still be at fair market value.

Since last year's board action on tenant rentals, there have been some changes. The use of two properties has been changed from Student Senate Coops to day-care centers. One property was purchased by the board in FY 1984 and added to the rental list. Five properties were removed from the list as a part of the law building site development, and two have been removed because of the degenerating conditions of the properties. The latter two properties are under review by the university, and a recommendation regarding them will come to the board when it is developed.

Mr. Richey pointed out the list of day-care centers and noted that the university has been doing for many years what other employers are just beginning to do in providing this service.

MOTION:

Dr. Harris moved that the board approve the schedule of monthly rental rates for residences, apartments, rooms, preschool, and day-care centers for the period August 15, 1984, to August 14, 1985. Mr. Neu seconded the motion, and upon the roll being called, the following voted:

AYE: Duchen, Harris, Jorgensen, McDonald,
Murphy, Neu, Van Gilst, Brownlee

NAY: None

ABSENT: Anderson

The motion passed unanimously.

AWARD OF COAL CONTRACT. It was recommended that the University of Iowa be authorized to award a five-year coal contract to the Centran Corporation, in accordance with the provisions of the bid documents.

The Board Office reported that in late April and early May of this year the University of Iowa followed appropriate Regent bidding procedures and advertised for bids to supply approximately 110 tons of coal annually for the period beginning July 1, 1984. Specifications offered by the university were similar to those provided in previous years. As has been the case in the past, the lowest cost per MM BTU was to be the basis for the contract award. However, the university indicated that it would take into consideration cost factors related to alternate methods of delivery, ash handling costs, and the Iowa Preference Law.

The coal preference law requires that the state of Iowa purchase Iowa coal unless use of that coal would "materially" lessen the efficiency or increase the cost of operating the heating or power plant. In addition, during its past session, the General Assembly added an amendment to this law which will become effective July 1 of this year. This amendment allows state agencies to grant a preference of up to 5 percent for Iowa coal on a delivered cost per unit of heat (BTU) basis. Both the existing preference law and the amendment indicate the intent to continue the traditional method of measuring coal costs, and this is the basis upon which the University of Iowa structured its recommendation.

Of the six bids received for the single year contract, the low bidder was Centran Corporation of Minneapolis with a bid of \$1.6293 per MM BTU. Peabody Coal Company at \$1.6815 per MM BTU was the second low bidder. The Iowa Coal Mining Company of Lovilia, Iowa, at \$1.70 per MM BTU was the third low bidder. The low bid offered by the Centran Corporation is approximately 4.34 percent lower than the bid offered by the Iowa firm. This low bid would save the state \$176,723 compared to the cost of coal if the Iowa bid were accepted.

The Centran Corporation provided a five-year bid of \$1.5987 per MM BTU, in comparison to bids offered by the Peabody Company of \$1.6815 per MM BTU and the Iowa Coal Mining Company \$1.7714 per MM BTU. The \$1.59 bid by Centran in the five-year contract would provide coal to the university for \$76,509 less annually than the firm's one-year contract.

The Board Office noted that award of the low bid on the five-year contract will result in a coal cost of approximately \$432,000 less than would be the case if the Iowa bid were accepted. This is a 10.8 percent savings for Iowa taxpayers. The Centran multi-year bid is 6.33 percent less than the single year bid offered by the Iowa coal firm.

The university reported that, while the Iowa coal bid would apparently meet the specifications on sulfur dioxide now being imposed by the Environmental Protection Agency, the coal which would be provided by the Iowa Coal Mining Company does not meet the minimum softening temperature specifications. As a result, if the Iowa coal were used, it could be expected to form clinkers and cause the accumulation of slag which would significantly reduce boiler efficiency.

The Board Office noted delivery problems with the current fiscal year's contract with an Iowa coal company. Only 52,000 tons of the 120,000 tons of Iowa coal contracted for were delivered by the Iowa Coal Sales Corporation due to production problems. Instead, Iowa Coal Sales Corporation arranged for the delivery of other Midwest coal in order to meet the terms of this contract.

The multi-year coal contract includes a clause which allows either party to cancel the contract at the close of the fiscal year upon 90-day notice. In addition, this contract provides that the price of coal to be supplied to the university is subject to revision each year in accordance with the nationwide formula for determining increases in coal prices. It is therefore imperative that the university carefully monitor nationwide trends in coal prices in order to allow for the renegotiation of the coal price if appropriate. In addition, the university may choose to investigate the purchase of Western coal in the future, consistent with the recommendations of the Regents Committee on Efficiency and Cost Effectiveness.

The Board Office said that acceptance of the five-year contract bid from the Centran Corporation would enable the university to keep the coal portion of its fuel and purchased electricity budget in check and free additional funds for the purchased electricity budget. In the present fiscal year, the university anticipates that appropriations provided for fuel and purchased electricity may be as much as \$300,000 short. For fiscal 1985, the fuel budget is just as tight. It is essential that the university continue to take appropriate actions to reduce its utility costs.

In summary, the Board Office said it recommended that the board approve the award of a five-year coal contract to the Centran Corporation at a price of \$1.5987 per MM BTU. The five-year contract should be accepted because it grants the university the flexibility to review coal prices on an annual basis while obtaining a price for coal in fiscal year 1985 which is significantly below the lowest bid which could be obtained under a single year bidding arrangement. The five-year Centran bid is 10.8 percent less than the comparable bid offered by an Iowa firm. This is undoubtedly a "material" difference in price, and it is more than double the maximum preference allowed in legislation to become effective on July 1, 1984.

President Brownlee asked if the university had calculated the dollar savings of the five-year contract. Vice President Ellis said it was difficult to be accurate because the price of coal will be indexed, but if everything stays approximately the same it will be about \$2 million.

Regent Van Gilst said he had received a phone call from a representative of the Iowa Coal Mining Company who had been pleased that university personnel had inspected his mine to see what the company had to offer. Regent Van Gilst noted that this is not a large coal company. It could not make a more competitive bid for the five-year contract because it is uncertain what it will have available that far in the future.

Regent Van Gilst said he was concerned at how the Legislature and the Governor will react to the fact that the Regents and the University of Iowa are awarding a five-year contract one month before a new law is to go into effect. The University of Iowa has had one-year coal contracts for many years, so it is not a matter of continuing a precedent. He felt this action might be perceived adversely by persons in state government.

Mr. McDonald asked how a five-year contract would affect matters if the Regents obtained legislative approval to implement the Efficiency and Cost Effectiveness Committee's recommendation to purchase western coal. Vice President Ellis said Wyoming coal is not yet at a point where it is usable in university boilers. In fact, there are a number of questions to be resolved as to whether it will ever be usable at the University of Iowa. Because of size it must be processed again on site. The moisture content must be artificially reduced. The university doesn't have the facilities to unload from trains. Use of this coal will require capital expenditure. Should all of these problems be solved so the university could use western coal, the university could use the 90-day cancellation clause of the five-year contract. He did not believe this contract would in any way impede a shift to Wyoming coal although the university at this time considered this eventuality dubious.

Regent Harris asked if it would be necessary to have coal suppliers rebid if the contract were cancelled during the five-year period. Vice President Ellis said that it would. President Brownlee said it seemed to be practical for the university to have a five-year contract. It can be cancelled for unusual reasons, but the supplier might be reluctant to cancel and subject himself to the bid process unless there were a really strong reason. President Brownlee felt this is of benefit to the university.

Regent McDonald said there appeared to be no reason to call this a five-year contract when there is an annual right of cancellation by either party. Vice President Ellis said neither party is treating it as a one-year contract.

Regent Duchon commented that while Wyoming coal might not be ready for use in five years, in the long range this is where the largest supply of coal is. He felt it important that the Regents monitor and evaluate this long-range potential. He realized that this coal will not work in present boilers, but boilers can be replaced. Energy is a large cost item for the Regent universities and this is a possible way to save money on the fuel budgets. He said he does not personally have any money invested in western coal, but felt that as a business person he should alert the Regents to the importance of this resource.

Vice President Ellis said that Iowa State University is attempting to get samples to burn, and the University of Iowa is interested in the results of this testing. As the university plans for the future and boilers are replaced, it will of course take into account what kind of coal is available and be sure the replacement boilers were constructed with this in mind.

