

The State Board of Regents met at Iowa State University, Ames, Iowa, on Tuesday, June 29, 1971. Those present were:

Members of the State Board of Regents

Mr. Redeker, President	All Sessions
Mr. Bailey	All Sessions
Mr. Loss	All Sessions
Mr. Louden	All Sessions
Mr. Perrin	All Sessions
Mrs. Petersen	All Sessions
Mr. Quarton	All Sessions
Mr. Shaw	All Sessions
Mr. Wallace	Absent

Office of the State Board of Regents

Executive Secretary Richey	All Sessions
Mr. Caldwell	All Sessions

State University of Iowa

President Boyd	All Sessions
Vice President Jolliffe	All Sessions
Director Strayer	All Sessions
Vice Provost Hardin	All Sessions
Provost Heffner	All Sessions
Vice Provost Chambers	All Sessions

Iowa State University

President Parks	All Sessions
Vice President Moore	All Sessions
Vice President Hamilton	All Sessions
Vice President Christensen	All Sessions
Asst. to the President Walsh	All Sessions
Asst. Vice President Madden	All Sessions

University of Northern Iowa

President Kamerick	All Sessions
Exec. Vice President Pendergraft	All Sessions
Business Manager Jennings	All Sessions
Asst. to the President Stansbury	All Sessions

Iowa School for the Deaf

Superintendent Giangreco	All Sessions
Business Manager Geasland	All Sessions

Iowa Braille and Sight Saving School

Superintendent Rocco	All Sessions
Business Manager Berry	All Sessions

G E N E R A L

President Redeker called the meeting of the Board of Regents to order at 10:05 a.m. on Tuesday, June 29, 1971. After he had provided time for Board members to read the budget information submitted by the Regent institutions he requested that each of the institutions make an oral report on its preliminary budget in addition to the written material presented.

PRESENTATION OF PRELIMINARY BUDGETS

University of Iowa

President Boyd stated that, in addition to a large number of smaller actions, the University is taking three major steps to meet the priority budgetary needs of the University of Iowa during the 1971-73 biennium.

- a) A contingency plan to meet the most dire priority needs of the University has been developed. The contingency plan calls for reducing the total dollar value of all salary and general expense accounts in the 1971-72 General Educational Fund Budget by approximately 5% below 1970-71 levels then reallocating those dollars to salary and general expense accounts on a priority basis. These 5% cutbacks will total \$3.398 million for the biennium.
- b) Reductions totaling nearly one-third of a million dollars will be achieved by leaving vacant and temporarily unassigned ten buildings now housing programs which are either being discontinued or moved to new buildings. It should be emphasized that this space is badly needed for other programs and that when remodeling and maintenance funds are available this space should be reassigned and utilized.
- c) Because the contingency reduction plan and closing of buildings cannot generate the necessary dollar amount needed to meet the 1971-73 University

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needs additional cutbacks in the amount of \$332,000 will be made by redistribution of custodial services among buildings, thereby making it possible to add new custodial staff up to 60% of need. The reduction in new custodial staff levels will result in a reduction in custodial service throughout the entire University system.

Some of the major effects of this retrenchment action mentioned by President Boyd are as follows:

- a) Academic salaries will be increased during the next two years by only 2% over the 1970-71 level.
- b) Non-Academic salaries will be increased by \$343,000 in 1971-72 and \$210,000 in 1972-73. However, approximately one-half of these increases are necessary to maintain the existing pay plan for the general service staff. This plan provides salary adjustments at specified intervals for meritorious service and promotions.
- c) During the 1971 summer session the summer faculty will be reduced by the equivalent of 26 full-time assistant professors.
- d) During the 1971-72 academic year the number of budgeted half-time equivalent teaching assistants will be reduced by 150; the faculty by the equivalent of 70 full-time assistant professors and the number of full-time equivalent non-academic personnel by 45. The implications of these cutbacks are clear. There will be substantially larger class sizes. There will be fewer opportunities for students to elect courses they desire, and many class sections or courses will unavoidably be closed to students who wish to enroll in them.
- e) During the 1972-73 academic year it will be necessary to make the following additional cutbacks:

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38 half-time teaching assistants
3 full-time equivalent assistant professors
3 full-time equivalent non-academic personnel

f) During the 1971-73 biennium it will be necessary to reallocate approximately \$500,000 of supplies and part-time labor and approximately \$250,000 in repairs and maintenance to other budget categories.

Most of the personnel reduction described above will be accomplished through attrition and as appointments run out at the end of the year they will not be renewed and the vacated positions will be eliminated from the departmental budget. The dollar amount of these budgeted positions will be reallocated within the University to other budgetary categories to provide operating monies to meet the University's top priority needs.

The complete recommended preliminary budget for the University of Iowa together with explanatory remarks is shown on the following pages.

THE UNIVERSITY OF IOWA

PRELIMINARY BIENNIAL BUDGET SUMMARY 1971-73

GENERAL EDUCATIONAL FUND

(000's omitted)

	Requested	Proposed		
	1971-73	1971-73	1971-72	1972-73
ESTIMATED EXPENSE:				
Starting Base	\$100,344	\$100,344	\$ 50,172	\$ 52,064
Increases:				
Salaries - Academic ⁽¹⁾	6,758	2,546	1,072	402
Salaries - Nonacademic ⁽²⁾	1,626	896	343	210
Total	(8,384)	(3,442)	(1,415)	(612)
Less Budget Reduction and Reallocation ⁽³⁾	0	-3,399	-1,580	-239
Equipment and Books	352	0	0	0
RR & A	178	0	0	0
Enrollment, Special and General Expense ⁽⁴⁾	5,847	5,467	2,057	1,353
Total Additions	<u>14,761</u>	<u>5,510</u>	<u>1,892</u>	<u>1,726</u>
TOTAL PROPOSED BUDGET	<u>\$115,105</u>	<u>\$105,854</u>	<u>\$ 52,064</u>	<u>\$ 53,790</u>
ESTIMATED INCOME:				
State Appropriation	\$ 82,514	\$ 73,350	\$ 35,864	\$ 37,486
Student Fees	28,031	27,504	13,700	13,804
Reimbursed Overhead	4,400	4,800	2,400	2,400
Other Income	160	200	100	100
	<u>\$115,105</u>	<u>\$105,854</u>	<u>\$ 52,064</u>	<u>\$ 53,790</u>

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Note: The proposed 1971-73 budget was reduced \$75,000 by Board action of June 29, 1971.

EXPLANATIONS

Introduction. To meet the priority budgetary needs of the University of Iowa during the 1971-73 biennium, it is necessary (1) to place into effect a contingency plan for reallocating \$3,398,718 of the existing budget; (2) to reduce custodial service throughout the University by adding only 60% of the custodial staff required for new buildings, thereby reducing the budget by \$332,000; and (3) to leave vacated facilities now housing programs soon to be either discontinued or transferred to new buildings, thereby cutting back \$331,000. The net cutbacks produced by these three plans total \$4,061,718. Without such cutback plans the University would be unable to open several new buildings, to provide minor salary adjustments, and to meet other top priority needs.

The footnotes which follow briefly describe or list the priority budgetary needs and the three cutback plans of the University of Iowa.

Footnote 1 - Academic Salaries. The proposed budget calls for academic salary adjustments (including fringe benefits) of approximately \$1,000,000 in 1971-72 and \$400,000 in 1972-73. It should be observed that over the next two years these adjustments will result in a net salary budget increase of only 2% over the 1970-71 level, because of the reallocation plan outlined below in Footnote 3.

For 1971-72, the salary adjustment money will be applied as follows:

Summer Session - to adjust for 1970-71 salaries	\$ 79,000
Teaching and Research Assistants - to bring median salary for half-time assistants to \$3,600	245,000
Promotions	98,000
Other adjustments to salaries, applied individually on the basis of merit	650,000
	<u>\$1,072,000</u>

For 1972-73, salary adjustment money will be applied for summer session, teaching and research assistants, promotions and, if possible, for other adjustments. Such other adjustments as can be made in 1972-73 will also be made on an individual merit basis and will total less than 1% of salary budgets.

Footnote 2 - Nonacademic Salaries. One of the top priority needs of the University of Iowa is to adjust nonacademic salaries. The proposed budget calls for allocating \$343,000 for nonacademic salaries and fringe benefits in 1971-72 and \$210,000 in 1972-73. It should be noted that \$137,000 and \$140,000 of the proposed allocated salary and fringe monies are necessary in 1971-72 and 1972-73, respectively, to maintain the existing pay plan for the general service staff. This pay plan was approved by the Regents in 1946 and provides salary adjustments at specified intervals for meritorious service and promotions.

Footnote 3 - Budget Reduction and Reallocation. A contingency plan to meet the most dire priority needs of the University has been developed. The contingency plan calls for reducing the total dollar value of salary and general expense accounts in the 1971-72 General Educational Fund Budget by approximately 5% below 1970-71

levels, then reallocating those dollars to salary and general expense accounts on a priority basis.

