The State Board of Regents met at Iowa State University, Ames, Iowa, on Thursday, June 30, and Friday, July 1, 1977. Those present were:

### Members of State Board of Regents:

<table>
<thead>
<tr>
<th>Name</th>
<th>June 30</th>
<th>July 1</th>
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<tbody>
<tr>
<td>Mrs. Petersen, President</td>
<td>All Sessions</td>
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<tr>
<td>Mr. Bailey</td>
<td>All Sessions</td>
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<tr>
<td>Mr. Baldridge</td>
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<tr>
<td>Mr. Barber</td>
<td>All Sessions</td>
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<td>Mr. Brownlee</td>
<td>All Sessions</td>
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<td>Mrs. Collison</td>
<td>All Sessions</td>
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<td>Mr. Shaw</td>
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<tr>
<td>Mr. Slife</td>
<td>All Sessions</td>
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<tr>
<td>Mr. Zumbach</td>
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### Office of State Board of Regents:

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<tr>
<th>Name</th>
<th>June 30</th>
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<tr>
<td>Executive Secretary Richey</td>
<td>All Sessions</td>
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<tr>
<td>Mr. Abel</td>
<td>All Sessions</td>
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<td>Mr. Caldwell</td>
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<td>Mr. Grant</td>
<td>All Sessions</td>
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<td>Mrs. Mininger</td>
<td>All Sessions</td>
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<tr>
<td>Ms. Shaw</td>
<td>All Sessions</td>
<td>Fxc. 9:30 a.m.</td>
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<tr>
<td>Pauline K. Van Ryswyk, Secretary</td>
<td>All Sessions</td>
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### State University of Iowa:

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<thead>
<tr>
<th>Name</th>
<th>June 30</th>
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<tr>
<td>President Boyd</td>
<td>All Sessions</td>
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<tr>
<td>Vice President Brodbeck</td>
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<td>Vice President Jennings</td>
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<tr>
<td>Assistant Vice President Small</td>
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<tr>
<td>Director Tobin</td>
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### Iowa State University:

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<thead>
<tr>
<th>Name</th>
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<tr>
<td>President Parks</td>
<td>All Sessions</td>
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<td>Vice President Christensen</td>
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<td>Vice President Hamilton</td>
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<td>Vice President Moore</td>
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<td>Assistant Vice President Madden</td>
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### University of Northern Iowa:

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<thead>
<tr>
<th>Name</th>
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<tr>
<td>President Kamerick</td>
<td>All Sessions</td>
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<tr>
<td>Provost Martin</td>
<td>All Sessions</td>
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<tr>
<td>Vice President Stansbury</td>
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### Iowa School for the Deaf:

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<tr>
<th>Name</th>
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<tr>
<td>Superintendent Giangreco</td>
<td>All Sessions</td>
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<tr>
<td>Business Manager Kuehnhold</td>
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### Iowa Braille and Sight Saving School:

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<tr>
<td>Acting Superintendent Petrucci</td>
<td>All Sessions</td>
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<tr>
<td>Business Manager Berry</td>
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The following business pertaining to general or miscellaneous items was transacted on Thursday, June 30, 1977.

APPOINTMENT OF SUPERINTENDENT OF IOWA BRAILLE AND SIGHT SAVING SCHOOL. The board was requested to approve the appointment of Dr. Richard DeMott as superintendent of the Iowa Braille and Sight Saving School effective August 15, 1977 at an annual salary of $25,000 plus usual fringe benefits and moving expenses as provided by state law with the understanding that the superintendent is required by the Board of Regents to live in the house provided on the campus of the Iowa Braille and Sight Saving School.

MOTION: Mr. Bailey moved the board approve the appointment of Dr. Richard DeMott as superintendent of the Iowa Braille and Sight Saving School at an annual salary of $25,000 plus usual fringe benefits and moving expenses as provided by state law with the understanding that the superintendent is required by the Board of Regents to live in the house provided on the campus of the Iowa Braille and Sight Saving School. Mr. Baldridge seconded the motion.

President Petersen indicated that Dr. DeMott is looking forward to working with the board and other agencies of the state. She noted that the staff and faculty at the Iowa Braille and Sight Saving School is enthusiastic about this appointment.

VOTE ON MOTION: The motion passed unanimously.

COLLECTIVE BARGAINING AGREEMENT BETWEEN THE BOARD OF REGENTS AND THE UNITED FACULTY AT THE UNIVERSITY OF NORTHERN IOWA FOR 1977-78 and 1978-79. The board was requested to approve and ratify the collective bargaining agreement negotiated with the United Faculty at the University of Northern Iowa for the fiscal years 1977-78 and 1978-79 and authorize the president of the board to execute said agreement.

The Board Office reported that the proposed agreement between the United Faculty and the board provided for a salary increase of 6.4% including merit increases in the first year with a reopener on compensation only in the second year, and an increase in the employer contribution toward health insurance premiums of 0.6% for a total additional economic cost over the 1976-77 bargaining unit personnel cost of 7.0%. This agreement has been negotiated within the fiscal guidelines established by the Governor and policies authorized by the Board of Regents.

Mr. Lawrence Pope, chief spokesman for the board, recommended the board ratify the collective bargaining agreement for the following reasons: 1) the financial guidelines of the Governor have been met; 2) the contract’s insurance article will bring the University of Northern Iowa's bargaining unit into
uniformity with the rest of the state employees; 3) the financial aspects of the agreement are satisfactory to the Regents; and 4) the contractual language concerning management of the institution and working conditions of the employees is satisfactory. While some changes in personnel management systems will result from this agreement, Mr. Pope felt it would be advantageous for all parties in Cedar Falls.

Regent Shaw asked if the legislature appropriated money for the second year. Mr. Richey responded that the legislature provided a two-year appropriation. He added that there is a section in the agreement that restricts the appropriation for salaries of employees in the bargaining unit. Regent Collison asked if the appropriations each year are the same or whether one year was provided more. Mr. Pope said that at the present time the appropriations are the same. Mr. Richey clarified Mr. Pope's remarks by saying there is the same rate of growth indicated in the second year with an additional 6.4% increase. Mr. Pope added that there is likely to be more units organized in the state the second year with consequent negotiations for the fiscal year 1978-79.

Mr. Pope commented that impasse procedures for the University of Northern Iowa contract will begin no later than November 15 and will go through mediation and arbitration if necessary. He said he hoped that those processes will be completed by February of 1978.

MOTION: Mr. Baldridge moved that the Board of Regents approve and ratify the collective bargaining agreement negotiated with the United Faculty at the University of Northern Iowa for the fiscal years 1977-78 and 1978-79, and authorize the president of the board to execute said agreement. Mrs. Collison seconded the motion.

Mr. Richey said there will be a recommendation before the board perhaps at the next meeting to amend any provisions in the Procedural Guide that need to be amended after taking into consideration the provisions of this agreement.

Regent Bailey asked about Article III referring to evaluation procedures. He asked if that item was negotiated and put in after the salary agreement was reached or before. Mr. Pope responded that the evaluation procedures article in its entirety was negotiated and signed before any other articles.