Regent Van Gilst said that in the part of the state in which he lives two large manufacturing plants are being built. He was sure cost was a prime consideration for both of these firms, and in both cases Iowa coal will be used. Regent Van Gilst pointed out that it is not just the cost of coal involved, but jobs and industry for the state. The Legislature spends money to provide jobs and incentives, and the Regents, as a state agency, must consider this.

Regent Duchen said it would be a fine thing to use Iowa coal if possible, but if the university can save \$2 million for faculty and better programs, it did not seem like a wise thing to do at this time. He reiterated that energy needs will continue and long-range planning is important.

Mr. Richey said that there is a 10 percent price advantage with the recommended contract. While legislative supporters, including Regent Van Gilst, had done excellent work to get a pass through into the Regents fuel and purchased electricity budgets, it is in fact unlikely that there will be any extra appropriations forthcoming. It seems essential to take advantage of this competitive price at this time in order to keep utility costs as low as possible.

MOTION:

Mr. McDonald moved that the board authorize the University of Iowa to award a five-year coal contract to the Centran Corporation, in accordance with the provisions of the bid documents. Mrs. Murphy seconded the motion and it passed with Mr. Van Gilst voting no.

ORAL REPORT ON TELECOMMUNICATIONS SYSTEM AND EMPLOYMENT OF CONSULTANTS. Vice President Ellis said that, like Iowa State University and the Capitol Complex, the University of Iowa is undergoing an evaluation of its existing telephone system and is obtaining proposals on how to handle its telecommunications in the future. The university has retained Telecommunications International, Inc., the consulting firm also employed by ISU and the Capitol Complex. Phase I of the university's study is complete, and the consultant has recommended taking bids on a replacement system. By doing so the university can avoid cost increases of as much as \$9 million over the next 10 years as well as having improved service. The next step in the process is preparation of requests for proposals for two systems: one for the university and one for University Hospitals and Clinics. It is believed that these two systems will serve requirements for the next decade. It was anticipated that if all goes smoothly, this new system could be in place in late 1985 or early 1986. In the meantime, the university didn't plan any significant changes in the current system on the campus.

SUPPLEMENTAL: TECHNOLOGY INNOVATION CENTER (TIC). The university requested that the board approve the establishment of a Technology Innovation Center (TIC) on the Oakdale Campus.

The university reported that it wishes to establish a facility and an associated supporting program which will together encourage the growth of technology-based industries in the geographic area. To do so, the university proposed to make available a cluster of minimally furnished laboratories and offices on the Oakdale Campus which will be rented at modest rates for a limited period of time to businesses seeking to develop and market products based on advanced technologies. The staff of the facility will coordinate a support program designed to make available information on and access to the technological and intellectual resources of the university and to provide advice on management and capital acquisition. This plan follows from a study of similar existing centers at other institutions around the country.

The Center will be administered by a resident director who will report to the Vice President for Educational Development and Research. Administrative guidance will come, in part, from guidelines recommended by a TIC advisory committee.

The university has received a two year grant of \$181,161 from the Iowa High Technology Council to assist in the establishment of the Center. Prior to the expiration of this grant the university will seek continued support from the Council. The university will explore actively alternative sources of funds to maintain the TIC for as long as it serves its purposes of encouraging the transfer of technology and spurring economic growth in the area.

Mr. Richey said that, if possible, he would recommend deferral of this item so it could be referred to the Interinstitutional Committee on Educational Coordination for review and comment, since the Regents are currently engaged with the committee in a broad look at this entire issue. It is certainly a commendable activity, and he had no reservations with the intent, but he did think it was something the committee should look at for the programmatic implications.

Vice President Ellis said it would be far preferable to the university if the Center could receive approval now since it had received funding and is poised and ready to go.

Mr. Richey asked if there was a particular reason that this was a supplemental item. Vice President Ellis said the university was under the misconception that this had already been approved. Only at the last moment was it discovered that formal approval had not been received.

Mr. Richey suggested that the board approve this with the condition that it be referred to the Interinstitutional Committee in order to maintain that committee's leadership role in this type of activity.

MOTION:

Dr. Harris moved that the board approve the establishment of a Technology Innovation Center (TIC) on the Oakdale Campus with the stipulation that this request be referred to the Interinstitu-

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tional Committee on Educational
Coordination for review and recommen-
dation. Mr. Van Gilst seconded the
motion and it passed unanimously.

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

IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Wednesday, June 20, 1984.

SALE OF \$12,495,000 STATE BOARD OF REGENTS ACADEMIC BUILDING REVENUE BONDS, SERIES I.S.U. 1984. It was recommended that the board:

1. Adopt a "Resolution providing for the sale and award of \$12,495,000 Academic Building Revenue Bonds, Series I.S.U. 1984, and approving and authorizing the agreement of such sale and award."
2. Adopt "A Resolution authorizing and providing for the issuance and securing the payment of \$12,495,000 Academic Building Revenue Bonds, Series I.S.U. 1984, for the purpose of defraying costs of buildings and facilities on the campus of the Iowa State University of Science and Technology."

The Board Office explained that the 1983 Legislature in Senate Concurrent Resolution 13 authorized the sale by the Board of Regents of \$63,780,000 in academic building revenue bonds for the period beginning July 1, 1983, and ending June 30, 1985. Of this total, Iowa State University was authorized to issue a total of \$30,495,000 in bonds. The purpose of this issue is to provide funds for the completion of the construction and equipping of a 136,000 gross square foot addition to the Agronomy Building; replacement of related greenhouse space; and central utility plant improvements that involve service to the new building. Additional authorization has been provided for the remodeling of a portion of the existing Agronomy Building and the purchase of equipment for the Mechanical Engineering Building in House Concurrent Resolution 117.

The first sale for this project, for \$18,000,000 in bonds, occurred in October 1983. This second sale of \$12,495,000 is to be distributed at follows:

Agronomy Addition--Construction and Equipment	\$9,435,000
Agronomy Building Renovation/Mechanical	
Engineering Equipment	3,000,000
Issuance Costs	60,000

Details of these bonds from the resolution authorizing and providing for the issuance of said bonds are as follows:

- The bonds shall be dated July 1, 1984, and will be issued as fully registered bonds without coupons in the denomination of \$5,000 and

any integral multiple thereof. Bonds shall bear interest payable semiannually on January 1 and July 1 of each year commencing January 1, 1985. Bonds will mature in numerical order with the first principal payment of \$595,000 being made on July 1, 1986, with succeeding payments of \$700,000 each in the years 1987 through 2003.

- Bonds maturing on or after July 1, 1995, are redeemable by the board from any funds regardless of the source on any interest payment date on or after July 1, 1994, upon terms of par plus premium equal to one-half of 1 percent of the principal amount of any such bonds called for redemption for each year or fraction thereof between the redemption date and the date of maturity of such bonds, but in any event not to exceed 3 percent of the principal amount of such bonds.

President Brownlee called the meeting to order at 11:00 a.m., central daylight savings time, June 20, 1984. The roll being called, there were present S. J. Brownlee, President, in the chair, and the following named board members: Duchen, Harris, Jorgensen, McDonald, Murphy, Neu, and Van Gilst. Member Anderson was absent.

President Brownlee stated that this meeting was for the purpose of receiving separate sealed bids on the sale of \$12,495,000 Academic Building Revenue Bonds, Series I.S.U. 1984, of the State Board of Regents of the State of Iowa.

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

President Brownlee introduced Richard Pavia, representative of Speer Financial, the board's bond consultant.