The 1971-73 budget reduction plan produces the following dollar amounts by category of expenditure:

	1971-72	1972-73	1972-73 Additional Cutbacks from 1971-72	Biennium
A, B, C Salaries*	\$1,373,191	\$1,536,056	\$162,865	\$2,909,247
D Salaries**	276,444	294,984	18,540	571,428
Fringe Benefits	166,477	180,162	13,685	346,639
Total Salaries	(1,816,112)	(2,011,202)	(195,090)	(3,827,314)
General Expense	371,483	415,483	44,000	786,966
Equipment	3,092	3,092	0	6,184
Administrative Credits	89,127	89,127	0	178,254
Less - Reduction in Estimated Savings	<u>-700,000</u>	<u>-700,000</u>	<u>0</u>	<u>-1,400,000</u>
TOTAL	<u>\$1,579,814</u>	<u>\$1,818,904</u>	<u>\$239,090</u>	<u>\$3,398,718</u>

*Academic, administrative and professional staff members

**General service staff members

The major problem facing the University in 1971-73 is to minimize the loss of quality. While the contingency reduction plan will in fact result in a loss of quality, an even greater loss would result from failure to reallocate resources to meet emergency and priority needs.

In addition to the reduction-reallocation plan, ten specific reductions totaling nearly a third of a million dollars will be achieved by leaving vacant and temporarily unassigned several buildings now housing programs which are either being discontinued or moved to new buildings. It should be emphasized that this space is badly needed for other programs, and that when remodeling and maintenance funds are available, this space should be reassigned and utilized.

Required Savings to Be Produced by Closing Buildings

	1971-72	1972-73	1971-73
Music and Music Rehearsal	\$27,900	\$ 29,400	\$ 57,300
Eastlawn	21,100	---(a)	21,100
Dentistry	-	84,600	84,600
Westlawn	35,400(b)	37,200(b)	72,600
University Schools	-	79,000(c)	79,000(c)
323 North Capitol	-	3,000(c)	3,000(c)
327 North Capitol	-	2,600(c)	2,600(c)
331 North Capitol	-	3,800(c)	3,800(c)
15 West Davenport	-	3,900(c)	3,900(c)
9 West Davenport	-	3,200(c)	3,200(c)
Totals	<u>\$84,400</u>	<u>\$246,700</u>	<u>\$331,100</u>

^aEastlawn will be utilized in 1972-73.

^bPart of the space in Westlawn vacated by the College of Nursing can be reassigned to the University Hospital.

^cResults from closing the Laboratory School.

Together, the contingency reduction plan and closing of buildings cannot generate the necessary dollar amounts needed to meet the 1971-73 University needs. Thus, additional cutbacks in the amount of \$332,000 will be generated by redistribution of custodial services among buildings, thereby making it possible to add new staff up to 60% of need. The reduction in new custodial staff levels will result in a reduction in custodial service throughout the entire University system. That is to say, each custodian will continue to care for the same square footage per day but will care for that space on a less frequent basis.

Footnote 4 - Enrollment, Special, and General Expense. The 1971-72 priority needs of the University of Iowa under the categories "Enrollment, Special, and General Expense Needs" are enumerated below, with explanatory phrases under the categories (A) Interim Adjustments and Continuing Obligations, (B) Other Adjustments, and (C) Fringe Benefit Programs.

A. Interim Adjustments and Continuing Obligations

Personnel Office - Merit System Coordinator		
- U of I Share	\$ 11,000	
Provost's Office - Staff	16,000	
Concert Series - Formerly Financed by Student Fees	20,000	
Salary Adjustments - Emergency Interim Adjustments	17,250	
Budget Errors - Funds Allocated and Not Applied	10,900	
Vice President for Research and Development - Support Funds	30,000	
Fuel Cost Increase - 12½, 26, and 42% for gas, oil and coal	200,000	
Faculty and Staff Retention and Reassignment	102,162	
Fringe on the above salaries	<u>18,900</u>	\$ 426,212

B. Other Additions

Radiation Protection - General Expense and Upgrade Position		10,500
Public Information - Postage, Faculty and Staff Newsletter		2,500
Art Museum - Insurance Premium Increase		5,000
Student Aid		
EOP	\$116,000	
Other Student Aid	<u>133,000</u>	249,000

B. Other Additions (continued)

State Archaeologist - Transferred from State			
Without Budget		24,475	
Institutional Data - Data Processing Charge		10,000	
Contingency for Academic Development		150,000	
Personnel Office - Regent Merit System and Federal			
Unemployment Compensation Act		26,340	
Campus Security			
To Maintain 24 Hour Service	\$12,000		
For New Routes & New Buildings	<u>13,460</u>	25,460	
Business Office - Data Processing			
and Postage		16,000	
Urban and Regional Research - Matching Funds		9,500	
Business Administration		0	
Child Development		0	
Computer Center		0	
Dentistry		0	
Education - Cooperating Teachers to Serve			
Increased Enrollment		8,150	
Engineering		0	
Extension Division - Saturday Class Program		10,000	
Graduate College		0	
Law		0	
Liberal Arts		0	
Library		0	
Medicine - Enrollment and Family Practice		100,000	
Nursing		0	
Pharmacy		0	
Summer Session		0	
Student Affairs		0	
Physical Plant			
Maintenance and Operation of New Buildings:			
Utilities Production and			
Distribution	\$336,400		
Building Maintenance and			
Repair	149,700		
Custodial Service (One-half of			
present staffing level; decrease			
to be adjusted throughout			
system	144,800		
Sewer, Fire Protection, Mail			
Distribution	<u>78,000</u>		
	<u>708,900</u>		
Less Closing Eastlawn, Music			
Rehearsal, Music and Space			
in Westlawn	<u>-84,800</u>	624,100	
Fuel Cost Increases and Electrical Distribution		110,398	
Fringe on the Above Salaries		<u>92,238</u>	1,473,661

C. Fringe Benefit Program

Federal Social Security	\$ 81,000	
TIAA-CREF - Student Spouse	20,400	
Emeriti Retirement Compensation	46,000	
Contingency for Underestimates	<u>10,000</u>	<u>157,400</u>

D. Grand Total of A, B and C

\$2,057,273

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Dr. Hardin explained the proposed budgets for University Hospitals, the Psychopathic Hospital, the State Bacteriological Laboratory, the University Hospital Schools, and the State Sanatorium at Oakdale. He explained that the budget proposals, as shown herein, are somewhat higher for University Hospitals and for the Psychopathic Hospital than was originally proposed to the Board. The proposed budgets are based on an anticipated 12% increase in general service rates, effective July 1, 1971. (This matter is considered elsewhere in these minutes.) The proposed budget for the State Bacteriological Laboratory is somewhat lower than originally proposed. The budgets for University Hospital Schools and for the State Sanatorium are approximately the same as originally presented. Dr. Hardin stated that the same salary guide as used by the University of Iowa was used in formulating the University Hospital budget with the exception of two problem areas where the rate was increased. The rate for residents and interns anticipates an increase of 25%, and the rate for nurses anticipates an increase of 5%. The Hospital budget also contains an increased request in the General Expense category, principally because it consists largely of items which must be purchased, such as X-ray film, drugs, food and laundry, and the Hospital has no control over price increases in these commodities. He said that the State appropriation to the University Hospitals is primarily for the purpose of serving indigent patients of which there are some 350,000 in Iowa. Because of the lower appropriation for the ensuing biennium the University Hospitals have had to cut the indigent quotas given to Iowa counties by approximately 21%. The detailed budgets for these medical facilities are shown on the following pages.

THE UNIVERSITY OF IOWA
PRELIMINARY BIENNIAL BUDGET SUMMARY 1971-73
UNIVERSITY HOSPITALS

<u>ESTIMATED EXPENSE</u>	Requested	Proposed		
	<u>1971-73</u>	<u>1971-73</u>	<u>1971-72</u>	<u>1972-73</u>
Starting Base	\$ 47,199,000	\$47,199,000	\$ 23,599,500	\$ 26,757,500
Additions:				
Salary increase-professional	2,197,000	1,515,500	619,200	277,100
Salary Increase-non-profess.	2,104,000	1,209,200	459,800	289,600
General expense cost increase	2,226,000	2,186,500	715,800	754,900
Equipment replacement	50,000	0	0	0
R. R. & A.	86,000	0	0	0
Special needs and continuation of 1970-71 Budget Adjustment	373,000	2,164,000	1,075,200	13,600
U.S. Government overhead	0	134,000	67,000	
Estimated savings adjustment	0	442,000	221,000	0
Total Additions	\$ 7,036,000	7,651,200	3,158,000	1,335,200
Total proposed budget	\$ <u>54,235,000</u>	<u>\$54,850,200</u>	<u>\$ 26,757,500</u>	<u>\$28,092,700</u>

<u>ESTIMATED INCOME</u>				
State appropriation	\$ 18,880,000	\$17,476,000	\$ 8,738,000	\$ 8,738,000
Other income	35,355,000	37,240,200(1)	17,952,500(1)	19,287,700
U.S. Government overhead	-	134,000	67,000	67,000
Total Available	\$ <u>54,235,000</u>	<u>\$54,850,200</u>	<u>\$26,757,500</u>	<u>\$28,092,700</u>

(1) Based on rate increase of approximately 12% in 1971-72 and an additional 7% in 1972-73.