Regent Bailey commented with respect to the article dealing with appeal of denial of tenure, failure to promote, nonrenewal of probationary appointments, and recommendations to terminate a tenured faculty member. Article 11.2 states:

While decisions to promote, to award tenure, or to reappoint a faculty member on probationary appointment are the responsibility of academic officers, and while no opportunity for hearing is routinely provided in connection with a failure to promote, to reappoint, or to grant tenure, a hearing, as provided in this article, shall be available in such cases where there is an allegation that the action was based on one or more of the grounds for complaint in Section 11.3.

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Regent Bailey asked if the statement indicates the board is advocating a delegation of its authority to the academic officers. Mr. Pope responded negatively by saying it simply provides some general philosophical language. Mr. Pope added that the article still provides that the board has the final authority.

Regent Collison expressed concern about Article 5.42 which states:

Full-time probationary faculty members shall not be laid off as long as part-time and temporary faculty members remain in the program area where the layoff occurs.

She noted that part-time and temporary faculty members would be laid off before full-time faculty members. She recognized the principle of longevity here but said those persons laid off the soonest would have a very difficult time attempting to achieve tenure. Mr. Pope said he is very sensitive to Regent Collison's concerns.

Regent Shaw added that there seems to be an association of the term "part-time" with the term "short-time" employment. He suggested this matter be watched, as there is a difference.

Professor David Crownfield, chief negotiator for United Faculty, was present for discussion. He expressed appreciation for the good faith manner in which the negotiations were handled. He congratulated the board with its wisdom in its selection of chief negotiator, Mr. Pope. President Petersen spoke for the board in expressing pleasure that there was such a good cooperative spirit between the two sides. Regent Baldridge admired the patience shown by both sides in reaching the agreement.

Mr. Pope introduced Mr. Harold Wengert, President of the United Faculty at the University of Northern Iowa, and Mr. Jim Sutton, Higher Education Specialist, Iowa State Education Association, to the board.

VOTE ON MOTION: The motion passed unanimously.

President Petersen asked board members and institutional executives if there were additional matters that needed to be discussed in today's session.

ROOF REPAIRS - PRICE LABORATORY SCHOOL AND SCIENCE BUILDING. Vice President Stansbury noted that the board had approved a project for roof repairs to Price Laboratory School and Science Building at its June meeting. This is a $65,000 project funded by 1976-77 RR&A. Bids were opened on June 28 and award was recommended to Iowa Falls Roofing, Iowa Falls, Iowa on Bid "D" in the amount of $42,091. Vice President Stansbury noted that the bid received was within the budget. He pointed out the unusual circumstance that this was the only bid received.

After the analysis of the bid, the university concluded that Iowa Falls Roofing is a good contractor and that the bid is a fair price for the scope of the work involved. In addition, he noted that three other contractors took out plans and specifications but decided by their own choice not to bid the project because of other commitments. Finally, he said that the university requested the contract be approved today so that the university could obligate this project with current year's RR&A funds.
MOTION: Mr. Baldridge moved the board approve the award of contract on the Roof Repairs - Price Laboratory School and Science Building project to Iowa Falls Roofing, Iowa Falls, Iowa in the amount of $42,091. Mrs. Collison seconded the motion.

Mr. Richey noted that he has reviewed this contract and recommended the board take action to approve the institutional request today so it can be included as part of the university's obligation for the 1976-77 RR&AA funds. He said if there is something found that needs to be changed, it could be corrected tomorrow when Mr. McMurray is present but it should be treated as a correction of today's action.

VOTE ON MOTION: The motion passed unanimously.

EXECUTIVE SESSION. President Petersen reported that there were several matters to be discussed in executive session: personnel matters at each of the institutions and at the Board Office and strategy in regard to collective bargaining.

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

AYE: Bailey, Baldridge, Barber, Brownlee, Collison, Shaw, Slife, Zumbach, Petersen.

NAY: None.

ABSENT: None.

The board, having voted in the affirmative by at least a two-thirds majority, resolved to meet in executive session beginning at 3:45 p.m. and arose therefrom at 5:30 p.m.

The following business pertaining to general and institutional matters was transacted on Friday, July 1, 1977. (See 1977-78 minutes for index.)

STATUTES REGARDING BOARD OF REGENTS' MEMBERSHIP. President Petersen reported that Chapter 262 of the Iowa Code indicated that terms of three Regents would expire on the first of July. She noted, however, that the Governor had not appointed successors, as yet, for those persons. President Petersen reported that the board would be operating under the conditions of Chapter 69 of the Code today, then, which indicates that until successors are appointed, the current incumbents are to remain in their capacity on the board.

RESOLUTION - SALE OF $8,775,000 ACADEMIC REVENUE BONDS, SERIES U.N.I. 1977. The board took up for consideration the matter of providing for the advertisement and sale of $8,775,000 Academic Building Revenue Bonds, Series U.N.I. 1977.
The Board Office presented the board with the following information:

The legislature in Senate Concurrent Resolution 30 authorized the issuance of $15,515,000 in bonds for utility-type projects at the universities. The bonding approved by institution is as follows:

- University of Northern Iowa: $8,775,000
- University of Iowa: 3,140,000
- Iowa State University: 3,600,000

The first sale would be of the University of Northern Iowa issue, which would be used as needed in its entirety for the coal-fired boiler project. Sale of those bonds would occur on Thursday, July 28.

The first step leading to the sale of those bonds is the adoption at this meeting of a resolution directing the advertisement and sale. Bonds would be sold totaling $8,775,000 in denominations of $5,000 each to be dated July 1, 1977 with interest payable January 1, 1978 and semi-annually thereafter on the first days of July and January of each year and to mature in numerical order $275,000 on July 1, 1980 and $500,000 on July 1 of each of the years 1981 to 1997 inclusive, but with the right reserved to call the bonds after July 1, 1991 upon terms of par and accrued interest plus a premium of 2% of the principal amount of any bonds called for redemption.

The resolution also directs the executive secretary to publish notice of this sale at least once not less than seven days prior to the date of sale in the Des Moines Register. Sale is scheduled for 11:00 a.m., Central Daylight Savings Time, on July 28, 1977.

At the July 28 meeting, the board would be asked to first adopt a bond resolution for the University of Northern Iowa issue; second, to take bids on the sale of the bonds; and third, to pass a resolution on award of the bonds. In addition, action would be taken at that meeting to adopt resolutions directing the advertisement and sale of the issues for the University of Iowa and Iowa State University.

Regent Shaw asked about the issuance of the $15,515,000. Mr. McMurray commented that the board had the option to split that money a number of ways as long as they were all sold in the biennium which ends June 30, 1979. Mr. McMurray reported that on advice by bond counsel, it was recommended that all bonds be sold by the September 1977 board meeting. It was also noted that there needs to be certain assumptions made by that time with respect to the board's relationship with the legislature on this matter in regard to tuition replacement funds.

Vice President Stansbury noted that the University of Northern Iowa has typically been able to get better interest rates on bonds. President Kamerick emphasized, however, that the university wishes to sell the bonds as soon as possible in view of the recent general service rule. The university has the bond lawyer's opinion that these bonds are still exempt.
MOTION: Member Slife introduced and caused to be read a resolution entitled, "Resolution directing the advertisement and sale of $8,775,000 Academic Building Revenue Bonds, Series U.W.I. 1977," and moved that said resolution be adopted. Member Zumbach seconded the motion, and after due consideration the President put the question on the motion and, the roll being called, the following voted:

AYE: Bailey, Baldridge, Barber, Brownlee, Collison, Shaw, Slife, Zumbach, Petersen.