President Brownlee directed the executive secretary to open the sealed bids and asked Mr. Pavia to read the sealed bids. Mr. Pavia said the bids were as follows:

<u>Bidders</u>	<u>Price</u>	<u>Coupon Rates</u>	<u>Net Interest</u>
John Nuveen & Co., Inc. - Chicago and	100.0000	1986-1991 9.60%	8.5926%
Dean Witter Reynolds, Inc. - New York and		1992 9.40%	\$11,349,940
Shearson/Chiles Heider & Co., Inc.-Omaha and	AWARDED	1993 8.10%	
Securities Corporation of Iowa-Cedar Rapids and		1994 8.30%	
Becker & Cownie, Inc. - Des Moines and		1995-2003 8.40%	
Shaw, McDermott & Co. - Des Moines and			
R. G. Dickinson & Co. - Des Moines and			
Juran & Moody, Inc. - St. Paul and			
Blunt Ellis & Loewi, Inc. - Chicago and			
Norwest Bank Des Moines, N.A. - Des Moines and			
Piper, Jaffray & Hopwood, Inc. - Minneapolis - Jt. Mgrs.			
A. G. Edwards & Sons, Inc. - St. Louis			
Robert W. Baird & Co., Inc. - Milwaukee			
Moore, Juran and Company, Inc. - Minneapolis			
Rotan Mosle Inc. - Houston			

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Lin Bosworth Incorporated - Minneapolis and	100,000	1986-1989	10.00%	8.7678%
Ernst & Young Capital Markets - Minneapolis and		1990-1993	9.50%	\$11,581,500
E. F. Hutton & Company, Inc. - Kansas City - Jt. Mgrs.		1994-2003	8.50%	
A.I.D. Securities Corporation - Des Moines				
Blyth Eastman Paine Webber, Inc. - New York				
Hawkeye-West Bank & Trust - Des Moines				
Summit Investment Corporation - Minneapolis				

Mr. Pavia told the board that these are excellent bids. He had been informed by both bidders that the bond market is in chaos, but the Board of Regents bonds appeared to be immune from this chaos. He recommended acceptance of the low bid by John Nuveen & Co., Inc., and Associates of 8.5926 percent. Mr. Pavia told Regent Duchen that there had been a third bidder, Morgan Guaranty Trust Company, but this bidder had withdrawn at the last moment.

MOTION:

This being the time and place fixed by published notice, the board took up for consideration the matter of bids for the purchase of \$12,495,000 Academic Building Revenue Bonds, Series I.S.U. 1984, of said board. After all sealed bids had been opened, the results thereof were incorporated in a resolution entitled, "Resolution providing for the sale and award of \$12,495,000 Academic Building Revenue Bonds, Series I.S.U. 1984, and approving and authorizing the agreement of such sale and award." Member Harris moved that said resolution be adopted, seconded by Member Murphy, and the roll being called the following voted:

AYE: Duchen, Harris, Jorgensen,
McDonald, Murphy, Neu, Van Gilst,
Brownlee

NAY: None

ABSENT: Anderson

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

MOTION:

The board took up for consideration the matter of authorizing and issuing \$12,495,000 Academic Building Revenue Bonds, Series I.S.U. 1984. Whereupon Member McDonald introduced and caused to be read a resolution entitled "A Resolution authorizing and providing for the issuance and securing the payment of \$12,495,000 Academic Building Revenue Bonds,

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Series I.S.U. 1984, for the purpose of defraying costs of buildings and facilities on the campus of the Iowa State University of Science and Technology," and moved that said resolution be adopted. Member Jorgensen seconded the motion and after due consideration by the board the president put the question on the motion and upon the roll being called the following voted:
AYE: Duchen, Harris, Jorgensen,
McDonald, Murphy, Neu, Van Gilst,
Brownlee

NAY: None

ABSENT: Anderson

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

MOTION:

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

Regent Neu asked how the third bidder realized that he was not competitive. Mr. Pavia said this firm has tried in the past, but two firms seem to have gained a monopoly on Board of Regents bonds because they have the best sales network in Iowa. In the past, this third firm has always been 50 or 60 points above the winning bid. A fourth bidder, Harris Bank, tried eight times without having a winning bid. Mr. Pavia told the board it was fortunate to have two investment firms that compete for these bonds.

Regent Duchen asked when the closed bids are received. Mr. Pavia said that, because this was an out-of-town sale, the bidders sent in the forms and the required checks without the numbers filled in. These papers are brought to the meeting. At 10:00 in the morning prior to the bond sale, Speer Financial makes telephone contact with the firms who have submitted the forms and takes down the numbers. The numbers the board saw on the forms had actually been written in by Mr. Pavia after they were received by telephone. After the numbers are received, they are checked by computer. Then they are put in the envelope. It is all kept confidential. The winning bidder does not know that it is the winning bidder but will be notified of that fact after the meeting.

Regent Van Gilst commented that a local broker had called him the night before to say he would have these bonds for sale and accurately quoted a rate of 8.5 percent. He wondered how this broker could have known the rate. Mr. Pavia said the broker was guessing. The Nuveen bid had come in at 10:35 a.m. and the Dain Bosworth bid at 10:45 a.m., immediately prior to the sale. Before that, those firms had been in closed session preparing their bids. No one could have known those bids, so the broker was just guessing.

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Regent Duchen asked what the board paid for the services of Speer Financial. Associate Vice President Madden said it is a percentage of the amount of the bond sale. President Brownlee commented that the Regents consult this firm frequently. Mr. Pavia said Speer Financial is proud to be associated with the Board of Regents.

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The following business pertaining to Iowa State University was transacted on Thursday, June 21, 1984.

REGISTER OF PERSONNEL CHANGES. The actions in the Register of Personnel Changes for May 1984 were ratified by general consent of the board.

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

Rand D. Conger as professor of Family Environment and Child Development, assistant dean for Research and Graduate Education for the College of Home Economics, and associate director of the Home Economics Research Institute effective August 1, 1984. Salary \$52,750.

Donna L. Cowan from assistant to associate dean of the College of Home Economics and professor of Home Economics Studies effective July 1, 1984. Salary as budgeted.

Richard J. Van Iten as acting chair of the Department of Philosophy of the Department of Philosophy until a regular chair is appointed, effective July 1, 1984. Salary as budgeted.

Michael A. Pearce as professor and chair of the Department of Naval Science effective August 15, 1984, through August 14, 1987. Salary elsewhere.

Alan M. Russell from assistant professor of Freshman Engineering and assistant to the dean to assistant professor of Freshman Engineering and assistant dean for the College of Engineering effective July 1, 1984. Salary as budgeted.

Thomas D. Weible as professor and chair, Department of Elementary Education, College of Education. Salary - \$48,000, effective August 1, 1984, through June 30, 1989.

Rabindra N. Mukerjea as acting dean of the College of Design until a regular dean is appointed, effective August 1, 1984. Salary as budgeted.

Lt. Col. John R. Vincent as professor and chair of Military Science, effective July 1, 1984, through June 30, 1987. Salary elsewhere.

Lawrence E. Evans as professor and chair of Veterinary Clinical Sciences effective July 1, 1984, through June 30, 1989. Salary as budgeted.

MOTION:

President Brownlee stated that the appointments requested by the university as listed above were approved by general consent of the board.

ACADEMIC CALENDARS. It was recommended that the board approve the academic calendars of Iowa State University for the fall semester 1985 through the summer session 1988.

The Board Office reported that the calendars proposed by Iowa State University are consistent with the past practices of the universities in their academic operations. The university holidays proposed in the calendars are consistent with the appropriate statewide collective bargaining agreements in force at this time. Because statewide collective bargaining agreements are not established for the entire time covered by the proposed calendars, it may be necessary to revise the calendars if bargaining agreements change the holiday requirements. The holiday schedule has been reviewed with the office of State Employment Relations and the Academic Affairs unit of the Board Office.

The Board Office noted that during the course of the last legislative session there were several communications received in the Board Office from legislators expressing concern about the length of time between the fall and spring semesters. That time is approximately one month.

Regent Jorgensen asked if it would be feasible to have this break before rather than after Christmas so students can get jobs during their break. Vice President Christensen said he did not think this would happen. President Parks said that in order to finish the semester before the break, colleges would have to start the fall term earlier, and even now colleges begin this term in August. The early semester has swept the country. He told Regent Harris there are no conflicts with the other Regent universities because they are on the same schedule.

MOTION:

President Brownlee stated that the board by general consent approved the academic calendars of Iowa State University for the fall semester 1985 through the summer session 1988.