EXPLANATION OF 1971-72 ADDITIONS

Professional Salaries

Base Salaries:

Interns and Residents	\$ 350,000
Registered Nurses	129,900
Others	94,200
Fringe Benefits	45,100
	\$ <u>619,200</u>

Non-Professional Salaries

Base Salaries	\$ 410,500
Fringe Benefits	49,300
	\$ <u>459,800</u>

General Expense

Purchased Medical Supplies	\$ 485,600
Purchased University Services	76,900
All Other	153,300
Maintenance and Rentals	-
	\$ <u>715,800</u>

Special Needs

a) Annualization of computerization project budget established in 1970-71 budget for eight months only:	
Non-professional salaries	\$ 16,200
Fringe benefits	1,900
General expense - computer rental	93,400
	(111,500)
b) Clinical Pathology Program Development	
Professional salaries	\$ 83,500
Non-professional salaries	12,200
Fringe benefits	10,200
	(105,900)
c) Continuation of 1970-71 Budget Adjustment Annualized	
Professional salaries	\$ 30,100
Non-professional salaries and wages	27,100
Fringe benefits	6,200
General expense	270,100
Estimated savings adjustment	385,000
	(718,500)
d) Utility Purchases from University - Cost Increase	
	\$ 81,500
The 1970-71 budget provided for a 6.5% increase over 1969-70 actual expense. Actual 1970-71 experience indicated that anticipated costs will exceed the budgeted level by an additional 25.0%.	
e) Student Spouses - Retirement and Insurance	\$ 37,800
Annual cost based upon 1970-71 payroll data analysis plus 5.0%.	
f) Federal O.A.S.I. Increase effective January 1, 1971.	\$ 20,000

\$ 1,075,200

U.S. Government Overhead Costs

\$ 67,000

U.S. Government Overhead Cost recoveries were reflected as expense offsets in the 1970-71 budget. The accounting for such transactions is being revised in the 1971-73 budgets to reflect the recoveries as income items.

Estimated Savings Adjustment - due to the increased number of critically ill patients and a corresponding success in recruiting and retaining Nursing, Radiology, Pathology, and other professional and general service personnel, a significant reduction in lapsed salaries is being experienced. The 1971-72 budget adjusts the estimated savings figure to a more realistic level of \$ 272,054.

Other Income of \$ 17,952,500 represents an increase of \$2,380,300 over the most recent estimate for 1970-71. The increase of \$2,380,300 anticipates a rate increase of approximately 12%.

Percentage Increase Over 1970-71

Starting Base 1970-71 total budget 13.4%
1970-71 adjusted budget 9.5%
State Appropriation 0.4%

THE UNIVERSITY OF IOWA
PRELIMINARY BIENNIAL BUDGET SUMMARY 1971-73
Psychopathic Hospital

<u>ESTIMATED EXPENSE</u>	Requested	Proposed		
	<u>1971-73</u>	<u>1971-73</u>	<u>1971-72</u>	<u>1972-73</u>
Starting Base 1970-71 Budget	\$ 5,100,000	\$ 5,099,984	\$ 2,549,992	\$ 2,816,000
Additions:				
Salary Increases				
- Academic	300,000	107,266	43,932	19,402
Salary Increases				
- Non-Academic	202,000	67,492	22,404	22,684
General Expense				
- Cost Increase	63,000	75,000	30,000	15,000
Equipment Replacement	3,000	2,000	1,000	- 0 -
Repairs, Replacements & Alterations	5,000	13,794	4,397	5,000
Special Needs		239,842	94,964	49,914
Estimated Savings Adjustment		138,622	69,311	- 0 -
Total Additions Requested	573,000	644,016	266,008	112,000
Total Proposed Budget	\$5,673,000	\$5,744,000	\$2,816,000	\$2,928,000

ESTIMATED INCOME

State Appropriation	\$ 4,763,000	\$ 4,464,000	\$ 2,186,000	\$ 2,278,000
Other Income	910,000	1,280,000	630,000	650,000
	\$ 5,673,000	\$ 5,744,000	\$ 2,816,000	\$ 2,928,000

EXPLANATION OF 1971-72 ADDITIONS

Salary Increases - Academic

Base Salaries	\$ 39,051
Fringe Benefits	4,881
	<u>\$ 43,932</u>

Salary Increases - Non-Academic

Base Salaries	20,004
Fringe Benefits	2,400
	<u>\$ 22,404</u>

General Expense Cost Increase

Increased cost of patient meals, medications, building utilities and maintenance	<u>\$ 30,000</u>
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Equipment Increase \$ 1,000

Repairs, Replacements & Alterations

Additional painting; revision of two entry ways \$ 4,397

Special Needs

1) ABC Positions

½ Associate Professor necessitated by
new curriculum teaching & increased enrollment 15,000

½ Professor in Alcoholism Research 11,000

Upgrade Instructor position to Assistant
Professor 7,500

Increased house staff positions 17,768

1 Social Worker 8,700

1 Research Assistant 6,500

Upgrade research assistant position 1,500

Extend EEG fellowship to six months 2,675

Increase research assistant from ½ to
¾ time 2,455

½ Recreation Therapist 4,160

Upgrade recreation therapist 2,335

Increase School Director position due to
withdrawal of support by the College of
Education 3,242

6 nurses positions due to changes in staffing
patterns 47,000 \$ 129,835

2) D Positions

Deletion of nine attendant lines due to
changes in staffing patterns 47,500-

3) Fringe Benefits

Net ABC positions added 16,229

Net D positions deleted 5,700-

Increase in FICA and TIAA-CREF 2,100 12,629

\$ 94,964

Estimated savings adjustment

To adjust estimated savings to an amount
commensurate with anticipated vacancies \$ 69,311

OTHER COMMENTS

Other Income

Increase in biennial estimate due in part to an increase in
per diem charge of \$10.00 per day and EEG charges of \$5.00 per test.

THE UNIVERSITY OF IOWA
PRELIMINARY BIENNIAL BUDGET SUMMARY 1971-73
State Bacteriological Laboratory

<u>ESTIMATED EXPENSE</u>	Requested	Proposed		
	1971-73	1971-73	1971-72	1972-73
Starting Base 1970-71 Budget	\$1,838,000	\$1,838,928	\$ 919,464	\$ 947,000
Additions:				
Salary increase-professional	82,000	30,169	12,289	5,591
Salary increase-non-professional	59,000	34,606	13,125	8,356
General expense cost increase	47,000	6,262	9,322-	24,906
Equipment replacement	2,000			
R R & A	10,000			
OASI		2,400	500	1,400
Salary replacement of terminated grants				
Professional		16,544	8,272	
Non-professional		5,846	2,923	
Credit adjustment		755-	251-	253-
Total additions	\$ 200,000	95,072	27,536	40,000
Total Proposed Budget	<u>\$2,038,000</u>	<u>\$1,934,000</u>	<u>947,000</u>	<u>987,000</u>

ESTIMATED INCOME

State Appropriation	\$1,700,000	\$1,614,000	\$ 787,000	\$ 827,000
Other Income	338,000	320,000	160,000	160,000
Total available	<u>\$2,038,000</u>	<u>\$1,934,000</u>	<u>\$ 947,000</u>	<u>\$ 987,000</u>

EXPLANATION OF 1971-72 ADDITIONS

Salary increases-professional (minimum necessary to maintain competitive position for scientific personnel)

base salaries	\$ 10,780
fringe benefits	1,509
	<u>\$ 12,289</u>

Salary increases-nonprofessional

base salaries	\$ 11,513
fringe benefits	1,612
	<u>\$ 13,125</u>

General expense cost decrease

\$ 9,322-

This reduction is necessary to meet other categorical needs of the budget

Salary replacement of terminated grant

A large grant terminated during 1970-71 due to a lack of federal funds. A major portion of those personnel on the grant have been reassigned to other grant programs. Since the basic terminating grant was a federal-state cost sharing the additional needs have been met from state funds

Salary-professional

base salaries	\$	7,256
fringe benefits		1,016
	\$	<u>8,272</u>

Salary-nonprofessional

base salaries	\$	2,564
fringe benefits		359
	\$	<u>2,923</u>

THE UNIVERSITY OF IOWA
PRELIMINARY BIENNIAL BUDGET SUMMARY 1971-73
UNIVERSITY HOSPITAL SCHOOL

ESTIMATED EXPENSE	Requested	Proposed		
	1971-73	1971-73	1971-72	1972-73
Starting Base 1970-71 Budget	\$ 3,006,000	\$ 3,007,280	\$ 1,503,640	\$ 1,553,000
Additions:				
Salary increase-academic	159,000	58,168	23,876	10,400
Salary increase-non-academic	84,000	44,589	16,864	10,800
General expense cost increase	35,000	24,963	8,620	7,700
Equipment replacement	2,000	-0-	-0-	-0-
R. R. & A.	4,000	-0-	-0-	-0-
Special needs	-0-	-0-	-0-	-0-
Total additions	\$ 284,000	\$ 127,720	\$ 49,360	\$ 29,000
Total proposed budget	\$ 3,290,000	\$ 3,135,000	\$ 1,553,000	\$ 1,582,000

ESTIMATED INCOME

State appropriation	\$ 3,090,000	\$ 2,935,000	\$ 1,443,000	\$ 1,492,000
Other income	200,000	200,000	110,000	90,000
Total available	\$ 3,290,000	\$ 3,135,000	\$ 1,553,000	\$ 1,582,000