NAY: None.

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

APPOINTMENTS. President Petersen deferred making recommendations of appointments to committees but indicated that if it becomes necessary to make those appointments between now and the next board meeting, a conference call will be held with board ratification of such appointments to occur at the July 28 meeting.

REVISIONS IN MERIT SYSTEM PAY AND CLASSIFICATION PLANS, POLICIES AND RULES. The following actions were recommended by the Board Office:

1. That the board approve for implementation on July 1, 1977 the salary matrices (shown in Appendix A of the material presented the board), which were developed to effect pay increases approved by the General Assembly for merit employees not covered by a collective bargaining agreement and for those covered under the blue collar and security agreements.

2. That the board approve increasing employer contributions toward health insurance so that effective July 1, 1977, the entire cost of individual coverage is paid by the employer at Iowa School for the Deaf, Iowa Braille and Sight Saving School and Iowa State University, and $18.80 per month is contributed by the employer toward individual coverage at the University of Iowa and the University of Northern Iowa.

3. That the board approve an increase in group life insurance coverage provided for employees at Iowa School for the Deaf and Iowa Braille and Sight Saving School from $5,500 plus an equal amount for accidental death and dismemberment to $10,000 plus an equal amount for accidental death and dismemberment.

4. That the board approve a change in Merit Rule 3.39(16) to increase shift differential premium pay from 10¢ to 15¢ per hour for any shift of which four or more hours occur between 6:00 p.m. and midnight, and from 15¢ to 20¢ per hour for any shift of which four or more hours occur between midnight and 6:00 a.m.

5. That the board approve an increase in the number of holidays granted employees, from 10 to 11. The additional day will be a personal day of paid leave added to vacation allowance accrued under Chapter 79.1 of the Code.
6. That the board approve a change in its policy for paying overtime premium for work after 80 hours in a two-week period to premium pay for overtime after 40 hours in a one-week period.

7. That the board approve a change in Merit Rule 3.39(11), Pay for call back, to increase the minimum time paid for call back work from two to three hours.

8. That the board approve a revision in Merit Rule 3.148, Emergency and funeral leave, to provide:

   a. for paid leave, chargeable to accrued sick leave and not to exceed three days, for the occurrence of death in the immediate family,

   b. for paid leave, chargeable to accrued sick leave and not to exceed one day, when an employee is a pall bearer for someone who is not a member of the employee's immediate family, and

   c. for paid leave for the temporary emergency care of ill or injured members of the employee's immediate family for the time necessary to permit the employee to make other arrangements, chargeable to accrued sick leave and not to exceed five days a year.

9. That the board approve the addition of X-Ray Technician I at Step 5 to the list of those classes for which advanced starting rates have already been approved.

10. That the board approve the establishment of the following new classes in the pay grades as indicated below (p.g. means pay grade):

    1) Bindery Operator III - p.g. 207
    2) Broadcast Film Technician - p.g. 104
    3) Broadcast Television Production Specialist - p.g. 109
    4) Engineering Technician II - p.g. 115
    5) Medical Audit Technician - p.g. 107
    6) Medical Records Clerk - p.g. 105
    7) Nursing Unit Clerk - p.g. 103
    8) Reactor Technician - p.g. 111

11. That the board approve the following changes in class title only:

    1) Nurse Aide Orderly - p.g. 103 to Nursing Assistant - p.g. 103
    2) Plant Safety Patrolman - p.g. 105 to Plant Safety Patrol Officer p.g. 105
3) Security Watchman - p.g. 103 to Security Guard - p.g. 103
4) Security Patrolman - p.g. 109 to Security Patrol Officer - p.g. 109
5) Draftsman Inker II -- p.g. 104 to Draftsman Inker - p.g. 104
6) Engineering Technician - p.g. 113 to Engineering Technician I - p.g. 113

12. That the board approve revisions in class descriptions only as shown in Appendix D for the classes listed below:

1) Arborist - p.g. 110
2) Automotive Mechanic - p.g. 110
3) Bindery Operator I - p.g. 102
4) Bindery Operator II - p.g. 105
5) Computer Operator II - p.g. 109
6) Computer Operator III - p.g. 111
7) Dental Assistant I - p.g. 102
8) Dental Assistant II - p.g. 104
9) Dispatching Clerk - p.g. 104
10) Equipment Operator - p.g. 108
11) Gardener - p. g. 106
12) Golf Course Maintenance Worker - p.g. 108
13) Groundskeeper - p.g. 106
14) Hospital Security Officer II - p.g. 109 to Hospital Security Officer Supervisor - p.g. 109
15) Keyentry Operator I - p.g. 103
16) Keyentry Operator II - p.g. 105
17) Laborer - p. g. 103
18) Mechanic's Assistant - p.g. 103
19) Motor Vehicle Operator I - p.g. 103
20) Office Coordinator II - p.g. 111
21) Patient Transport Driver - p.g. 107
22) Pest Control Operator - p.g. 109
23) Security Lieutenant - p.g. 113
24) Supervisor, Plant Services
25) Tree Trimmer - p.g. 107

13. That the board approve revisions in class descriptions as shown in Appendix E and changes in pay grade assignment as follows:

FROM:
1) Audio Technician - p.g. 104
2) Building Services Coordinator - p.g. 104
3) Carpet and Upholsterer Maintenance Worker - p.g. 105
4) Computer Operator I - p.g. 105
5) Mini Computer Terminal Operator - p.g. 104
6) Telephone Operator - p.g. 102
7) Telephone Operator, Chief - p.g. 107

TO:
1) Audio/Video Technician - p.g. 105
2) Building Services Coordinator - p.g. 105
3) Carpet Maintenance Worker - p.g. 10
4) Computer Operator I - p.g. 107
5) Computer Operator - Small Systems - p.g. 105
6) Telephone Operator - p.g. 103
7) Telephone Operator, Chief - p.g. 107

14. That the board approve deletion of the following classes:

1) Cheesemaker - p.g. 110
2) Cheesemaker Assistant - p.g. 104
Mr. Volm presented the board with the following information:

1. The proposed pay matrices were developed to effect legislative action in granting increases for merit employees not covered by collective bargaining agreements and in funding settlements for blue collar and security employees.

a. The unorganized employees' pay matrix has been adjusted to reflect the 6% increase for all employees at steps below $13,200 per year and the 5% increase for all employees at steps at $13,200 or above. In accordance with legislative direction, each step of the 1976-77 pay matrix was multiplied by the appropriate percentage and divided by 26 and rounded upward to the nearest whole dollar amount. This amount was then multiplied by 26 to get the annual amount. That adjusted figure will now become the new annual rate of pay for the employees in classifications not in the blue collar unit or security unit.