PHASED RETIREMENT REQUESTS. It was recommended that the board approve the requested phased retirement plans effective July 1, 1984, for the following university faculty members:

O. Norman Carlson, Professor of Materials Science & Engineering
and Section Chief/Sr. Metallurgist, Ames
Laboratory

Wesley F. Buchele, Professor of Agricultural Engineering, Department
of Agriculture

Raymond P. Nicholson, Asst. Professor of Agronomy and Agricultural
Engineering, College of Agriculture

Robert H. Shaw, Distinguished Professor, Department of Agronomy

Frederick Sherman Hopkins, Jr., Professor, Department of Forestry

Donald Robert Warner, Professor of Animal Science, College of
Agriculture

The Board Office explained that each of the professors is over 60 years of age and has 20 or more years of service with Iowa State University. The university reported that savings during the 1984-85 fiscal year of \$67,366 will be used for instructional and research purposes in the departments of the phased retirement participants.

MOTION:

President Brownlee stated that the phased retirement plans for Professors Carlson, Buchele, Nicholson, Shaw, Hopkins, and Warner were approved by general consent of the board.

DORMITORY SURPLUS FUNDS TRANSFER. It was recommended that \$850,000 in the Dormitory Surplus Fund be transferred to the Dormitory Improvement Fund.

The Board Office reported that the requested fund transfer is part of a continuing pattern calling for transfers from the Dormitory Surplus Fund to the Dormitory Improvement Fund. A 1964 bond resolution on dormitories at Iowa State University calls for an annual increment of \$300,000 to be allocated to the Dormitory Improvement Fund from annual operating revenues. The resolution authorizes additional amounts from the surplus fund, subject to board approval.

The university indicated that the proposed transfer of \$850,000 is needed because of inflation and an aging housing system. The newest residence hall is already 13 years old. Kitchen and dining service areas are at least 15 years old. Iowa State University, as do the other universities, maintains improvement and replacement programs on a continuing basis.

An additional item proposed for funding from the Dormitory Improvement Fund this year is the purchase of all dormitory telephone instruments. The estimated cost of purchasing phones plus a small replacement inventory is estimated at \$95,000. These instruments will be operational at least until November 1985 when the university's proposed new telecommunications system should be in place. Between now and then, approximately \$200,000 in telephone instrument rental charges will be saved for a net saving of \$105,000. This action is consistent with the recommendation of the Regents Efficiency and Cost Effectiveness Committee.

Estimated Surplus Funds at the close of FY 1984 are \$3.7 million after the proposed transfer to the Dormitory Improvement Fund. As previously reported, the voluntary reserve position for the Iowa State University residence system remains strong. The Board Office said this transfer should be considered routine and recommended its approval.

MOTION:

President Brownlee stated that the board by general consent approved that \$850,000 in the Dormitory Surplus Fund be transferred to the Dormitory Improvement Fund.

CYCLONE AREA COMMUNITY CENTER ICE FACILITY. It was recommended that the board:

1. Accept the title and ownership of the property and fixtures of the Cyclone Area Community Center Ice Facility (CACC) by quit claim deed.
2. Accept a gift from the ISU Achievement Foundation equal to the amount outstanding on the CACC construction loan, pursuant to Section 565.5 of the Code of Iowa, 1983.
3. Approve a 28E agreement with the city of Ames and Iowa State University to operate the indoor ice rink.
4. Terminate the existing lease agreement between the city of Ames and Iowa State University for land currently leased to the city on which the CACC is located.
5. Require the submission and separate approval by the board of any capital expenditures for the facility in addition to those as outlined by the university.
6. Require that board approval be granted prior to any significant change in the use of the facility.

The Board Office explained that in 1978, the city of Ames and Iowa State University became jointly interested in constructing a community ice facility. The city was interested in providing additional recreational opportunities for the public, and Iowa State University was interested in relieving the inconvenience and the expense of using Hilton Coliseum for ice-related recreation. As a result, a private fund raising group known as the Greater Ames Ice Association developed a proposal, approved by the Regents and the city, to construct an indoor ice rink on university land leased to the city.

The facility was constructed from private fund-raising efforts. The CACC spearheaded these fund-raising efforts, and it was fully expected that this effort would be sufficient to pay for the facility. The CACC negotiated a bank loan with a loan guarantee from the Iowa State University Achievement Foundation. The loan guarantee required that, upon default, the Achievement Foundation was to pay the amount due on the loan and would, as a result, take title to the property.

Despite extensive use of the Cyclone Area Community Center, the fund-raising effort to pay the construction loan went into default by \$125,000 in December 1983. As a result, the Achievement Foundation, as guarantor of the loan, is required to pay off the remainder of the loan and to take title to the property. Since the Achievement Foundation has no interest in owning an ice facility, the Foundation expressed interest in allowing the university to take title to the facility.

Therefore, the Foundation, ISU officials, and the city of Ames have negotiated an agreement to: transfer the title to the property directly from the CACC to Iowa State University, provide for the operation of the facility by the city of Ames, commence the necessary capital projects to allow for the operation of the facility during the coming winter, and to provide for the appropriate operating and capital funds for the facility in the future.

Material submitted by the university included a quit claim deed executed by the CACC board which eliminates the CACC's interest in this facility. As a result, the property will be directly transferred to the state of Iowa to be managed by Iowa State University. The Achievement Foundation will pay off the \$125,000 in outstanding loans as a gift to the university. The board has the authority to accept such gifts under Section 565.5 of the Code of Iowa 1983.

The university also submitted a proposed operating agreement with the city of Ames for this ice facility. Key elements of this operating agreement include the following:

- The city of Ames will operate the facility, including making arrangements for all the allocations of ice time. The Board Office recommended that ISU report to the board on the allocations of ice time to ensure the appropriate availability of the facility for the university.
- ISU and the city have agreed to share the capital costs of installing a second compressor for the ice rink. The university does not anticipate any large additional capital costs requiring university funds in the near term. If any such funds are proposed to be used for capital construction projects relating to the ice facility, specific board approval should be received.
- The university and the city of Ames each have agreed to contribute \$20,000 annually for necessary capital improvements to CACC. The university's \$20,000 would be financed from student fees, as approved by the board in May.
- The agreement also provides for the distribution of property in the facility if the agreement is terminated. The university does not anticipate the continued use of the facility as an ice arena if user charges are not sufficient to pay the operating costs of the facility. In that event, the facility could quite easily be used for storage purposes.
- The 28E agreement between the city and Iowa State University is effective for five years, beginning July 1, 1984. Either party may annually cancel the agreement upon appropriate written notice. The agreement will be automatically renewed unless either party objects to such renewal.

The Attorney General's Office had reviewed the proposed agreement and deed and found them in order.

Associate Vice President Madden said that all other agencies involved in this transaction have approved it, so with board approval the agreement will go into effect. The university will own a facility valued at \$500,000.

MOTION:

Dr. Harris moved that the board (1) accept the title and ownership of the property and fixtures of the Cyclone Area Community Center Ice Facility (CACC) by quit claim deed; (2) accept a gift from the ISU Achievement Foundation equal to the amount outstanding on the CACC construction loan, pursuant to Section 565.5 of the Code of Iowa 1983; (3) Approve a 28E agreement with the city of Ames and Iowa State University to operate the indoor ice rink; (4) terminate the existing lease agreement between the city of Ames and Iowa State University for land currently leased to the city on which the CACC is located; (5) require the submission and separate approval by the board of any capital expenditures for the facility in addition to those outlined in the university's exhibit; and (6) require that board approval be granted prior to any significant change in the use of the facility. Mr. Neu seconded the motion, and upon the roll being called, the following voted:

AYE: Duchen, Harris, Jorgensen,
McDonald, Murphy, Neu, Van Gilst,
Brownlee

NAY: None

ABSENT: Anderson

USDA IMPLEMENT STORAGE BUILDING. It was recommended that the board approve the concept of the construction of an Implement Storage Building on the ISU campus by the United States Department of Agriculture/Agriculture Research Service.

The university proposed to negotiate an agreement with the Department of Agriculture for the construction and operation of this building on the ISU campus. The project involves the construction of a pre-engineered metal building of approximately 6,150 square feet which will provide needed storage for field research equipment and vehicles. The estimated cost of the building is \$35,000.

In answer to questions from Regent Harris, Dr. John P. Mahlstedt, Associate Director of the Experiment Station, explained that units can send need requests to the USDA Research Service. If there are funds re-

maintaining near the end of the fiscal year in the USDA's budget, it grants these requests on a priority basis consistent with the amount of money available. This request by Iowa State University happened to fit the criteria this year and was thus funded by the USDA.