EXPLANATION OF 1971-72 ADDITIONS

Salary Increases - Academic

- base salaries	\$ 20,293
- fringe benefits	3,583
	<u>\$ 23,876</u>

Salary Increases - Non-Professional

- base salaries	\$ 14,990
- fringe benefits	1,874
	<u>\$ 16,864</u>

General Expense Cost Increase

Salary increases for hourly employees

THE UNIVERSITY OF IOWA
PRELIMINARY BIENNIAL BUDGET SUMMARY 1971-73
State Sanatorium

ESTIMATED EXPENSE	Requested	Proposed		
	1971-73	1971-73	1971-72	1972-73
Starting base 1970-71 budget	\$ 3,958,000	\$ 3,958,604	\$ 1,979,302	\$ 2,094,000
Additions:				
Salary increase-professional	111,000	36,635	15,055	6,525
Salary inc.-non-professional	258,000	145,010	55,773	33,464
General exp. cost increase	86,000	129,529	50,759	28,011
Equipment replacement	6,000	4,000	-0-	4,000
R. R. & A.	22,000	13,000	-0-	13,000
Special needs		13,778-	6,889-	
Total Additions	(483,000)	(314,396)	(114,698)	(85,000)
Total Proposed Budget	<u>\$ 4,441,000</u>	<u>\$ 4,273,000</u>	<u>\$ 2,094,000</u>	<u>\$ 2,179,000</u>
ESTIMATED INCOME				
State appropriation	\$ 3,661,000	\$ 3,473,000	\$ 1,694,000	\$ 1,779,000
Other Income	780,000	800,000	400,000	400,000
Total Available	<u>\$ 4,441,000</u>	<u>\$ 4,273,000</u>	<u>\$ 2,094,000</u>	<u>\$ 2,179,000</u>

EXPLANATION OF 1971-72 ADDITIONS

<u>Salary Increases - Professional</u>		
Base Salaries		\$ 13,563
Fringe Benefits		1,492
		<u>\$ 15,055</u>
<u>Salary Increases - Non-Professional</u>		
Base Salaries		\$ 49,798
Fringe benefits		5,975
		<u>\$ 55,773</u>
<u>General Expense</u>		
Cost to cover wage related services		\$ 6,760
Cost to cover general expense items		21,408
Cost to cover increased fuel costs		12,591
Cost to cover expanded utility costs		10,000
		<u>\$ 50,759</u>
<u>Special Needs</u>		
Reduction in professional staff - 1 Surgeon		\$ 6,000-
3 Family Practice Physicians		70,000-
Reduction in non-professional staff - 7 Nurse Aide II		31,500-
1 O.T. Aide II		4,500-
2 Food Service		9,000-
3 Housekeeper		13,500-
4 L.P.N. III		24,420-
Addition to professional staff - 1 Nurse IV		8,700
3 Nurse III		23,820
1 Case Aide		7,000
Addition to non-professional staff - 1 Secretary V,P.T.		1,991
Additional F.I.C.A. Costs		4,600
Adjustment to Fringe Benefits		13,960-
Decrease in estimated savings		119,880
		<u>\$ 6,889-</u>

GENERAL
June 29, 1971

Iowa State University

President Parks stated that the major problem facing Iowa State University was the allocation of inadequate funds in such a way that minimum damage would be done to the University, to the people who compose it, and to the people who are served by it. He stated the major decision had been made that the University would, as nearly as possible, be kept intact as a viable, going concern. Hence the University will not undertake layoffs of the magnitude necessary to squeeze out even a meager salary increase for all of those who would remain as a part of the total staff. Such a reduced staff would not be large enough adequately to perform the University's work. Dr. Parks stated that the University would be unable to enlarge its faculty or staff to take care of an expected enrollment increase of approximately 500 students. He further stated there would be no general cost of living increase for faculty or staff. The only faculty members who will receive any raise will be those few persons (about 5% of the faculty) who are being promoted in academic rank. This will leave about 95% of the Iowa State faculty with no salary increase for the coming year.

Increases for non-academic workers will be limited to those employees whose annual salary is less than \$6,500. Persons in this category will receive an increase of no more than 3%. The basis for this decision is the humanitarian desire to assist the lowest income people to meet the rising cost of living. He said that money for any meaningful, broad-based salary increase for faculty and staff could be attained only by gutting the University and doing it permanent and irreparable damage. Dr. Parks stated that during the coming year the University would explore all possible ways of effecting additional internal adjustments in the hope of improving the financial condition

GENERAL
June 29, 1971

of the University and its faculty and staff for the second year of the biennium.

Mr. Moore stated that a computer print-out of the work load of the past year will soon be available and will be examined in detail with the various deans. If the work load study indicates, it may become necessary to reinstate some of the \$300,000 in academic positions which are now frozen. He mentioned also the following additional actions which the University will be taking in the ensuing biennium:

- 1- An effort will be made in the College of Agriculture to have these people direct more effort to research in the experiment station.
- 2- There will be fewer graduate assistants in order to keep the dollar expenditure in that salary category constant.
- 3- A reduction will be made in custodians and clerks.
- 4- The federal Social Security item listed in the budget is presently an estimate since the federal rule has not yet been established.
- 5- The fuel cost projection shown in the preliminary budget attached includes both the increase in prices for fuel and the additional fuel requirements for new buildings.
- 6- The indicated reduction in R.R.&A. implies layoffs.
- 7- The increase in general expense shown for the cooperative extension service is necessary in that the printing budget was cut two years ago and now needs to be reinstated.

The recommended preliminary budget for Iowa State University for 1971-72 is shown on the following pages.

Iowa State University
of Science and Technology

General University

Income Estimates

	1970-71		<u>1971-72</u>	<u>1972-73</u>
	<u>Budget</u>	<u>Current</u>		
State Appropriation	\$25,634,000	\$25,634,000	\$28,853,000	\$30,130,000
Student Fees	12,100,000	11,850,000	12,300,000	12,500,000
Other Income	2,805,000	3,315,561	2,555,000	2,540,000
1969-70 Balance Forward	<u>1,464,000</u>	<u>1,464,000</u>	<u> </u>	<u> </u>
	\$42,003,000	\$42,263,561	\$43,708,000	\$45,170,000

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Iowa State University
of Science and Technology

GENERAL UNIVERSITY

1970-71 Budget Summary
with 1971-73 Proposed Additions

	1970-71 <u>Budget</u>	Budget Additions	
		<u>1971-72</u>	<u>1972-73</u>
1. Academic and Administrative Salaries	\$22,885,000	\$	\$
a. New Positions		150,000-	100,000
b. Promotion Increases		36,700	50,000
c. Salary Increases		0	450,000
2. Graduate Assistants	1,899,000	0	40,000
3. Non-Academic Salaries and Wages	6,571,000		
a. New Positions		60,000-	30,000
b. Promotion Increase		0	0
c. Salary Increases		140,000	300,000
4. Employee Benefits	3,664,000		
a. New Legislation		940,000	0
b. New Positions and Salaries		1,975-	126,000
5. General Expenses	5,719,000		
a. Fuel		500,000	300,000
b. Other		114,000	290,000
6. Library Books	690,000	70,000	75,000
7. Equipment	500,000	100,000-	100,000-
8. R. R. and A.	700,000	100,000-	100,000-
9. Unallocated	239,000	47,725-	4,000-
10. Matching Funds	80,000	0	80,000-
11. Educational Allowance Research Support	<u>605,000</u>	<u>0</u>	<u>0</u>
Gross Additions		<u>1,341,000</u>	<u>1,477,000</u>
Gross Budget	\$43,552,000	\$44,893,000	\$46,370,000
Less charges to other departments	<u>949,000</u>	<u>985,000</u>	<u>1,000,000-</u>
	42,603,000	43,908,000	45,370,000
Less Prebudgeted Salary Savings	<u>600,000-</u>	<u>200,000-</u>	<u>200,000-</u>
1970-71 Budget	42,003,000		
1971-72 Budget		43,708,000	
Net Budget Additions for 1971-72		1,705,000	
1972-73 Budget			<u>45,170,000</u>
Net Budget Additions for 1972-73			1,462,000

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Note: The proposed 1971-72 budget was reduced \$75,000 by Board action on June 29, 1971.

Iowa State University
of Science and Technology

NOTATIONS ON GENERAL UNIVERSITY PROPOSED BUDGET ADDITIONS

Academic and Administrative Salaries

New Positions (Item 1 a.) The reduction in \$150,000 here is a combination of about \$300,000 in presently uncommitted vacant positions of which it is estimated \$250,000 will be allowed in the 1971-72 budget, plus a transfer of approximately \$115,000 in University Extension salaries to Cooperative Extension, plus a transfer of approximately \$35,000 in salaries from the College of Agriculture to the Agricultural and Home Economics Experiment Station, plus an amount of approximately \$50,000 to cover summer session salary positions which are higher than summer 1970 salary positions by the amount of the salary increases provided in the 1970-71 budget and the amount of money needed to cover interim salary increases during 1970-71.

Promotion Increases (Item 1 b.) The amount of \$36,700 in the 1971-72 proposed budget additions will provide a nominal increase for each of the 85 approved promotions.

Salary Increases (Item 1 c.) No additional salary increases for any of the academic or administrative staff and faculty will be provided.

Non-Academic Salaries and Wages

New Positions (Item 3 a.) It is estimated that a reduction of \$60,000 can be made in non-academic staff positions throughout the university.

Promotion Increases (Item 3 b.) No money is available for promotion increases.