In addition, you will note that three additional grades (116, 117, and 118) have been added. As provided in the Pay Plan, the grade assignment for the "Supervisor-Plant Services" is based on "three grades above the craft, trade, or plant service supervised." Therefore, in order to insure consistency throughout the Regents Merit System, these grades have been added to the pay matrix to provide a schedule for those employees who occupy positions in the "Supervisor-Plant Services" classification and who supervise employees in classes with pay grade assignments of 113, 114, or 115.

b. The blue collar pay matrix has been adjusted to reflect the arbitration award of 32¢/hour increase for all steps in the matrix. The 32¢/hour increase is an annual amount of $665.60. The instructions to calculate the 1977-78 pay matrix indicated that the $665.60 per year should be rounded to $666.00 per year and added to each step of the matrix. This has been done and appears in the blue collar matrix as proposed.

c. The security unit pay matrix has been adjusted to reflect the settlement of 3% and $336.00 per year. In calculating the 3% increase, instructions were to round upward to the nearest whole dollar on an annual basis to insure the 3% was granted. Following that the $336.00 was added to the step. Consequently, the matrix as shown is the combination of an increase of 3% and $336.00 per year rounded upward to the nearest whole dollar.
2 & 3. The proposed increases in the employer contributions to health and life insurance which was recommended by the Governor and funded by the legislature will provide the same increases for employees not covered under collective bargaining agreements as is provided by contract for employees in the blue collar and security units. Increases in health insurance contributions to provide the cost of single coverage would, under current rates, represent an increase from $25.00 to $30.00 per month for employees at ISD and IBSSS, and from the present $6.00 per month to (on the average) $18.80 per month for employees at ISU. Employer contributions at the U of I and UNI would also be increased to $18.80 per month.

Proposed increases in life insurance coverage from $5,500 to $10,000 would affect only those employees at ISD and IBSSS (and other state employees on the central state payroll system). Employees of the three universities are already eligible for comparable coverage under the universities' existing group plans.

4. An increase in shift differential premium pay which was recommended by the Governor is supported by previous surveys conducted by the merit staff. The proposed revision in the Merit Rule on Payment of Shift Differential will make the premium pay for merit employees not covered by a collective bargaining agreement consistent with that provided in the blue collar and security unit agreements.

5. Board of Regents Merit Rules provide that permanent and probationary employees be granted holidays approved by the Board of Regents. The additional day recommended will make number of holidays granted unorganized merit employees the same as those provided in blue collar and security unit bargaining agreements and will make the total number of holidays (11) granted to merit employees the same as the median provided employees of comparable organizations in the Merit pay survey.

6. The proposed change to overtime pay after 40 hours a week (from the present policy of overtime premium after 80 hours in two weeks) will make the board policy consistent with the Governor's recommendation for state employees and those covered under the blue collar and security bargaining agreements.

7 & 8. The proposed revisions in the Merit Rules, 3.39(11) Pay for call back, and 3.148 Funeral and emergency leave, are made to effect consistency between Regents Merit Rules and provisions in the blue collar and security unit collective bargaining agreements. The board may remember that recommendations to separate funeral and emergency leave (as is now proposed) have been made in the past by the institutions employee committees and staff councils. However, at that time the proposed revisions were not acceptable to the State Merit Director. It is my understanding that he will now recommend approval of the proposed changes.

9. An advanced starting salary at Step 5 for the class of X-Ray Technician I is recommended on the basis of wage survey data and in accordance with the policy for establishing advanced starting salaries which were approved by the Board of Regents in April, 1976.
10. The following new class descriptions have been developed in coordination with the job analysts and administrators at the institutions and reviewed with the affected employees. The pay grade assignments were made in conformance to the point count evaluation.

**Bindery Operator III, P.G. 107**

The Bindery Operator III class is representative of the journeyman or experienced level of the existing bindery class series. The development of this new class, in addition to modifications made to the existing bindery classes, will serve to more clearly delineate the skill level requirements in the bindery operations and simultaneously allows for progression from an unskilled to a skilled level of operation.

In relation to this recommendation the revised Bindery Operator I and Bindery Operator II will serve as the entry level and intermediate levels, respectively. Characteristic of the duties required at the level of Bindery Operator III is skill in the operation and maintenance of at least four major bindery machines; coordinating production functions and providing functional supervision to employees in the bindery area.

**Broadcast Film Technician, P.G. 104**

This new class is being recommended to recognize technical duties relative to the editing of film for daily programming/television broadcasting needs as prescribed and whose requirements are beyond those met in the existing clerically-related or technical classes. This new class description more accurately reflects the nature of the work performed, level of responsibility and provides more valid class specifications.

**Broadcast Television Production Specialist, P.G. 109**

This recommended new class description has been developed to reflect the technical nature and scope of duties involved in the operation of complex electronic equipment. The Broadcast Television Production Specialist performs all the duties of the Broadcast Videotape Assistant, but is primarily responsible for overseeing and operating the character generator for various productions. The new class description recognizes the skill level requirements, amount of direction received, and personal interaction as broader than that exemplified in the Broadcast Videotape Assistant class, and when applied to the point count evaluation instrument, these areas are properly reflected in the pay grade assignment.

**Engineering Technician II, P.G. 115**

This class has been established to provide a second level necessary for coordination and functional supervision of employees involved in the preparation and review of engineering drawings. The job evaluation instrument was applied to recognize these areas and the salary determination properly reflects the job function.
Medical Audit Technician, P.G. 107

This new class is being recommended to meet the needs of the University Hospital in conformance with standards set out by accrediting committees. Employees working in this class are involved with various hospital departments and committees in the performance of retrospective patient care evaluation. The pay grade assignment of the class, as determined by the point count evaluation, appropriately reflects the content of the job.

Medical Records Clerk, P.G. 105

This class has been developed and is recommended to provide clerical assistance in the maintenance and completion of patient records involving the coding of diagnoses and procedures for the various indices and data retrieval systems. Important in the development of this class is the emphasis placed on the formal training required for the performance of these duties and is reflective of the current trends within the health care services. The job evaluation point count instrument was applied to reflect these responsibilities and, consequently, the pay grade assignment is deemed appropriate.

Nursing Unit Clerk, P.G. 103

The necessity for the establishment of the Nursing Unit Clerk class evolved from an examination of the current Clerk II class during the course of the test validation study of clerical classes. It was discovered that major differences, specifically in regards to knowledge, abilities, skills and minimum qualifications existed between positions of the Clerk II class and those positions mirroring the recommended new class and found in the University Hospitals and Clinics. The new class description more accurately describes the duties and responsibilities performed by these employees relative to dealing and interacting effectively with patients hospital personnel and the general public.

Reactor Technician, P.G. 111

The establishment of this class is recommended to more accurately reflect the technical duties and responsibilities of personnel engaged in the construction of specialized electronic experimental equipment and maintenance of nuclear reactor instrumentation systems.

11. Revisions have been made to those classes with class titles that are now obsolete due to organizational changes or revisions in class titles which connotates reference to sex or gender, as requested by the security unit.

12. The revised class descriptions reflect revisions in the characteristic duties and responsibilities to properly reflect the duties and responsibilities of these classifications. These revisions did not have an appreciable effect when the job evaluation point count was applied, and therefore no pay grade reassignments are recommended.

13. This includes those classes where revisions have been made in the class descriptions to reflect changes occurring in the job content and/or minimum qualifications, as evidenced by material, organizational, or departmental changes at the institutions.
Building Services Coordinator, P.G. 104 to Building Services Coordinator, P.G. 105

Revised class description and resulting pay grade reassignment more adequately reflect the responsibilities for the actual operations of the building facilities in the absence of the Building Manager and providing information and assistance to users of the building(s). The point count instrument was applied to reflect these changes and subsequently supports the pay grade reassignment.