The Board Office recommended approval of the project because the financial arrangements are similar to cooperative arrangements now in effect at Iowa State University and there is a need for additional storage space.

MOTION: President Brownlee stated that by general consent of the board it approved the concept of the construction of an Implement Storage Building on the ISU campus by the United States Department of Agriculture/ Agriculture Research Service.

AG 450 FARM, LEASE/PURCHASE LAND. It was recommended:

1. That the board approve the purchase of 50.52 acres of land in Story County from the Iowa State University Achievement Foundation for the use of the Ag 450 teaching farm.
2. That this property be purchased according to the terms of a real estate installment contract with the total purchase price equaling \$110,000, or \$2,200 per acre. An interest rate of 10.75 percent per annum will be charged on unpaid balances, according to the terms of the real estate installment contract.
3. That this proposal and purchase be submitted to the Executive Council for approval, pursuant to Chapter 262.10 of the Code of Iowa 1983.

The Board Office explained that since 1942, the Iowa State University has operated an undergraduate farm operation called the Ag 450 teaching farm on a 187 acre tract of land three miles south of the main campus. Since the goal of the Ag 450 farm is to provide students with actual farm experience on an average Iowa farm, and since the size of the average Iowa farm is now in excess of 300 acres, ISU officials have rented additional farm land for this operation over the past few years. This rented land is north of the campus and is difficult to incorporate into the Ag 450 operations. Therefore, the program has been interested in acquiring additional land near the existing farm for some time.

The so-called Brooks Farm, located one mile west of the present Ag 450 farm, has become available for purchase. This farm consists of 50.5 acres, of which 49.3 acres are tillable. When the Brooks Farm became available, the Iowa State University Achievement Foundation purchased it by direct cash purchase. The Achievement Foundation, in turn, negotiated the sale of the Brooks Farm to the Ag 450 farm on an installment basis.

The Board Office noted that the terms of the land purchase are appropriate. While the Achievement Foundation is carrying this land as part of its investment portfolio and is not providing a gift to the Ag 450 farm, the

proposed interest rate of 10.75 percent is reported to be slightly below the present Federal Land Bank rates. The purchase of this land and the accompanying need for debt service management will be extremely valuable to students in the course, who will undoubtedly be required to manage such debt service in the private sector.

The Attorney General reviewed the proposed land sale and found no irregularities. Subsequent to board approval, this purchase will also require the approval of the Executive Council.

MOTION:

Mr. Van Gilst moved (1) that the board approve the purchase of 50.52 acres of land in Story County from the Iowa State University Achievement Foundation for the use of the Ag 450 teaching farm; (2) that this property be purchased according to the terms of a real estate contract with the total purchase price equaling \$110,000, or \$2,200 per acre. An interest rate of 10.75 percent per annum will be charged on unpaid balances according to the terms of the real estate installment contract; and (3) that this proposal and purchase be submitted to the Executive Council for approval, pursuant to Chapter 262.10 of the Code of Iowa 1983. Mr. Neu seconded the motion.

Mr. Richey said it was his understanding that the Ag 450 class was going to look at alternatives with respect to financing. He noted that 10.75 percent interest is more than the Regents are accustomed to paying. It was suggested that the university might wish to seek the kind of instrument that would qualify for tax exempt status and thus carry a lower rate. The main advantage of paying the current interest rate is that it would be a learning process for students. Associate Vice President Madden said that a class project will be to determine whether alternative financing is appropriate. This will provide students an opportunity to explore financing methods and financing institutions. If this purchase can be financed in a more cost-effective manner, that would be excellent, but Mr. Madden commented that in the real world of farm financing this is probably not possible.

VOTE ON MOTION:

Upon the roll being called, the following voted:
AYE: Duchen, Harris, Jorgensen,
McDonald, Murphy, Neu,
Van Gilst, Brownlee
NAY: None
ABSENT: Anderson
The motion passed unanimously.

APPOINTMENT OF SECRETARY AND TREASURER. The board was requested to approve the following reappointments:

Bernard O. Randol, Controller, to be University Secretary for the fiscal year beginning July 1, 1984.

Warren R. Madden, Associate Vice President for Business and Finance, to be University Treasurer for the fiscal year beginning July 1, 1984.

MOTION:

Mr. Duchon moved that the board approve the reappointments of Mr. Randol and Mr. Madden as University Secretary and University Treasurer, respectively, for the fiscal year beginning July 1, 1984. Mr. Neu seconded the motion and it passed unanimously.

LEASE OF OFF-CAMPUS STUDIO SPACE FOR ARCHITECTURE CLASSES. It was recommended that the board approve a one-year lease, with option to renew for an additional year, with JT&S Development Company for 2800 square feet of space at 306 South 18th Street, Ames, Iowa, at a rent of \$6.50 per square foot per year, beginning August 1, 1984.

The Board Office explained that the university has a backlog of students who need to complete courses in architecture design. The delay created by the backlog adds a year of study for those students and has resulted in the delayed graduation of several students. Because existing studio space is being used to its fullest capacity, the university desired to secure additional studio space to meet what is considered a temporary demand. Vice President Moore said this is not a routine action for the university, but the architectural department feels this will enable it to meet student needs. The department indicated that the one year lease with the option to renew will allow it to teach this design course to students.

The university considered other commercial spaces but found that space either too expensive or not in conformance with code requirements. No publicly owned space is available currently in Ames, so there were no schoolhouses to be considered pursuant to the Governor's Executive Order No. 44.

MOTION:

Mr. Van Gilst moved that the board approve a one-year lease, with option to renew for an additional year, with JT&S Development Company for 2800 square feet of space at 306 South 16th Street, Ames, Iowa, at a rent of \$6.50 per square foot per year, beginning August 1, 1984. Mrs. Murphy seconded the motion and upon the roll being called, the following voted:

AYE: Duchen, Harris, Jorgensen,
McDonald, Murphy, Neu, Van Gilst,
Brownlee
NAY: None
ABSENT: Anderson
The motion passed unanimously.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office reported that the final register for May 18 through June 21, 1984, had been received, was in order, and was recommended for approval.

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

Friley Hall Renovation--Phase 4--Courtyard Addition--Bid Package #1
Award to: Venetian Iron Works, Inc., Des Moines \$54,900.00

The Board Office noted that this is the first of ten bid packages on this project that will be bid over the next several months.

Waste Chemical Handling Facility Addition
Award to: Hoffman Construction Co., Inc., Ames \$178,789.00

This facility will accommodate the proper disposal of chemical waste materials resulting from the university's instructional and research programs. This project was approved by the board in October 1983. The university's selection of Rietz Engineering Consultants of Ames was ratified by the board in February 1984.

The university also submitted a revised project budget reflecting this contract award.

The board was requested to approve the following new projects:

Maple/Willow/Larch Commons Deck Repair
Source of Funds: Dormitory System Surplus \$48,000.00

This repair work will be carried out by an outside contractor selected through competitive bidding.

Cyclone Area Community Center--Refrigeration System Improvements
Source of Funds: City of Ames, Income from Treasurer's Temporary
Investments, and Student Activity Fees \$102,000.00

The acquisition and arrangements for the operation of the Cyclone Area Community Center were discussed in a previous item in these Minutes. This construction project consists of a 100-ton chiller with related condenser, compressors, and controls to be located in an 800-square foot equipment shed adjacent to the existing building. The university and the city of Ames have negotiated an agreement with Holmsten Ice Rinks, Inc., of St. Paul, Minnesota, and requested the board's approval to enter into the contract.

In addition to furnishing and installing the complete refrigeration system, the Holstem firm will provide training to maintenance personnel. The total cost of the firm's work is \$84,485. University personnel will construct the equipment shed.

Physical Education Building--Renovations for Exercise Physiology
Source of Funds: Building Repairs \$150,000.00

This renovation will upgrade elements of the program into one location. The Physical plant will furnish design services, and construction will be carried out by an outside contractor selected through competitive bids.

Nuclear Engineering--General Remodeling
Source of Funds: Building Repairs \$250,000.00

The Board Office said the university intends to negotiate for required architectural services and will report to the board upon completion of negotiations.