Salary Increases (Item 3 c.) The amount of \$140,000 will provide a 3% salary increase for all university employees who are now employed at less than \$6,500 per year salary.

General Expense

Fuel (Item 5 a.) The increase of \$500,000 for fuel over the present fuel budget of \$900,000 is necessary to provide for, (1) a \$200,000 underbudget in the present fuel account, (2) an additional increase in fuel costs of \$200,000 for the present amount of fuel burned, and (3) an additional cost of \$100,000 for additional fuel to heat and provide utility service to the new buildings which will come on the line during 1970-71.

Other Budget Items

Library Books - The amount of \$75,000 for library books will not provide for new acquisitions, but only for the inflation of approximately 10% per year in the cost of these items.

Equipment - The equipment budget will have to be reduced by \$100,000 to meet the other commitments in the budget.

Repairs, Replacements and Alterations - The R. R. and A. budget will have to be reduced by \$100,000 to meet the other budget requirements.

Iowa State University
of Science and Technology

AGRICULTURAL AND HOME ECONOMICS EXPERIMENT STATION

1970-71 Budget Summary
with 1971-73 Proposed Additions

	<u>1970-71 Budget</u>	<u>Budget Additions</u>	
		<u>1971-72</u>	<u>1972-73</u>
1. Academic and Administration Salaries	\$2,381,709		
a. New positions		\$ 42,712	0
b. Promotion increases		2,385	5,000
c. Salary increases		4,613	48,000
2. Graduate Assistants	625,280	18,000	13,000
3. Non-Academic Salaries and Wages	1,041,624		
a. New positions		25,630	2,000
b. Promotion increases		0	0
c. Salary increases		16,711	50,000
4. Employee Benefits	404,866		
a. New legislation		123,852	0
b. New positions and salaries		14,307	17,500
5. General expense	660,794	29,424	21,500
6. Equipment	70,000		0
Gross additions		<u>\$ 277,634</u>	<u>157,000</u>
Gross budget	\$5,184,273	\$5,461,907	\$5,618,907
Less prebudgeted salary savings	<u>121,416</u>	<u>121,458</u>	<u>121,458</u>
1970-71 Budget	5,062,857		
1971-72 Budget		\$5,340,449	
Net Budget Additions for 1971-72		277,592	
1972-73 Budget			<u>5,497,449</u>
Net Budget Additions for 1972-73			\$ 157,000

Source of Funds:

	1970-71			
	<u>Current Est.</u>	<u>Budget</u>	<u>Estimate</u>	<u>Estimate</u>
State Appropriations	\$3,825,500	\$3,825,500	\$3,966,000	\$4,123,000
Federal Appropriations	1,284,449	1,147,357	1,284,449	1,284,449
Other Income	70,000	90,000	90,000	90,000
Balances Carried Forward	0	0	0	0
	<u>\$5,179,949</u>	<u>\$5,062,857</u>	<u>\$5,340,449</u>	<u>\$5,497,449</u>

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Iowa State University
of Science and Technology

COOPERATIVE EXTENSION SERVICE

1970-71 Budget Summary
With 1971-73 Proposed Additions

	<u>1970-71 Budget</u>	<u>Budget Additions</u>	
		<u>1971-72</u>	<u>1972-73</u>
1. Academic and Administrative Salaries	\$4,468,433		
a. New Positions		\$ 115,030	\$ 50,000
b. Promotion Increases		10,000	0
c. Salary Increases		2,100	150,000
2. Graduate Assistants	23,475		
a. Salary Increase		0	2,000
3. Non-Academic Salary and Wages	437,336		
a. New Positions		7,185	0
b. Promotion Increases		0	0
c. Salary Increases		13,500	27,541
4. Employee Benefits	172,525		
a. New Legislation		85,000	10,896
b. New Positions and Salaries		7,400	0
5. General Expenses	606,963		
a. Increases		251,541	257,998-
6. Equipment	<u>18,500</u>	<u>0</u>	<u>0</u>
Gross Additions		\$ 491,756	\$ 17,561-
Gross Budget	\$5,727,232	\$6,218,988	\$6,201,427
Less Prebudgeted Salary Savings	<u>136,000</u>	<u>136,000</u>	<u>136,000</u>
1970-71 Budget	5,591,232		
1971-72 Budget		6,082,988	
Net Budget Additions for 1971-72		491,756	
1972-73 Budget			<u>6,065,427</u>
Net Budget Additions for 1972-73			17,561-

	<u>1970-71</u>		<u>Estimate</u>	<u>Estimate</u>
Source of Funds:	<u>Current Est.</u>	<u>Budget</u>		
State Appropriations	\$3,000,000	\$3,000,000	\$3,351,000	\$3,508,000
Federal Appropriations	2,382,866	2,382,866	2,557,427	2,557,427
Other Income	0	0	0	0
Balances Carried Forward	<u>252,466</u>	<u>208,366</u>	<u>174,561</u>	<u>0</u>
	\$5,635,332	\$5,591,232	\$6,082,988	\$6,065,427

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GENERAL
June 29, 1971

University of Northern Iowa

President Kamerick introduced Professors Howard V. Jones and M. B. Smith, representing the Faculty Senate and Professors Nathan Talbott and Edward Amend, representing the American Federation of Teachers. He stated that these gentlemen were present because of their concern about the proposed budget for the University of Northern Iowa. The Board was presented at this meeting with a resolution of the University of Northern Iowa Faculty Senate adopted on June 28, 1971, and reading as follows:

RESOLUTION

WHEREAS, since 1967 when the Board of Regents voted that the then State College of Iowa should expand and develop its services to the State of Iowa, the University of Northern Iowa has been consistently funded on a basis established when we were a teachers' college, and,

WHEREAS, the general assembly of the State of Iowa originally designated 1.3 million dollars in recognition of the needs of the University of Northern Iowa to catch up because of past underfunding, and,

WHEREAS, the Board of Regents reversed the General Assembly's intent by diverting approximately \$988,000 of this sum to the already more adequately supported state universities making blatantly evident what was already a visible trend,

NOW, THEREFORE, Be It Resolved that the University of Northern Iowa Senate, speaking for the faculty, protests this decision and urgently requests that the Board consider emergency action either to provide during this biennium the funds that UNI needs to continue its development toward university status or else to clarify to us and to the public how the Board's own mandate can be responsibly fulfilled without reasonable budgetary support.

Mr. Kamerick presented for Board approval a proposed budget for 1971-72 and an estimated budget for 1972-73. In addition, he presented a one-page analysis showing the original and currently estimated expenditures for the present year as compared with the proposed expenditures for 1971-72. President Kamerick stated that in order to meet the proposed 1971-72 budget the University had done the following:

GENERAL
June 29, 1971

- 1- Given no salary increase to anyone.
- 2- Authorized no new administrative, faculty or staff positions across the entire university.
- 3- Reduced student aid funds by \$81,000 - roughly, 10%.
- 4- Reduced faculty by a net of 18 persons, a net F.T.E. faculty reduction of 9.25%.
- 5- Reduced administrative travel \$8,000.
- 6- Cancelled the computer connection with the University of Iowa, cost, \$40,000.
- 7- Reduced equipment, other than library books, from \$116,500 budgeted to \$45,000.
- 8- Reduced R.R.&A. from \$319,000 budgeted to \$219,000 budgeted. This puts R.R.&A. back to the 1967-68 level.
- 9- Reduced matching funds (20% match) for OE Title I from \$14,500 to \$4,500.
- 10- Reduced conference and extension travel by \$15,000.
- 11- Increased library book budget 1.3%. Inflationary costs average 10% a year in this item.
- 12- Increased general expense budget over expenditures by about 2-1/2%. In this category fall fuel increases, utilities increases, fire protection increase, postage increase, rentals, etc.
- 13- Greatly reduced the unallocated reserve funds.

The proposed preliminary budget for 1971-72 for the University of Northern Iowa together with a comparison with present year expenditures is shown on the following pages.