Carpet and Upholstery Maintenance Worker, P.G. 105 to Carpet Maintenance Worker, P.G. 107

Revised description recognizes the nature of responsibility and supervision received in the installation and maintenance of carpet and other floor coverings. Class no longer assumes the responsibility for upholstery maintenance. However, a reexamination of the total job function within the context of these changes, a point count evaluation was made which resulted in the above pay grade reassignment.

Audio Technician, P.G. 104 to Audio/Video Technician, P.G. 105

Revised description reflects the additional responsibility of video editing into the audio sources delegated to personnel in this class. The revised class title and description more adequately reflect the technical nature and scope of this class.

Mini-Computer Terminal Operator, P.G. 104 to Computer Operator-Small Systems, P.G. 105

A review of this class and other Computer Operator class descriptions and respective point counts was made as precipitated by the level of operational needs required by the institution(s) and labor market considerations; consequently, the following observations and recommended changes surrounding the Mini-Computer Terminal Operator were made. The responsibilities assigned to the class are adequately described in the class description, but it was felt that the internal relationships affecting the responsibility relative to freedom in determining the order of work assignments was not reflected in the point count. By reapplying the point count to recognize this variable, the change resulted in a higher pay grade assignment. A change was also made in the class specifications to add qualifying equivalent educational background. Additionally, a change was made in the class title to add clarity to type of equipment utilized and in keeping with data processing language.

Computer Operator I, P.G. 105 to Computer Operator I, P.G. 107

Changes in the class description and pay grade adjustment are recommended for similar reasons cited above. Revisions in the class description primarily recognizes the level of responsibility and skill requirements in operating and controlling more defined medium to
large scale computer system equipment. The point count was reexamined to reflect this change and resulted in the higher pay grade assignment. Further support for the recommendation is realized based on its compatibility as evidenced in area market requirements and salary surveys (to include Iowa Merit). Circumstantially, a two pay grade spread in the Computer Operator class series and the relationship of the duties and responsibilities of the recommended Computer Operator-Small Systems to Computer Operator I as recommended will bring the classes into more appropriate perspective.

Telephone Operator, P.G. 102 to Telephone Operator, P.G. 103

A review of the current Telephone Operator and Chief Telephone Operator classes was conducted as a result of problem areas identified by the functional operational needs of the institutions. Of primary concern was the class description and its applicability to the jobs as being performed at the institutions.

Upon followup and a closer detailed review of the jobs, it was discovered that the class description should be updated and revised to reflect the level of operational needs, due in part to the increased responsibilities required of personnel in the class. Essentially, change has occurred in the area of personal interaction. The nature of contacts with faculty and/or staff members, patients and the general public in obtaining and providing information relative to organizational functions and areas, and responding to emergency situations is now recognized. Because of the revisions in the class description the point count instrument was reapplied to recognize this, and the recommended pay grade reassignment is considered appropriate.

Chief Telephone Operator, P.G. 107 to Chief Telephone Operator, P.G. 108

Consequent to the recommended revisions in the Telephone Operator class it appeared that there was a need to reexamine the Chief Telephone Operator class. Therefore, modifications in the class description and subsequent point count reevaluation conform with and were made relative to the broader scope of duties and responsibilities required in the supervision and coordination of telephone operators.

14. In conjunction with the examination of new and revised classes, an examination of those classes which evidenced no present incumbents were reviewed for deletion. General consensus existed among the institutions to eliminate those classes noted above because future staffing needs were not applicable.

Regent Shaw raised a question about nos. 2 and 3. He noted that the recommendation would still involve institutional differences for life insurance coverage. Mr. Volm noted that while the policies would not be identical, the proposal would make the policies more similar than they are now. Mr. Volm noted that in addition to the policy terms noted above, employees can buy up to another $10,000 insurance on their own.

Assistant Vice President Small commented regarding no. 5. She said the University of Iowa has had "personal holidays" but has not treated them like vacation days in the past. She asked if the recommendation action would require the university to treat its "personal holidays" like vacation. Mr. Volm reported that was the requirement and language in the appropriations bill, House File 634.
Regent Brownlee asked if all the changes recommended in the area of Merit Rules make certain that non-organized employees get the same benefits regarding rules of employment as organized employees. Mr. Volm responded that there are several areas, yet, in which there will be differences. One of those is the matter of standby pay. Another is the matter of vacations in that additional days are granted by contract approved by the legislature for covered employees with 20 and 25 years of service. Another matter relates to sick leave. This does not involve a change in the Merit Rule, but does involve a change in the present policy beginning July 1, 1977. The accrual rate of 30 days per year is changed to 18 and the current maximum accumulation limit of 90 days is eliminated for unorganized employees.

Regent Shaw commented that he doesn't feel there is any reason why there can't be differences between organized and non-organized employees. President Petersen agreed but noted that in concept the board is committed to equitable treatment for employees, both organized and non-organized. Assistant Vice President Small indicated that the University of Iowa intends to bring in standby proposals for affected units in July or September.

Regent Collison raised a concern about the new class of Nursing Unit Clerk. She noted that this class specifies that graduation from high school and any combination of clerical experience, health care experience and/or post high school education which totals one year or any combination of clerical experience and/or health care experience which totals two years is required. She asked if persons without health care background should be permitted to take a position such as this. Mr. Volm responded that prior to now 60 to 70 people in this class were classified as Clerk II's. In the process of conducting validation studies on the classification of Clerk II, it was discovered that we could not validate the same examination for the other clerks as for this position. That's why a separate class was recommended. Mr. Volm added that he understands that employees in this class at the University of Iowa Hospitals go through a very extensive training program for this position. Assistant Vice President Small said she feels the University Hospitals would prefer to take the approach of taking people who have clinical training and give them health care training in their own setting. Regent Collison requested a more clear definition of distinction between persons affiliated with health care and directly affiliated with patients. Mr. Volm said that will be reviewed.

MOTION: Mr. Bailey moved the board approve the 14 recommended actions outlined above with the understanding that there will be a review of the general concept of equitable treatment under the Regents' Merit Rules for both organized and non-organized employees. Mr. Barber seconded the motion and it passed unanimously.

PRELIMINARY BUDGETS. The following actions were recommended pertaining to general preliminary budget matters: (Recommendations for institutional budgets follow under the appropriate institutional headings.)

1. That the minimums and maximums of the salary ranges in compensation plans for professional and scientific employees of Iowa State University, the University of Northern Iowa, Iowa School for the Deaf, Iowa Braille and Sight Saving School and the Board Office be increased by the amount of the across-the-board increase mandated by the legislature for Regents'
professional and scientific employees - 6% for amounts below $13,200 and 5% for amounts above $13,200.

2. That the board approve changes in the salary ranges of the professional and scientific compensation plan at the State University of Iowa as proposed by the university in order to address recruitment and compensation programs; pay grades 1 through 5 be increased by 6% at the minimum and 5.5% at the maximum; minimums and maximums of grades 6 and 7 to be increased by 6%; pay grades 8 and above to be increased by 6.5% in the minimums and the maximums.

3. That the board approve the addition of the following classes to the compensation plans for professional and scientific employees of Iowa School for the Deaf and the Iowa Braille and Sight Saving School:

   a) Assistant Dean of Boys (Iowa School for the Deaf) and Dean of Primary Hall (Iowa School for the Deaf) in Grade 3 ($11,988 - $16,116).

   b) Dean of Boys (Iowa School for the Deaf) and Dean of Girls (Iowa School for the Deaf) in Grade 4 ($13,260 - $18,444).

   c) Director of Student Services (Iowa Braille and Sight Saving School) in Grade 5 ($14,184 - $20,040).