Science II--Renovation of Animal Care Facilities
Source of Funds: Building Repairs \$120,000.00

This project modifies animal rooms in order to conform with Department of Agriculture and National Institute of Health animal care regulations. The Physical Plant will provide design services, and construction will be carried out by a contractor selected through competitive bidding.

Utilities--ISU/City of Ames Tie Line
Source of Funds: Utility Repair est. \$1,000,000.00

The university requested permission to negotiate for design services for a 69,000 volt transmission line connecting the university and the city electrical systems. The university desired to obtain the required design services because of the projected shortage of available electrical power in the summer of 1985.

The Board Office noted that construction of an initial electrical tie line between the city of Ames and the university is consistent with the recommendation of the Regents Efficiency and Cost Effectiveness Committee. This tie line, and other interconnections that may be requested at a later date, will provide the university access to the electrical power grid and would permit the eventual direct purchase of electrical power. The university's share of the project cost is estimated at approximately \$1 million. The university will present to the board in July 1984 a design service agreement and a project budget.

Utilities--Sanitary Sewer Systems Evaluation
Source of Funds: Utility Repairs \$75,000.00

The university requested permission to negotiate for consulting services for a detailed analysis of its sanitary sewer system. The consultant's report, when completed, will identify potential solutions and make recommendations.

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

College of Home Economics--Planning

The university requested authorization to negotiate an agreement with Brooks Borg and Skiles, Architects, for services on this project. During the most recent legislative session, \$125,000 was appropriated for planning for the College of Home Economics. These funds were allocated to Iowa State University by the board at the May 1984 meeting. The university advertised its intent to secure architectural services for the project, and 30 firms responded. As a result of the selection process, the University Architect Selection Committee recommended to the board the firm of Brooks Borg and Skiles of Des Moines.

Library Remodeling

The university requested approval of additional services to be performed by Charles Herbert & Associates, Inc., on this project in the amount of \$7,870, bringing the total contract to \$239,870.

Gilman Hall Renovations--Phase II

The university requested approval of an amendment to an existing design contract with Wehner Nowysz Pattschull & Pfiffner to extend services through design development. Fees for the desired additional services represent a total additional fee of \$59,470. An estimated project budget for Phase II will be reported to the board as part of the university's capital request.

Agronomy Addition

The university requested approval of additional architectural services to be performed by Bussard/Dikis Associates, Ltd., with maximum compensation increased by \$11,000 to \$1,549,000. These services involve minor redrawing of floor plans and details to change finish wall materials previously approved by the building committee.

Utilities--Oak and Linden Halls--Chilled Water Extension

The university requested ratification of its selection of Brown Engineering Co. of West Des Moines for required engineering services on this project. Compensation shall not exceed \$14,210.

Utilities--Chiller Performance Testing

The university requested ratification of its selection of Corporate Energy Consultants, Ltd., of Overland Park, Kansas, to provide field testing and evaluation services for chillers 1 and 2 at the heating plant. Compensation will be based on the consultant's standard hourly rate with a fixed maximum of \$15,220.

MOTION:

Dr. Harris moved that the board approve the Register of Capital Improvement Business Transactions for May 18 through June 21, 1984; ratify award of the construction contracts made by the executive secretary; approve the revised project

budget; approve the new projects; approve the negotiations for design services; ratify and approve the consultant contracts; and authorize the executive secretary to sign all necessary papers. Mr. Duchon seconded the motion and it passed unanimously.

In answer to questions from Regent Van Gilst, Mr. Richey said the capital register must be approved each month because the board legally owns the campuses and all contracts are in the board's name. The board has detailed procedures established by which it approves capital matters or ratifies actions taken by the executive secretary or the institutions. The institutions submit the capital registers to the Board Office where they are reviewed and brought to the attention of the board for formal action. Mr. Richey said that it is possible for the board to stop a project if it believes this should be done, and it is in all cases appropriate for board members to ask questions about the various projects.

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

UNIVERSITY OF NORTHERN IOWA

The following business pertaining to the University of Northern Iowa was transacted on Thursday, June 21, 1984.

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

OTHER PERSONNEL TRANSACTIONS. a. Academic Resignations/Appointments; Cancellation/Approval of Professional Development Leaves. It was recommended that the board approve the following personnel transactions:

Resignations:

Ernest K. Dishner, Associate Dean, College of Education, and Professor in the Department of Curriculum and Instruction, effective July 20, 1984.

Professor Joseph M. Ruffo, Professor and Head of the Department of Art, effective July 27, 1984.

Appointment:

Professor John Page as Acting Head of the Department of Art for the 1984-85 academic year.

The Board Office noted that Professor Page is participating in the university's phased retirement program and will be serving the university half-time during 1984-85. Vice President Martin said that Professor Page's teaching load will be lessened to allow him to handle his administrative responsibilities.

Cancellation of Professional Development Leaves:

Dr. Dennis R. Wubben, Department of Marketing, for the 1984-85 academic year, because Dr. Wubben has resigned.

Dr. David Smalley, School of Music. Dr. Smalley was unable to make the necessary travel arrangements for his Professional Development Leave for fall 1984.

Professional Development Leave:

Dr. Thomas Hansmeier for the fall semester of 1984. Dr. Hansmeier will undertake research and course development activities in connection with his assumption of full-time faculty duties in the Department of Educational Administration and Counseling for the second semester, 1984-85.

Appointment:

Dr. Roy H. Saigo as Dean of the College of Natural Sciences and Professor of Biology, effective approximately July 1, 1984, at a salary rate of \$55,500 for FY 1984-85.

Vice President Martin said the university was pleased to recommend the appointment of Dr. Saigo as successor for Dean McCollum who is retiring. Dr. Saigo has very impressive credentials and a record of success in academic circles.

MOTION:

Mr. Neu moved that the board approve the personnel transactions requested by the university as listed above. Mrs. Jorgensen seconded the motion and it passed unanimously.

b. Phased Retirement for James L. Bailey. It was recommended that the board approve the requested phased retirement plan for Mr. Bailey, Treasurer and Associate Director of Business Services, effective July 1, 1984.

The Board Office noted that the recommendation for approval is made as an exception to the university's phased retirement policy which is not applicable to institutional officials. Mr. Bailey is the University Treasurer, a position he has held since 1952. Mr. Bailey plans to continue service in that position during the first half of the proposed 16-month phasing period.

Vice President Conner said the university considers this a good arrangement, because it is currently undergoing a complete review and analysis of the business services area. With Mr. Bailey continuing as Treasurer, he will be able to share with Mr. Conner his knowledge of that part of the university organization before his complete retirement.

Mr. Richey said it is unusual for an institutional official to receive phased retirement. Regent Jorgensen asked if the board needs a policy for phased retirement for institutional officials. Mr. Richey said he recommended handling these on a case-by-case basis. In the case of Mr. Bailey, some of the treasurer's functions can be shifted to other personnel and this will be done during phased retirement. There will be other institutional officials whose functions cannot be shifted. Mr. Richey felt that this should not be made a general policy to be applied routinely across the board, but that each case should be considered on an ad hoc basis.

MOTION:

President Brownlee stated that the phased retirement of James L. Bailey was approved by general consent of the board.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office reported that the final register for May 4 through June 11, 1984, had been received, was in order, and was recommended for approval.

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

Residence System--1984 Roof Improvements

Award to: Rafoth Furnace and Sheet Metal Works, Inc., Cedar Rapids
\$112,407.00

The Board Office noted that the low bidder indicated in its bidding documents that it is a women's business enterprise.

The board was requested to approve the following revised project budgets:

Communication Arts Center--Final Phase

In November 1983 the board approved a project budget of \$8,465,000 to construct and equip the last phase of the Communication Arts Center. A Revised project budget was submitted which reflects actual contract awards.

The university also requested ratification of an increase in compensation to John Hart, Inc., Des Moines, for additional cost consulting services on this project. The estimated cost of the additional services is \$630, increasing the basic fee of \$3,056 to \$3,686.

1984 Parking Lot Improvements

In March 1984 the board approved two projects: to repair and resurface a portion of Illinois Street and to repair and resurface the Regents west parking lot. The two projects were to be accomplished simultaneously, and the funding for Illinois Street was to come from the Institutional Roads Fund.