UNIVERSITY OF NORTHERN IOWA
Cedar Falls, Iowa

GENERAL OPERATIONS

	<u>Budget Proposed 1971-1972</u>	<u>Budget Estimated 1972-1973</u>
Source of Support:		
State Appropriation	\$10,890,000	\$11,452,000
Student Tuition	5,464,000	5,506,000
Federal Funds (Overhead)	9,000	9,000
Other items	<u>351,800</u>	<u>352,000</u>
Total Estimated Income	\$16,714,800	\$17,319,000
 Estimated Expenditures:		
Salaries and Wages (Incl. fringe benefits)	\$13,000,800	\$13,316,000
General Expense	3,200,000	3,409,000
Equipment:		
Library Books	250,000	275,000
Other	45,000	100,000
R R & A	219,000	219,000
Unallocated	<u>100,000</u>	<u>100,000</u>
Total Cross Budget	\$16,814,800	\$17,419,000
Less:		
Estimated Salary Savings	<u>100,000</u>	<u>100,000</u>
Estimated Expenditures	\$16,714,800	\$17,319,000

6-29-71

Note: The proposed 1971-72 budget was increased \$50,000 and the estimated 1972-73 budget \$100,000 by Board action of June 29, 1971

UNIVERSITY OF NORTHERN IOWA
Cedar Falls, Iowa

GENERAL OPERATIONS

	Original Budget 1970-1971	Estimated (May 1971) 1970-1971	Proposed 1971-1972	Changes from <u>Original</u> 1970-71 Budget
Source of Support:				
Balance forward	\$ 200,000	\$ 507,498	\$ XXX	\$ -200,000
State Appropriation	10,218,000	10,218,000	10,890,000	+672,000
Student Tuition	5,369,000	5,468,000	5,464,000	+ 95,000
Federal Funds (Overhead)	16,000	16,000	9,000	- 7,000
Other items	284,000	284,000	351,800	+ 67,800
Total Estimated Income	<u>\$16,087,000</u>	<u>\$16,493,498</u>	<u>\$16,714,800</u>	<u>\$ +627,800</u>
Estimated Expenditures:				
Salaries and Wages	\$10,996,963#	\$10,991,030#	\$11,275,714#	\$ +278,751
Employee Benefits:				
Present budget	1,319,635	1,468,924	\$1,365,086	
New Legislation			<u>360,000</u>	1,725,086
				+405,451
General Expense:				
Fuel	\$ 160,000	\$ 320,000	\$ 340,000	
Other	<u>2,850,615</u>	<u>2,793,046</u>	<u>2,860,000</u>	3,200,000**
	3,010,615	3,113,046**		+189,385
Equipment:				
Library Books	\$ 247,000	\$ 247,000	\$ 250,000	
Other	<u>116,500</u>	<u>338,000</u>	<u>45,000</u>	295,000
	363,500	585,000		- 68,500
R R & A	319,000	392,000	219,000	-100,000
Unallocated	227,287		100,000	-127,287
Total Gross Budget	<u>\$16,237,000</u>	<u>\$16,550,000</u>	<u>\$16,814,800</u>	<u>+577,800</u>
Less: Estimated Salary Savings	<u>150,000</u>	<u>150,000</u>	<u>100,000</u>	-50,000
Estimated Expenditures	<u>\$16,087,000</u>	<u>16,400,000</u>	<u>\$16,714,800</u>	<u>+627,800</u>
Estimated Reversion		<u>\$ 93,498</u>		

#Net after charge back of \$210,000

**Net after charge back of \$280,000

Iowa School for the Deaf

In presenting his proposed budget for 1971-72, Dr. Giangreco stated that there continues to be a shortage of teachers for deaf students. This has resulted in some vacancies at the school which has facilitated readjustment of the school's budget plan. He indicated that teachers' salaries for 1971-72 year will be increased from \$300 to \$600, which will make them comparable with other salaries in the Council Bluffs and Omaha area. The proposed budget contains a non-academic personnel salary increase of 7%. This will still leave custodial help at a scale lower than that paid in other schools in the area, including those immediately adjacent to ISD. Dr. Giangreco stated that enrollment for the coming year is expected to remain relatively stable. At the present time the school has 406 students. There may be a slight increase in enrollment in Grades 4, 5, and 6 because of transfers in from other schools. The complete 1971-72 proposed budget for the school is as follows:

<u>FUNDING</u>	<u>1970-71 Budget</u>	<u>Proposed Increase</u>	<u>1971-72 Budget</u>
Appropriation	\$1,534,100.00	\$79,900.00	\$1,614,000.00
Other Funds	22,000.00	-	22,000.00
Total Funding	\$1,556,100.00	\$79,900.00	\$1,636,000.00
<u>ACTIVITY</u>			
Administrative	\$ 86,222.60	\$ 6,150.27	\$ 92,372.87
Academic	616,295.00	37,700.84	653,995.84
Vocational	95,816.50	6,773.60	102,590.10
Dorm. & Recr.	204,301.50	-1,929.60	202,371.90
Medical Service	45,330.00	5,547.73	50,877.73
Food Service	158,068.30	6,049.11	164,117.41
Laundry	65,902.10	3,938.90	69,841.00
Physical Plant	284,164.00	15,669.15	299,833.15
Total	\$1,556,100.00	\$79,900.00	\$1,636,000.00

<u>OBJECT</u>			
Salaries	\$1,312,020.00	\$70,985.25*	\$1,383,005.25
Expense	222,928.00	8,203.75**	231,131.75
Equipment	21,375.00	-	21,375.00
less Maintenance	-20,598.00	711.00	-19,887.00
R. R. & A.	<u>20,375.00</u>	<u>-</u>	<u>20,375.00</u>
Total	\$1,556,100.00	\$79,900.00	\$1,636,000.00

* 5.4%

** 3.7%

Iowa Braille and Sight Saving School

The proposed 1971-72 budget for IBSSS is shown on the following pages. In presenting the budget Dr. Rocco indicated that the salary schedule currently in effect for teachers will remain the same and teachers will receive the normal incremental increase under that schedule. Equipment and RR&A budgets will be held at the current level. He indicated that the salary level for house parents, while it has been increased in recent years, is still very low. The entry level is \$4,500, which increases to \$6,000 after 10 years. The scheduled work week for house parents is 56 hours, but many of them have been spending 84 hours per week of actual presence on the campus. Because of new scheduling procedures which have been adopted, these hours will be reduced for house parents.

At the beginning of the biennium enrollment at the school numbered 156 students. Under recent school policy that students who can function in a public school environment should be returned to that environment, the enrollment at the school has gradually dropped to its current level of 130 students. It is expected that this number will increase by about 10 students for the 1971-72 year.

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Reductions in the IBSSS budget are being made in two areas. First, the school has gone to a cafeteria serving system as against the family style of service and this has enabled the elimination of one position in the food service area. Second, a nurse's aid position has been eliminated because of the fact that one nighttime house parent is required to maintain constant patrol of the dormitories and the medical service facility has been moved to one of the dormitories. These actions will permit some reductions in the budgets for health services and for food service activities.

IOWA BRAILLE AND SIGHT SAVING SCHOOL

PRELIMINARY BUDGET

1971-1972

SOURCE OF FUNDS:

State Appropriation	\$ 895,000.00
Other Income	<u>15,250.00</u>
Total Funds Available	\$ <u>910,250.00</u>

EXPENDITURES:

Academic Salaries	\$ 379,046.00
Non-academic Salaries	373,728.00
General Expenses	135,708.00
Less: Credit for Maintenance	(6,192.00)
Equipment	10,000.00
Repairs, Replacements & Alterations	<u>17,600.00</u>
Total Expenditures	\$ <u>910,250.00</u>

EDUCATIONAL DIVISION SALARIES

No change in the present salary schedule for teachers is planned for the coming year. Teachers will receive the annual step increment. The present starting salary for teachers holding bachelor's degrees is \$7,200.00

The salary for teacher aide positions (\$2.50 per hour) will remain unchanged.

Changes in personnel structure are as follows:

Additions:

Dean of students position increased from 9 to 11 months	2,234
Social studies teacher transferred from Title I to state funds	7,700
Addition of 1/4 time instrumental music instructor	<u>2,200</u>
	\$12,134

Deletions:

Physical Education-Mobility Instructor transferred from state funds to Title VI-C monies	7,500
Deletion of one classroom aide	<u>2,700</u>
	\$10,200
Total program increase	\$ 1,934

NON-ACADEMIC DIVISION SALARIES

Administration:

Total increase of \$1,679 or 4.03% for 6 member staff yielding an average increase of \$280.00 per employee.

Houseparents:

Total increase of \$9,738 or 12.14% for 16 member staff yielding an average increase of \$609.00 per employee.

Houseparents presently receive a salary ranging from \$4,077 start to \$5,481 for 10 years experience. The work-week averages 56 hours per week exclusive of sleep time. The total on campus time averages 84 hours per week.

Through new scheduling procedures we propose to considerably reduce the work week, vary houseparent responsibilities and increase salaries. The proposed salary schedule ranges from \$4,500 to \$6,000 over a 10 year period.

To accomplish this it is necessary to employ 3 night watch houseparents to supervise the dormitories while the children are asleep. The total additional amount required to effect this program is \$9,000.

Medical Services:

On Campus Staff:

Total increase of \$619.00 or 4.5% for 3 member staff yielding an average increase of \$206.00 per employee.

Professional Medical Services:

Total increase of \$365.00 or 12.87% for daily medical services of two doctors and twice yearly dental checks by 3 dentists.

Food Service:

Total increase of \$1,400.00 or 4.56% for 10 member staff yielding an average increase of \$140.00 per employee.

Laundry:

Total increase of \$675.00 or 4.97% for 4 member staff, yielding an average increase of \$169.00 per employee.

Building and Grounds:

Total increase of \$12,048.00 or 12.66% for 20 member staff. \$5,164 is for salary increases averaging \$258.00. The balance of \$6,884.00 is for salary adjustments to key personnel responsible for building and grounds maintenance and the addition of 1 full time maintenance man.

GENERAL EXPENSES:

Cost increases and replacement of inventories	\$ 9,077.00
Estimated increased fuel costs	6,200.00
Estimated increased postage	<u>450.00</u>
13.82% Increase over current level operation	\$15,727.00

EQUIPMENT:

No Increase over the present budget of \$ 10,000.00

REPAIRS, REPLACEMENTS & ALTERATIONS:

No Increase over the present budget of \$ 17,600.00

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BUDGET REVIEW. Mr. Redeker stated it would be appropriate at this time for Board members to question any of the budget proposals or to raise any desired questions regarding discontinuations or reductions in programs, initiation of expanded or improved programs, salary policy, change in work load, new buildings and released space, maintenance and custodial care of the plant or inflation and special costs.