As background information, the Board Office reported that appropriations for operations during the fiscal year 1977-78 are provided in three bills. Senate File 214 provides $178,551,300 for salaries, support, maintenance, equipment, and miscellaneous purposes but not for increases in salaries and benefits. House File 634 provides $15,683,946 for increases in salaries and benefits. A third bill, Senate File 301, provides $1.3 million, or so much thereof that is necessary, to replace losses of federal funds for the colleges of dentistry, medicine, veterinary medicine, pharmacy and nursing to be allocated by the Board of Regents. Mr. Caldwell, Budget Director of the Board Office, reported that the appropriation's percentage increase amounted to 8.75% including only activities in the 1976-77 budget base but 9.5% as shown in the Board Office memorandum, with appropriations of $1.3 million for 1977-78 for federal funds losses included.

The Board Office stated that $900,000 for family practice, $200,000 for livestock disease fund for Iowa State University, $500,000 for coal research for Iowa State University, $108,659 for Mental Health Authority and repeal of the mental health research standing appropriation of $75,000 per year effective July 1, 1978 are included in restricted program operations and were not included in the preliminary budgets for general program operations submitted by the institutions.

Appropriations provided by Senate File 214 are based on an increase in institutional income of $1,250,000 for the University of Iowa and $100,000 for Iowa State University to be derived from reimbursed overhead reserve accounts established to protect against risk of the federal government disallowing a portion of overhead costs or possibly direct costs. The University of Iowa has funds in reserve to cover the income increase but Iowa State University does not.

House File 634 provides the $15,683,946 increase in salaries and benefits in three sections of the bill. The Board Office reported that the increases in salaries and wages were calculated on the basis of the starting base set forth in the Regents' budget request after deducting the portion of the University Hospital and Psychiatric Hospital budgets supported by private patients. The Regents' starting base is the budget for 1976-77 which provides for merit step increases at various times during the fiscal year. Consequently,
the budget will not support salaries in effect as of June 30, 1977. The additional funds needed to support the June 30 salary level have been added as "annualization costs" to obtain an annualized salary base. The annualization costs also include annualizing the employer contribution to social security (FICA) a salary base increased from $15,300 to $16,500 effective January 1, 1977, and the employer contribution to IPERS increase from 4.75% to 5.25% on a salary base up to $20,000 effective July 1, 1977.

The annualized salary base has been determined for the three employee groups which are unorganized (faculty and institutional officials, professional and scientific staff, general service staff), United Faculty, security employees and blue collar employees. Salary increases were calculated as required by the appropriations bill for faculty and institutional officials, professional and scientific and general service staff. Salary increases for United Faculty, security employees and blue collar employees are to be in accordance with the provisions of the agreement with those respective bargaining units. The salary increases for United Faculty include 3% of the employee's salary plus a dollar amount for each faculty member in the bargaining unit determined by distributing equally among the members of the bargaining unit 3% of the salary base plus 0.4% of the salary base which is to be allocated by the board on the basis of merit. The security employees are to be provided with a 3% increase in salary plus $336 plus merit step increases for 1977-78 and 3% plus $356 plus merit step increases for 1978-79. Blue collar employees are to be provided with 32¢ per hour plus merit step increases for each of the years 1977-78 and 1978-79.

The Board Office also reported that House File 634 provides increased employer's contribution to health insurance in the amount of $5.18 per month for Iowa School for the Deaf and Iowa Braille and Sight Saving School, $12.80 per month for Iowa State University and the University of Northern Iowa, and $16.80 for the University of Iowa. Additional funds are provided for anticipated premium increases of $5.13 for Iowa School for the Deaf and the Iowa Braille and Sight Saving School and $5.00 for Iowa State University for General Service Staff. The blue collar agreement provides for payment of the entire cost of individual coverage by the state which is covered by the above increases at present premium rates.

Calculations of the increases for salaries and benefits in House File 634 include the cost of employer's contribution for an increase in basic life insurance coverage from $5,500 to $10,000 for all employees at Iowa School for the Deaf and Iowa Braille and Sight Saving School.

Costs are included for blue collar employees for one additional holiday per year, an increase in shift differential of 5¢ per hour, overtime at time and a half over 40 hours per week, standby pay at 10% of normal hourly rate for each hour in standby status, call-back pay guaranteed at three hours minimum or actual hours work, whichever is greater.

Improved benefits adopted by the state and/or the Board of Regents are to be absorbed in agency budgets for other than blue collar employees.

The Board Office commented that the overall increase in salaries and benefits of 8.4% amounts to 8.0% for unorganized, United Faculty and security employees as a group and 11.8% for blue collar employees. Increases in salaries only (both merit and pay adjustments) amount to 7% overall and 6.8% for unorganized, United Faculty, security employees and 8.3% for blue collar employees. Improved benefits and annualization costs make up the difference.
The Board Office reported that student fee income throughout the appropriations process has been based on maintaining 1976-77 enrollment but includes increased income due to change in student tuition rates. Enrollments and estimated student fee income for 1976-77 and 1977-78 for each of the universities was set out as follows:

<table>
<thead>
<tr>
<th>University of Iowa</th>
<th>Iowa State University</th>
<th>University of N. Iowa</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Enrollment (Fall)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1976-77</td>
<td>22,393</td>
<td>21,831</td>
<td>9,699</td>
</tr>
<tr>
<td>1977-78</td>
<td>22,393</td>
<td>22,380</td>
<td>10,400</td>
</tr>
<tr>
<td><strong>Increase</strong></td>
<td>--</td>
<td>549</td>
<td>701</td>
</tr>
<tr>
<td><strong>Student Fee Income</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1976-77</td>
<td>$17,000,000</td>
<td>$17,685,000</td>
<td>$5,473,000</td>
</tr>
<tr>
<td>1977-78 @ 1976-77 Enrollment</td>
<td>18,686,000</td>
<td>19,590,000</td>
<td>5,975,000</td>
</tr>
<tr>
<td><strong>Enrollment Increase</strong></td>
<td>--</td>
<td>349,300</td>
<td>372,200</td>
</tr>
<tr>
<td><strong>Total - 1977-78 Student Fee Income</strong></td>
<td>$18,686,000</td>
<td>$19,939,300</td>
<td>$6,347,200</td>
</tr>
</tbody>
</table>

Federal funds losses of $2,770,000 were included in the Regents' budget request starting base. Actual losses amounted to $2,835,352 which were replaced by state funds to the extent of $2,720,000. Funding was included in the budget base used for developing the Governor's recommendation and the appropriations as passed by the General Assembly in the amount of $2,000,000 which means that the institutions have to reduce budgets accordingly. The Board Office added that Senate File 301 provides a contingency in the amount of $1,300,000 for replacement of federal funds losses which occur in 1977-78.