After discussions between the university and the Department of Transportation, it had been jointly determined that the street can be incorporated into the university parking lot system. In order to remove Illinois Street from the institutional roads system, a public hearing will be held at the university. The original agreement between IDOT and the board for the Illinois Street project will be modified in consultation with IDOT to reimburse the university for design time only. The modified agreement will then be resubmitted to the board in July 1984.

The revised budget increases the project cost from \$138,000 to \$183,000 to allow for resurfacing of a portion of Illinois Street. Source of funds will be Reserved Parking Funds.

The university requested board approval of two final reports: Lighting of 22nd Street and Campus Street; and Gilchrist Hall--Emergency Power.

The board was requested to approve one new project:

Price Laboratory School--Swimming Pool Building HVAC System Improvements
Source of Funds: building Repairs \$28,000.00

The Board Office reported that this project will be designed, inspected, and constructed with in-house labor. Materials and equipment will be competitively purchased.

The board was requested to ratify the following additional consultant contracts:

Hazardous Waste Consultant

The university requested ratification of its selection of SERCO/Sanitary Engineering Laboratories, Inc., Cedar Falls, Iowa, to provide professional engineering services on this project. The project will determine the extent of hazardous waste materials on the university campus and develop an action plan to dispose of these wastes. Total compensation shall not exceed \$6,265.

Gilchrist Hall--Renovate HVAC System

The university requested ratification of an increase in compensation to Gilmor & Doyle, Ltd., Waterloo, for additional engineering services on this project. Estimated cost for the additional services is \$1,158.64, increasing the original fee of \$40,880 to \$42,038.64.

MOTION:

Mr. Duchon moved that the board approve the Register of Capital Improvement Business transactions for the period of May 4 through June 11, 1984; ratify award of the construction contract awarded by the executive secretary; approve the revised project budgets; approve the final reports; approve the new project; ratify the consultant contracts; and authorize the executive secretary to sign all necessary papers. Mrs. Murphy seconded the motion and it passed unanimously.

MOTOR VEHICLE AND BICYCLE REGULATIONS. It was recommended that the board approve the 1984-85 motor vehicle and bicycle regulations and the parking fee schedule for the University of Northern Iowa.

The Board Office reported that, in accordance with the requirements of the Code of Iowa and the Regents Procedural Guide, the University of Northern Iowa annually requests approval of its motor vehicle and bicycle regulations. The Board Office said the changes requested in the specific regulations appear to be consistent with the general regulations contained in the Iowa Administrative Code.

The parking fees to be approved by the board appeared to be reasonable. The Board Office noted that the board's collective bargaining agreement with United Faculty limits parking fee increases for faculty to the percent of salary increase received by the faculty.

MOTION: Mr. Van Gilst moved that the board approve the 1984-85 motor vehicle and bicycle regulations and parking fee schedule for the University of Northern Iowa. Mr. Neu seconded the motion and it passed unanimously.

APPOINTMENT OF SECRETARY AND TREASURER. The university requested that the board approve the following reappointments:

James Bailey, Associate Director of Business Services, as University Treasurer for the 1984-85 fiscal year.

Gary Shontz, Controller, as University Secretary for the 1984-85 fiscal year.

MOTION: Dr. Harris moved that the board approve the reappointments of Mr. Bailey and Mr. Shontz as University Treasurer and University Secretary, respectively, for the 1984-85 fiscal year. Mr. Duchon seconded the motion and it passed unanimously.

AWARD OF COAL CONTRACT. It was recommended that the board:

1. Authorize the University of Northern Iowa to award its FY 1985 coal contract for Type A coal to the second low bidder, Centran Corporation, Minneapolis, with the cost per MM BTU of \$1.7987 on a 15,000 ton bid.
2. In the event the coal fails to meet the university's specifications for Type A coal, all Type A bids would be rejected and the Type A bid would be rebid.
3. Authorize the University of Northern Iowa to award its FY 1985 coal contract for Type B pulverizer coal to the low bidder, Iowa Coal Mining Co. of Lovilia, Iowa, at a cost of \$1.7095 per MM BTU on a 20,000 ton bid.

The Board Office reported that University of Northern Iowa officials originally recommended the award of the Type A (high quality) coal bid to the Peabody Coal Company of St. Louis, Missouri, for 15,000 tons. At that time, university officials reported that the Peabody bid included an irregularity with regard to the ash softening temperature of the coal submitted for the bid. However, the university indicated that the coal had been test burned and found to be satisfactory so recommended waiving that irregularity.

Subsequently, university officials found that the Peabody coal contained an excess of small sized chunks so it did not meet Type A specifications. Peabody officials indicated that they will not be able to meet the specifications for the Type A coal.

Therefore, the university recommended the award of the bid to the second low bidder, Centran Corporation, at a cost of \$1,7987 per MM BTU. This is approximately \$.03 per MM TBU higher than the Peabody Coal Company bid and will cost the university approximately \$620,550 in coal costs each year.

The Board Office noted that the second low bid includes an irregularity with regard to the moisture content of the tested coal. The university has found that some of the coal exceeds the required moisture content but, on average, it appears that the coal will meet the specifications. It was recommended that the board approve the award of the bid to the Centran Corporation subject to further test burning to ensure its conformance with the bid specifications.

The low bid for Type B (lower quality) coal, the Iowa Coal Mining Company of Lovilia, Iowa, failed to provide a coal analysis sheet meeting all specifications. This irregularity was minor and a second analysis submitted fully met the specifications. The university did not consider this irregularity material and recommended award of the contract. Cost of the Type B contract for 20,000 tons is \$718,000.

MOTION:

Mrs. Jorgensen moved that the board (1) authorize the University of Northern Iowa to award its FY 1985 coal contract for Type A coal to the second low bidder, Centran Corporation, Minneapolis, with the cost per MM BTU of 1.7987 on a 15,000 ton bid; (2) in the event the coal fails to meet the university's specifications for Type A coal, all Type A bids would be rejected and the Type A contract would be rebid; and (3) authorize the university to award its FY 1985 coal contract for Type B pulverizer coal to the low bidder, Iowa Coal Mining Co. of Lovilia, Iowa, at a cost of \$1.7095 per MM BTU on a 20,000 bid. Mr. McDonald seconded the motion and it passed unanimously.

SUPPLEMENTAL PRELIMINARY BUDGET. It was recommended that the board receive the report.

In May, the board approved a preliminary operating budget of \$51,237,000 for fiscal year 1985 for the University of Northern Iowa. At that time, the university was not able to provide the board with information on its plans for the expenditure of the vitality and quality funds, since the distribution of a portion of those funds was subject to negotiations between the board and the United Faculty. Those negotiations had now been completed. The agreement reached specified that 33 percent of the United Faculty's share of the vitality fund will be distributed on the merit basis. Each full-time faculty member will also receive a 1.13 percent across-the-board increase and a \$96 incremental increase. The estimated salary costs of these adjustments is \$320,000.

The \$164,000 remaining in the university's vitality fund will be distributed based upon competition, determined by market surveys, and meritorious service. A portion will be reserved for possible position reclassifications. A report on this distribution will be provided to the board in September.

In May, the university provided the board with information relating to the proposed distribution of \$300,000 in educational excellence funds. The university had provided a more detailed report on the proposed use of these funds in response to the board's request. The university indicated that the departmental distribution of the funds is based on enrollment pressures. High demand areas such as business administration and mathematics and computer science will get two-thirds of the available funds. This is consistent with legislative intent.

The university will reflect the proposed allocations of vitality funds and educational excellence funds in the final line budget to be presented to the board in July.

Mr. Richey said the final line budget will also include changes in fringe benefits for some employees. Employer contribution for health insurance for non-organized professional and faculty personnel will go to the same level as SUI, ISU, and the state of Iowa. Life insurance benefits at UNI will increase to two and one-half times salary instead of the current two times the salary, with the dollar maximum remaining at \$124,000. All of the cost for this increase can be paid out of accrued dividends, and the rates will not increase.

MOTION:

President Brownlee stated that the supplemental preliminary budget report was received by general consent of the board.

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

IOWA SCHOOL FOR THE DEAF

The following business pertaining to the Iowa School for the Deaf was transacted on Thursday, June 21, 1984.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for May 1984 were ratified by general consent of the board.