Discussion ensued regarding the feasibility of enrollment limitation and its effect on student tuition income. It was pointed out that the immediate effect of an enrollment limitation is a decrease in income from student fees with no corresponding reduction in faculty salaries or other costs. This is not to mention the disruptive effect on class scheduling and faculty assignments. The institutions were unanimous in stating that any plan for enrollment limitation can be effective only on a long-range basis. As a further complicating factor it was pointed out that enrollments at the freshman level are decreasing whereas those in the upper division at all three universities and in the graduate school at the University of Northern Iowa are increasing. Consequently any enrollment limitation would have to be selectively applied.

The relationship between projected income from student fees and the projection of enrollment for each of the universities was examined. Enrollment projections at this time are 338 additional students at the University of Iowa, 500-600 additional at Iowa State University, and no increase in enrollment at the University of Northern Iowa. Although the increase in student fee income appeared consistent with the enrollment change at Iowa State University and the University of Northern Iowa, the increase in enrollment at the University

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of Iowa does not seem to be reflected in an increase in student fees in the projected budget. All enrollment projections are consistent in that each university reports enrollments on a fall head count basis.

Regarding tuition increase it was noted that H.F. 724, 64th G.A., permits no increase in basic undergraduate resident tuition. It appeared unlikely that even in the absence of such a prohibition Board members generally would be favorable toward an additional increase in tuition. It was noted, for example, that in recent years the percentage of total costs borne by tuition had increased from 13.8% to 28.7%. Sources of income other than state appropriations were discussed, including emphasis on obtaining contributions, a graduated form of tuition, revenue sharing with the federal government or further student aid with repayment by the student after graduation. Board members called attention to the longer term implications regarding financing and pointed out that approximately 35% of the Gross National Product is now going into government services, including education, so that it appears questionable whether major increases in this source of income can be expected in the years immediately ahead. It was further pointed out that private institutions and private students are now getting some benefits from tax dollars. Board members felt that the difficult choices now being made by the institutions to live within the dollars appropriated were most necessary and in accord with the tenor of the times.

Some concern was expressed that the drastic reductions in RR&A funds was simply a postponement which would build larger requirements into future budgets. It was pointed out that in making these reductions originally the Board recognized that it was taking a calculated risk which might involve deterioration of buildings and facilities and higher costs in future years, but in view of

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the state's serious financial situation there appeared no alternative. Serious concern was expressed, however, regarding any further reductions in the area of maintenance of buildings and facilities. Particularly as regards new buildings, limited maintenance may very well be false economy.

The Board discussed what program changes might be necessary as a result of restrictive financing. As was indicated at the Board meeting of June 24, 1971, the Institute of Gerontology at the University of Iowa will be discontinued as will the SUI laboratory schools. The Museum Training Department at the University of Iowa is being suspended, partly because the chairman has retired. The Saturday Class plan is being expanded, but with no increase in staff. All departments at the University of Iowa have been assessed a 5% reduction in budget in order to meet urgent requirements in other areas. A contingency fund of \$250,000 is being provided at SUI to permit some forward thrust in new programs to offset the effect of the cutbacks on staff morale.

Iowa State University reported that numerous programs have been under consideration for reduction or elimination. One of these is the two-year Engineering Institute, which does not provide college credit. While it would be impossible to eliminate the program this year it might be possible to begin phasing it out next year, particularly since programs in the area schools are now beginning to provide equivalent training. However, when elimination of the Engineering Institute has been considered in the past there has been a great amount of objection from citizens and organizations around the state. Budget limitations at this time may force a reexamination of this possibility.

All the universities reported that an increased academic work load will be necessary to live within appropriations. The 5% cutback at the University of Iowa mentioned earlier will in itself require a heavier academic work load.

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Iowa State University anticipates an additional enrollment of 500-600 students this fall with no increase in faculty. Department heads and deans at the universities are now working on the matter of redistribution of academic work load.

The Board discussed the feasibility of a uniform salary increase policy for all three universities but took no action to change their current policy that the institutions should have the right to set their own salary policy. Dr. Jones of the Faculty Budget Committee at UNI stated that from his studies of the budget he saw no way to increase salaries at UNI. Dr. Parks had previously stated that the only academic salary increases at Iowa State would be for those achieving promotions, which would amount to about 5% of the faculty and the other 95% would get no salary increase. Dr. Boyd pointed out that at the University of Iowa the budget plan had been based on the premise that it is better to put people ahead of things and that the various departments were being assessed 5% in order to accomplish this goal. He stated his feeling that there is room for a difference in points of view among the institutions and that an equal salary approach would be a completely new Board policy. Others questioned the validity of the equal salary concept, stating that the comparisons should not be between state universities within Iowa but between each of those universities and its counterpart in other states.

The matter of "Other Income" was discussed at some length. It was pointed out that the other two universities have a larger share of income from sources other than state appropriations than does UNI but that all institutions have had difficulty in preparing estimates of reasonable accuracy. For example, within the past year there has been a 10% to 30% variation in experience versus budget projections. In that period the University of Iowa underestimated Other

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Income by \$220,000. At Iowa State University, while there has been little change in the estimate of total receipts, there was an increase in income from overhead reimbursements in the current year of \$500,000. Conversely, at UNI where student fees were overestimated by \$200,000, this was offset by other income of only \$100,000 leaving a net underestimate of \$100,000 at UNI. These estimates of Other Income, such as overhead reimbursement, are purposely hedged by SUI and ISU because there is considerable uncertainty as to what course the federal government may take in this area. The success of applications for funding of projects and the changing policy of the federal government cannot be accurately gauged.

There was considerable discussion regarding the allocation of appropriations made by the Board at its previous meeting (see minutes of Board meeting of June 24-25, 1971). It appeared to be the consensus that the judgments made at that time were sound but that some minor adjustment in allocations might be in order because of revisions in income estimates.

At the previous meeting the Board considered five possible options for spreading the "Unallocated" funds available. By way of review, Option A left the allocations as appropriated. Option B contained all additions as recommended in the Governor's budget but assumed a uniform salary increase policy for each of the universities. Under this option \$1.2 million would have been transferred from UNI to the other two universities of a total of \$1.3 million available in the "Unallocated" category. Option C included all items in the Governor's budget recommendation except that the "Unallocated" amount for the University of Northern Iowa would be reallocated as necessary to insure that Iowa State University and the University of Iowa did not show negative figures in their "Unallocated" categories. Under this procedure the University

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of Northern Iowa would have been left with \$695,000 of the \$1.3 million mentioned. Option D which was adopted by the Board at the June 24 meeting used the Board's original budget request as a base. Under the option the "Total Additions Requested" in that budget were used as the basis for making pro rata distribution of the additions requested over fiscal 1970-71 estimated actual expenditures, with the universities free to spread this increase among the various categories. Under the option as adopted the University of Northern Iowa retained \$321,000 while transferring \$315,000 to the University of Iowa and \$672,000 to Iowa State University from its "Unallocated" category. Option E was similar to Option D, except that the "increase in appropriations requested" was used as the basis for making the prorated distribution. Under Option E the University of Northern Iowa would retain \$547,000 while transferring \$338,000 to the University of Iowa and \$423,000 to Iowa State University. The balances of the \$1.3 million would then be as follows: UNI \$547,000, ISU (\$10,000), SUI \$158,000.

MOTION: Regent Petersen moved that the appropriation be reallocated using Option E as a basis with the reduction of an additional \$10,000 from UNI to be added to ISU to eliminate the ISU deficit under Option E and so that the distribution of "Unallocated" would be as follows: UNI \$537,000, ISU \$0, SUI \$158,000. The motion was seconded by Mr. Quarton. On a roll call vote the vote was as follows:
AYE: Petersen, Quarton, Redeker.
NAY: Loss, Perrin, Loudon, Shaw, Bailey.
ABSENT: Wallace.
The motion failed.

MOTION: Mr. Bailey moved that the amounts allocated to the University of Iowa and Iowa State University in the Board action of June 24, 1971, be reduced by \$75,000 each and the resulting \$150,000 be allocated to UNI, providing \$50,000 for the first year

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of the biennium and \$100,000 for the second year of the biennium. This action would divide the "Unallocated" as follows: SUI \$240,000, ISU \$597,000, UNI \$471,000. The motion was seconded by Mr. Quarton. On a roll call vote the vote was as follows:
AYE: Bailey, Loss, Louden, Perrin, Petersen, Quarton, Redeker, Shaw.
NAY: None.
ABSENT: Wallace.
The motion carried.

Subsequent to this action a representative of the Iowa State University faculty was given the floor and expressed concern that Iowa State University and the University of Iowa were now asked to absorb more than their equitable portion of the budget reduction and that such allocation might develop a divisiveness. He further stated that such action was not in accordance with the legislation. It was explained to him that the language of the act permitted the Board to reallocate funds under the "General University" portion of the appropriation "among the institutions under its jurisdiction as long as the reallocation does not exceed the grand total figure appropriated to the Board of Regents by this act". (H.F. 724, Section 2.)