The Board Office reported that budgets for various expenditure categories were based on appropriations bill calculations, internal reallocations, and adjustment for changes in institutional income. Two programs deserve special attention: student aid and fuel and purchased electricity. The Board Office stated that student aid budgets should be increased in proportion to increases in general expense. A table was presented the board indicating what the student aid budgets for the three universities for 1977-78 should be. Mr. Caldwell reported that Vice President Jennings just pointed out to him that the University of Iowa's increase in general expense would not amount to the 8.7% recommended because of the university's having to reduce its general expense budget to reallocate funds to cover unfunded 1976-77 federal funds losses. Therefore, the University of Iowa's student aid increase would be $34,000 less than the $238,620 included in the Governor's recommendation for general expense.

The Board Office reported that fuel and purchased electricity is important to insure accurate "pass-through" accounting and reporting. The "pass-through" budget set forth in Senate File 214 amounts to $13,009,000 but additional funds must be budgeted for opening new buildings. These additional funds must be budgeted equitably and treated properly in the fuel and purchased electricity reports. Reduction of budgets for fuel and purchased electricity by the amount of the budget reduction for opening new buildings in the Governor's recommendation would be an equitable treatment.
Regent Shaw asked about the matter of student aid in relation to the tuition increase. President Boyd reported that the University of Iowa has had to do some reallocation in order to protect funds that were not restricted. Vice President Jennings said the reallocation will give the university an increase of approximately $480,000 in student aid.

Vice President Moore responded to Regent Shaw's concern by saying Iowa State University applies additional student aid for undergraduate and graduate assistance which will total the amount appropriated. He said, however, he's not sure the increase in enrollment that's anticipated will be accommodated with appropriate amounts of student aid.

President Kamerick reported the tuition increase will grant the University of Northern Iowa an additional $230,000 for student aid which will cover the enrollment increase. He noted that while he's not sure that will be enough money, it will be more than the university has had in the past.

Regent Collison expressed concern for the "middle ground" students who are from middle class families whose needs are not being met by student aid. She said there needs to be more attention given on campuses to the availability of student aid. President Parks agreed with Regent Collison.

Mr. Volm commented that the proposed revisions of salary ranges in the compensation plans for the professional and scientific employees of all the institutions and the Board Office (excepting the University of Iowa) are identical to the salary increases mandated by the legislature. Ranges for professional employees under the State Merit System will be similarly increased. The recommended changes proposed by the University of Iowa to assist in resolving certain recruiting and employee relations problems vary only slightly from the 6% and 5% increases in the ranges recommended for the other institutions. The maximum proposed by the University of Iowa for its pay grades 1 through 5 varies by 0.5%; the maximums proposed for grades 6 and 7, by 1%; and from 0.5% to 1.5% in minimums and maximums proposed for its grades 8 through 18. Some of the proposed differences in the ranges are less than what they would be under the 6% and 5% increases applied to the ranges for professional and scientific employees at the other institutions; some are greater. However, no University of Iowa employees would be red-circled as a result of the recommended changes; no employees would be paid below the minimum of their ranges, and none would get less than the mandated increase. Mr. Volm said the recommended changes would not significantly affect the existing salary relationships between employees at the University of Iowa and employees at the other Regents' institutions.

Mr. Volm reported that as a result of board action in June of 1976 some positions have been studied this year to determine whether they should remain under the faculty salary schedule or be moved to the professional plan. He said it has been determined after careful review that the following classes at the Iowa School for the Deaf and Iowa Braille and Sight Saving School should be appropriately moved to the professional pay plan: Dean of Primary Hall, Dean of Girls, Assistant Dean of Boys, Dean of Boys, and Director of Student Services. The proposed pay grade assignments for these positions represent the evaluation and ranking agreed upon by the institutions' administrations and Board Office staff, reflect differences in duties and responsibilities shown in position descriptions, and are reasonably in accord with the pay grades for comparable positions in the State Merit System.
Mr. Volm said it has been determined that the Chief Engineer position at the Iowa School for the Deaf should be moved from the professional plan to the Board of Regents Merit System Plan. This was based on an analysis conducted by the Board Office Merit System staff with the concurrence of the Iowa School for the Deaf administration. There will be no loss of benefits to the incumbent in this position.

MOTION: Mr. Barber moved the board approve the three recommended actions as requested above. Mrs. Collison seconded the motion and it passed unanimously.

President Petersen then turned board members' attention to the individual institutional preliminary budget requests.

State University of Iowa

The board was requested to approve the institutional preliminary budgets as proposed with revisions incorporated to annualize merit step increases for 1976-77:

<table>
<thead>
<tr>
<th>Institution</th>
<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>General University</td>
<td>$94,351,093</td>
</tr>
<tr>
<td>University Hospitals</td>
<td>63,438,594</td>
</tr>
<tr>
<td>Psychiatric Hospital</td>
<td>4,840,011</td>
</tr>
<tr>
<td>State Hygienic Laboratory</td>
<td>1,812,750</td>
</tr>
<tr>
<td>Hospital School</td>
<td>2,695,325</td>
</tr>
<tr>
<td>Oakdale Campus</td>
<td>1,656,545</td>
</tr>
</tbody>
</table>

The board was also requested to approve a 9% rate increase for University and Psychiatric Hospitals.

The Board Office presented the board with the following information:

General University

The proposed preliminary budget of $94,356,800 is 7.6% above the adjusted 1976-77 budget after incorporating federal funds losses in 1976-77 and the tuition income reduction. This increase is supported by a 13.4% increase in institutional income and 5.7% increase in appropriations, excluding any amount which may be derived from the contingency fund for losses in federal funds in 1977-78.

The increase in institutional income amounts to $1,686,000 from increase in tuition rate and $1,250,000 in reimbursed overhead which had been held in reserve in case billings to the federal government were disallowed. The institution assumes no increase in enrollment for 1977-78 over 1976-77.

The institution has had to accommodate a reduction of $588,000 in 1976-77 due to loss of tuition income which it has been able to accomplish without a reduction in staff because previous budget increases had not been allocated to departments on a permanent basis due to expectation of possible future enrollment declines.
The institution has reallocated $605,000 to accommodate the reduction in state funding of losses of federal funds in the 1977-78 base relative to 1976-77. This reduction has been accomplished by internal reallocation of funds in the amounts of $163,000 from general expense, $72,000 from equipment, $13,000 from library books, $77,000 from RR&A and $280,000 from collegiate reallocation.

University Hospitals and Clinics
The preliminary budget proposed by the institution amounts to $63,443,200 which is a 10% increase over the adjusted 1976-77 budget. This proposed budget would be supported by an increase in institutional income of 9.8% to $46,289,400, and an appropriations increase of 10.5% to $17,153,800. The proposed funding would support indigent patients at a ratio of 27% of total patient services whereas, as budgeted in July 1976, the ratio was 28.1%. The proposed budget would allow county quota allocations to remain at their current level, which was made effective July 1, 1973, and which has been satisfactory to all county welfare offices within the state, according to the institution.

The budget increase and the moderate change in ratio of support for indigent patients is based on a proposed rate increase of 9%, effective July 1, 1977, for the University and Psychiatric Hospitals paying patients. Including the proposed rate change, comparison with other university hospitals (including Chicago, Cleveland, Minnesota, Rochester, Michigan, Indiana and Wisconsin) shows University of Iowa Hospitals and Clinics average per diem charges to continue to be lowest. Also, general services charges are lowest of any of these hospitals.