EMPLOYEE HANDBOOK. It was recommended that the board approve the Iowa School for the Deaf Employee Handbook pending review and approval by the board's executive secretary.

The Board Office reported that the school has been working for some time to develop an employee handbook. Additional impetus was given to the project by the recommendations of the Ombudsman/Citizen's Aide (see general docket item on Ombudsman's report in these Minutes).

Board Office review indicated that the essence of the handbook is satisfactory but some additional items need to be included such as reference to the Educational Assistance Program contained in the Regents Procedural Guide. The handbook also needed to be made gender free relative to pronouns.

MOTION: President Brownlee stated that the board by general consent approved the Iowa School for the Deaf Employee Handbook pending review and approval by the executive secretary.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office reported that the final register for June 1984 had been received, was in order, and was recommended for approval.

The board was requested to ratify the executive secretary's award of the following construction contract:

Main Building--Interior Painting--1984
Award to: Jensen and O'Brien Decorating, Ralston, Nebraska \$67,000.00

The Board Office noted that the Nebraska preference law comes into effect only if the other state has a more stringent preference law. Since Iowa's preference law has similar language, the provisions of both preference laws are not applicable.

Funds for this project are available from Building Repairs.

The Board Office recommended that the board award the following construction contract and approve the revised project budget:

Vehicle Maintenance Building

Award recommended to: Ever-Ready Construction Co., Omaha, Nebraska
\$31,182.00

The Board Office said all four bids received on this project were in excess of the approved project budget of \$28,000. The award was referred to the board because the recommended contract award exceeds the amount in the current project budget. The bids appeared reasonable, and the institution would like to proceed with the project. Therefore, the school requested an increase in the construction funds and a revision in the project budget from \$28,000 to \$31,882.

MOTION:

Dr. Harris moved that the board approve the Register of Capital Improvement Business Transactions for June 1984; ratify award of the construction contract made by the executive secretary; award the construction contract; approve the revised project budget; and authorize the executive secretary to sign all necessary papers. Mr. Neu seconded the motion and it passed unanimously.

APPOINTMENT OF SECRETARY/TREASURER. The Iowa School for the Deaf requested that the board reappoint Melvin H. Kuehnhold as Secretary and Treasurer of the school for the year that will begin July 1, 1984, with the understanding that reports to the board will be made through the Superintendent of the Iowa School for the Deaf and that the Treasurer's Bond, in the amount of \$100,000.00, will be purchased from the lowest responsible bidder.

MOTION:

Mr. Van Gilst moved that the board approve the reappointment of Melvin H. Kuehnhold as Secretary and Treasurer of the Iowa School for the Deaf for the year beginning July 1, 1984. Mr. Duchon 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.

Superintendent Giangreco said that, while it had been a very difficult year, he wanted to assure the board that it had also been a good year, although the school lost some staff because of the investigations. He wished to thank the board, other institutional people, and the Board Office, especially Mr. Richey and Mr. Wright, for the help and support during this trying ordeal.

IOWA SCHOOL FOR THE DEAF
June 20-21, 1984

President Brownlee said the school certainly had the board's support. Board members felt a little disgruntled that they couldn't be more aggressive in their support, but they had felt it would be counter-productive for them to interfere with the work of other state agencies.

IOWA BRAILLE AND SIGHT SAVING SCHOOL

The following business pertaining to the Iowa Braille and Sight Saving School was transacted on Thursday, June 21, 1984.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for April 29 to May 26, 1984, were ratified by general consent of the board.

APPOINTMENT OF SECRETARY-TREASURER. It was requested that the board reappoint M. D. Berry as Secretary-Treasurer for the Iowa Braille and Sight Saving School for the year beginning July 1, 1984.

MOTION: Mr. McDonald moved that the board approve the reappointment of M. D. Berry as Secretary-Treasurer of the Iowa Braille and Sight Saving School for the year beginning July 1, 1984. Mr. Van Gilst seconded the motion and it passed unanimously.

SHARED FACULTY AGREEMENT WITH VINTON COMMUNITY SCHOOL DISTRICT. It was recommended that the shared faculty agreement between IBSSS and the Vinton Community School District for 1984-85 be approved.

The Board Office said the agreement between IBSSS and the Vinton Schools provides for reimbursement to IBSSS of the actual cost of providing a part-time foreign language instructor to the Vinton Schools and contains a clause which holds harmless the Board of Regents for injuries or damage resulting from the teacher's presence at Washington High School. The instructor, Rose Mary Miner, is a regular employee of IBSSS and is scheduled with classes at the school except for the 10:00 a.m. to 1:30 p.m. period when she teaches Spanish at Vinton's Washington High School.

The Iowa Code, Chapter 28E, provides that contracts between independent public bodies must be recorded with the Secretary of State and the County Recorder. IBSSS will process the filings.

The Board Office said that, as this is a renewal of an arrangement which has functioned satisfactorily over the past several years, approval of the agreement was recommended.

MOTION: Mrs. Murphy moved that the board approve the shared faculty agreement between IBSSS and the Vinton Community School District. Mr. Neu seconded the motion and it passed unanimously.

GRADUATION REQUIREMENTS. It was recommended that the board approve the proposed graduation requirements at the Iowa Braille and Sight Saving School.

The Board Office said that changes in graduation requirements were suggested in an attempt to provide students with a wider variety of classes, meet state requirements, and provide more flexibility to meet each student's unique needs and assist the student to reach his/her maximum potential. The suggested changes include:

1. Changes in the wording of the introductory part of the graduation requirements will provide students with more flexibility in meeting graduation requirements and in completing their own unique educational needs.
2. The minimum requirements will better reflect courses actually being taught and/or areas that have needed revisions based on DPI compliance for minimum curriculum.
3. In the area of Language Arts, American Literature II and English Literature II have been dropped and courses in adaptive communication skills and communications have been added.
4. World and United States geography have been added to the Social Studies area.
5. Courses offered in mathematics have been expanded to include functional math, college preparatory math, and computer application. An increase of $2\frac{1}{2}$ credits was requested to meet state requirements and provide more versatility in course selection.
6. Courses offered in the "related area" have been expanded to include numerous courses to provide a wider spectrum of classes for all students.

The Board Office noted that these requirements differ from the graduation requirement provisions contained in the IBSSS Handbook which was also before the board this month (see next item) for approval. The reason for this difference is an attempt to accommodate suggestions by DPI following its review of the proposed requirements. A statement regarding parental notification and completion of graduation requirements was added to the handbook, but time did not permit reprinting the handbook to include this. Dr. DeMott said there must be 18 months' prior notice to parents of these graduation requirements, and the criteria must be specified in each student's IEP, according to the DPI.

The proposed graduation requirements were approved by the Iowa Braille and Sight Saving School Advisory Committee and, with the inclusion of the additions noted above, the requirements had also been approved by the Department of Public Instruction Staff.

MOTION: Dr. Harris moved that the board approve the proposed graduation requirements at the Iowa Braille and Sight Saving School. Mr. Neu seconded the motion and it passed unanimously.

STUDENT/PARENT HANDBOOK. It was recommended that the board approve the Student/Parent Handbook for the Iowa Braille and Sight Saving School pending final review and approval by the executive secretary.

The Board Office explained that the handbook proposed for board approval is essentially the same as the one presently in use at the school. The major difference is the inclusion of graduation requirements (see previous item in these Minutes). As noted previously, the graduation requirements require some minor revision to remedy a concern expressed by the Department of Public Instruction.

The Board Office noted that in the future the handbook should be reviewed by appropriate constituent groups, including the school's Advisory Committee, before it is submitted to the board. Dr. DeMott told the board that several forms had unintentionally been omitted from the copy of the handbook submitted to the board. These forms would be in place for the final review by the executive secretary.

MOTION: Mr. Duchon moved that the board approve the Student/Parent Handbook for the Iowa Braille and Sight Saving School pending final review and approval by the board's executive secretary. Mr. Van Gilst seconded the motion and it passed unanimously.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. There were no transactions for June 1984.

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.

ADJOURNMENT. The meeting of the State Board of Regents adjourned at 1:28 p.m. on Thursday, June 21, 1984.


R. Wayne Richey
Executive Secretary