After this action of the Board the final allocation of state appropriations to Board of Regent institutions is as shown on the next page:

STATE APPROPRIATIONS TO BOARD OF REGENTS
1971-73
AS ALLOCATED BY BOARD OF REGENTS FOR GENERAL UNIVERSITIES
on June 29, 1971

	<u>1971-72</u>	<u>1972-73</u>	<u>1971-73</u>
University of Iowa			
General University	\$35,839,000	\$37,436,000	\$73,275,000
University Hospitals	8,738,000	8,738,000	17,476,000
Psychopathic Hospital	2,186,000	2,278,000	4,464,000
Bacteriological Laboratory	787,000	827,000	1,614,000
Hospital School	1,443,000	1,492,000	2,935,000
State Sanatorium	<u>1,694,000</u>	<u>1,779,000</u>	<u>3,473,000</u>
Total	\$50,687,000	\$52,550,000	\$103,237,000
 Iowa State University			
General University	\$ 28,828,000	\$ 30,080,000	\$ 58,908,000
Experiment Stations	3,966,000	4,123,000	8,089,000
Extension	<u>3,351,000</u>	<u>3,508,000</u>	<u>6,859,000</u>
Total	\$ 36,145,000	\$ 37,711,000	\$ 73,856,000
 University of Northern Iowa	<u>\$ 10,940,000</u>	<u>\$ 11,552,000</u>	<u>\$ 22,492,000</u>
Total of Universities	\$ 97,772,000	\$101,813,000	\$199,585,000
 Iowa School for the Deaf	\$ 1,614,000	\$ 1,691,000	\$ 3,305,000
 Iowa Braille & Sight Saving School	\$ 895,000	\$ 936,000	\$ 1,831,000
 Board of Regents	<u>\$ 136,000</u>	<u>\$ 143,000</u>	<u>\$ 279,000</u>
 GRAND TOTAL OF REGENT INSTITUTIONS	<u>\$100,417,000</u>	<u>\$104,583,000</u>	<u>\$205,000,000</u>

MOTION:

Mrs. Petersen moved that the preliminary institutional budgets as amended and as shown in these Minutes for fiscal year 1971-72 be approved and further that expenditures by the institutions be authorized within the guidelines of the 1970-71 budget until the final 1971-72 budgets are approved by the Board. The motion was seconded by Mr. Loudon. On roll call vote the vote was as follows:

AYE: Bailey, Loss, Loudon, Perrin, Petersen, Quarton, Redeker, Shaw.

NAY: None.

ABSENT: Wallace.

The motion carried.

CAPITAL PROJECTS - IOWA SCHOOL FOR THE DEAF. Dr. Giangreco stated it was most urgent that the school begin immediately on one of its capital projects, that of remodeling three basement rooms in the main administration building for use as instructional classrooms. He stated that this work must be completed in time for use by the class entering in September 1971. The single kindergarten class of 1970-71 will, in September of 1971, be in first grade and the class must be divided into self-contained classroom groups. Three basement rooms were renovated during the 1970-71 period and with the additional three requested a total of six rooms will be available as classrooms to handle the very large beginning classes of 1969 and 1970. These rooms can, in the future, be adapted to whatever use may be necessary. The description of the project and budget estimate and source of funding are as follows:

REMODEL CLASSROOM SPACE - MAIN BUILDING

Project Description

Remodel three basement rooms in the Main Administration Building into classrooms for instructional purposes (same as rooms previously done).

Rooms are located in the same area as the other rooms converted from storage areas into classrooms. This is the basement West Wing.

Remodeling of the rooms into classrooms will include heating, lighting, electrical outlets, storage cabinets, shelving, wardrobe, refinishing walls, ceiling and floors, and the installation of a fire exit as required by the State Fire Marshal.

Project Budget Estimate

General contract	\$25,000	
Architect fees	2,000	
Misc. Expense	<u>3,000</u>	
Total estimate		\$30,000

Funding

Appropriation - 64th G.A.		\$30,000
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MOTION: Mr. Loudon moved that Iowa School for the Deaf be authorized to proceed with the above project and that the project description, budget estimate and source of funding be approved. The motion was seconded by Mr. Loss, and passed unanimously.

UNIVERSITY HOSPITAL GENERAL SERVICE CHARGES. Dr. Hardin explained that the University Hospitals wished to increase their general service charge by 12%, effective July 1, 1971. He stated the current charges are lower than any of the seven midwestern hospitals with which University Hospital compares itself. He said that the increase is in accord with the "ratio of charges to costs" reimbursement principles of Medicare legislation. The increased earnings would not be generated through an across-the-board percentage increase but rather would emanate from variable increases applied to specific individual services. The variability would be based upon departmental cost studies which indicate the need for increasing the fees for some services significantly while holding others at current charge levels. If the increase is approved, general service rates for nursing unit accommodations will range

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from \$49.75 to \$59.75 per day. Comparative charges among our midwestern hospitals are as follows:

GENERAL SERVICE CHARGES
UNIVERSITY HOSPITAL EXECUTIVE COUNCIL MEMBERS

<u>Name of Hospital</u>	<u>Range of General Service Charges</u>
Western Reserve University, Cleveland	\$87.00 to \$98.00
University of Michigan, Ann Arbor	\$60.00 to \$65.00
University of Minnesota, Minneapolis	\$62.00 to \$67.00
University of Chicago, Chicago	\$100.00 to \$105.00
University of Rochester, Rochester	\$58.00 to \$88.00
University of Indiana, Indianapolis	\$67.00 to \$74.00
University of Wisconsin, Madison	\$57.00 to \$66.00
UNIVERSITY OF IOWA, -Iowa City - 1971-72	\$49.75 to \$59.75

AVERAGE PER DIEM CHARGES OF
UNIVERSITY HOSPITAL EXECUTIVE COUNCIL MEMBERS

<u>MEMBER HOSPITAL</u>	<u>CITY</u>	PER DIEM	
		<u>REPORTED MARCH 1971</u>	<u>ANTICIPATED JULY 1971</u>
Western Reserve University	Cleveland	\$155.48	\$156.50
University of Michigan	Ann Arbor	131.92	145.00
University of Minnesota	Minneapolis	128.11	142.07

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University of Chicago	Chicago	125.00	134.00
University of Rochester	Rochester	118.50	129.63
University of Indiana	Indianapolis	109.00	123.00
University of Wisconsin	Madison	105.30	112.00
UNIVERSITY OF IOWA	Iowa City	93.80	105.00**

**Based upon a 12 percent rate increase effective 7/1/71

MOTION:

Mr. Loudon moved that the general service charges at University Hospitals be increased 12% effective July 1, 1971, with such charges to range between \$49.75 and \$59.75 per day. The motion was seconded by Mr. Loss. On roll call vote the vote was as follows:

AYE: Bailey, Loss, Loudon, Perrin, Petersen, Quarton, Redeker, Shaw.

NAY: None.

ABSENT: Wallace.

The motion carried.

PROGRAM FOR DEAF-BLIND CHILDREN - IBSSS. Dr. Rocco requested approval of a program for education of deaf-blind children at the Iowa Braille and Sight Saving School. He stated that the U. S. Office of Education is interested in establishing such combined developmental-operational projects throughout the United States. Iowa is one of a five-state group (including Minnesota, Missouri, North Dakota and South Dakota) which has received a USOE grant in the amount of \$249,998, of which Iowa Braille and Sight Saving School will receive \$60,705 for a program of deaf-blind education beginning in September 1971. In November 1970 IBSSS submitted a proposal for the establishment of such a center and the proposal was approved by USOE. A copy of this proposal is on file in the Board Office. Dr. Rocco stated there are 33 children in Iowa who are deaf-blind. If this program is approved, eight deaf-blind children

children will enroll at Iowa Braille and Sight Saving School. Six of these are six years old, one is older than six, and one will come from the state of Washington. Personnel necessary to conduct such a program have been identified and are ready to commit. They will be paid entirely from federal funding. There will be no dilution of the regular program at IBSSS. The deaf-blind program is being provided at Vinton because of space limitations at Iowa School for the Deaf, because the concentration of population in Iowa is in the eastern half, and because of the proximity of the University of Iowa and the University Hospitals. All of the eight children are educable and there are no medical problems.

MOTION:

Mr. Louden moved that the program of deaf-blind education at Iowa Braille and Sight Saving School, as described above, be approved. The motion was seconded by Mr. Perrin and passed unanimously.

RESOLUTION OF APPRECIATION. The Board noted that Regents Loss, Louden, and Quarton were attending their last Board meeting, since their terms expire on June 30, 1971. Mr. Perrin moved, seconded by Mrs. Petersen, that the Board express its profound gratitude for the dedicated service of these members over the last six years. The motion was adopted unanimously.

EXECUTIVE SESSION. Chairman Redeker stated that three items requiring Executive Session had been carried over from the meeting of June 25, 1971.

MOTION:

Mr. Quarton moved that the Board resolve itself into Executive Session. The motion was seconded by Mr. Louden. On roll call vote on the motion the vote was as follows:

AYE: Bailey, Loss, Louden, Perrin, Petersen,
Quarton, Redeker, Shaw.

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NAY: None.
ABSENT: Wallace.

The Board, having voted affirmatively by at least a two-thirds majority, resolved itself into Executive Session at 3:50 p.m. and arose therefrom at 5:45 p.m.

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R. Wayne Richey
R. WAYNE RICHEY, EXECUTIVE SECRETARY