Psychiatric Hospital
The institutional preliminary budget proposal of $4,840,500 represents an 8.4% increase over 1976-77. The proposed budget would be supported by an increase in institutional income of 9.7% and an increase in appropriations of 8%. Appropriations support 74.3% of the proposed budget as compared with 74.6% last year.

State Hygienic Laboratory
The proposed preliminary budget of $1,812,500 represents a 12.5% increase over the adjusted 1976-77 budget. The adjusted 1976-77 budget was decreased by $55,000 to $420,000 because some income from sales and services did not occur and the general expenses to produce that income was not incurred. The proposed budget is to be supported by institutional income of $475,000 which is identical with that proposed for 1976-77. Even though the institutional income was less than anticipated last year, it is expected that the Safe Drinking Water Act, which became effective on June 24, 1977, will produce additional revenue from required chemical analysis of municipal water supplies. The institutional income of $475,000 represents an increase of 13.1% over that actually realized for 1976-77. The appropriations have been increased by 12.3% for 1977-78.

The preliminary budget shows $54,200 of changes, due to reclassification of personnel from faculty and institutional officials to professional and scientific staff.
Hospital School

The proposed institutional preliminary budget of $2,695,200 represents an increase of 8.9% over the 1976-77 budget. The 1977-78 proposed budget increase is funded from the following sources: 0.2% from Senate File 214, 8.45% from House File 634, and 0.2% from institutional income.

The program change in the 1977-78 budget reflects a net adjustment for salaries from the General Service area to the Professional & Scientific classification. This adjustment of $10,500 reflects the net personnel change between the General Service Staff and Professional & Scientific classification.

The change to the institutional proposed preliminary budget stems from the revised pro-rated annualization cost. Accordingly, the Hospital School budget should be increased by $125 to reflect the change.

Oakdale Campus

The proposed institutional preliminary budget of $1,655,700 represents an increase of 7.96% over the 1976-77 budget. The funding increases supporting the 1977-78 budget are as follows: 3.55% from Senate File 214, 7.15% from House File 634 and a reduction in institutional income of 2.7%.

The program change component of the 1977-78 preliminary budget indicates a special need amount of $43,000 to upgrade the transportation system for personnel and materials between Oakdale Campus and the main university campus.

The position reclassification of "Foreman" from the Merit System to the Professional & Scientific category shows up as an offsetting adjustment which has no impact on the total budget.

A further program change is reflected in the reduction of institutional income by $42,000. This is due to the reduced overhead resulting from discontinuation of the federally funded programs - the Iowa Regional Medical Program and the Neurobiology Research Program.

The change to the institutional proposed preliminary budget stems from the revised pro-rated annualization cost. Accordingly, the Oakdale Campus budget should be increased by $845 and reflect this change.
Mr. Richey recommended the rate increase for University Hospitals and Clinics and the Psychiatric Hospital be approved in view of the inflationary costs of personnel and other expenses and the performance of the hospital in keeping rates below that experienced elsewhere.

MOTION:

Mrs. Collison moved the board approve the institutional preliminary budgets as proposed with revisions incorporated to annualize merit step increases for 1976-77:

- General University: $94,351,093
- University Hospitals: 63,438,594
- Psychiatric Hospital: 4,840,011
- State Hygienic Laboratory: 1,812,750
- Hospital School: 2,695,325
- Oakdale Campus: 1,656,545

Mrs. Collison also moved the board approve a 9% rate increase for University and Psychiatric Hospitals. Mr. Brownlee seconded the motion and it passed unanimously.

Mr. Caldwell reported that one year ago the board asked that a review of the rates for water analysis at the State Hygienic Laboratory be reviewed. He commented that the Board Office has been working with the University of Iowa in that regard. He said the university has instituted a more detailed cost reporting system during the past year and that consideration of rate changes should be deferred until more cost history is available from the new system.

Regent Baldridge noted that the county quota allocations for the University Hospitals are going to remain at the present levels and that only five counties were in "excess status" for state appropriations for indigent patient care this year. He expressed pleasure that the state support of 27% of the budget at the University Hospitals will provide satisfactory service to the indigent patients in Iowa.

Iowa State University

The board was requested to approve the following recommendations:

1. That funds provided by Senate File 301 not be used to restore the budget base for losses in 1976-77 which are unfunded in 1977-78.

2. That the preliminary budgets proposed by the institution, as revised to incorporate annualization of 1976-77 merit steps, be approved in the following amounts:

   - General University: $79,581,916
   - Experiment Station: 8,934,972
   - Cooperative Extension Service: 10,047,819
The Board Office presented the board with the following information:

**General University**

The proposed budget of $79,870,200 for the General University general program operations amounts to an increase of 10.9% over the adjusted budget for 1976-77. The budget increase is based on the appropriations increases plus increases in institutional income of $2,353,000. The increase in institutional income consists of $1,905,000 due to tuition rate increases, and $349,300 due to increased enrollment of 549 students. Other items of income are expected to increase some $99,000. The increase in total institutional income amounts to 11.8% over that budgeted in 1976-77.

Preliminary analysis by the institution indicates that mandatory salary increases enacted in the appropriations bill can be met by the funding provided, including an average base salary increase of 6.4% for faculty and institutional officials, which would be made on a discretionary basis. Funding would allow for the use of $49,300 to grant promotional increases for academic faculty members in accord with recent practice of $300, $400, and $500 to Assistant Professors, Associate Professors and full Professors, respectively. The institution anticipates providing salary increases for officials, administrators and more highly-paid faculty members at a rate of increase which will average somewhat below that for lower paid staff.

The institution indicates that it will pay the full cost of health insurance for either of two plans which averages $18.80 per staff member, but will not increase its current contribution to health insurance for graduate assistants on appointment. The institution will increase the number of holidays from 10 to 11, and in 1978-79 will allow one of its fixed holidays to be taken at the discretion of the employee with administrative approval, so that there will be two such days.

The fuel and purchased electricity budget proposal includes a reduction of $94,287 from the original request of $405,250 for opening new buildings. This is the total amount of the reduction in appropriations from the Regents' request.

The institution proposes to utilize $163,580 appropriated by Senate File 301 for federal funds losses in 1976-77, which are unfunded in the base for 1977-78. Mr. Richey stated that funds appropriated by Senate File 301 may be used only for additional losses which occur in 1977-78 and not to restore the base to the 1976-77 level. He stated that if it is of highest priority to maintain veterinary medicine capitation programs at the 1976-77 level, it would be necessary to reduce other programs.

The institution reports program adjustments of $120,300 in faculty positions which have occurred during the current year. The institution
proposes to budget $345,000 as a general university instructional budget for temporary teaching funds administered by the Vice President for Academic Affairs. The purpose of this budget is to provide flexibility to meet changes in enrollment needs.

The institution submitted proposed 1977-78 salary ranges for professional and scientific positions. The proposed pay plan is developed by applying 6% increases to figures below $13,200 and 5% increases to figures above $13,200 in the current matrix.

Institutional information was provided for student fee income calculations, special needs allocations by salary positions, general expense and equipment, federal fund loss programs, and reconciliation of the 1976-77 starting base to the final budget approved by the Board of Regents at its July 1976 meeting.

In addition, the university has listed special programs for which appropriations have been provided, which will be in the restricted program operations rather than general program operations.

Agriculture and Home Economics Experiment Station
The institution proposes a preliminary budget of $8,932,900, which would be 11.8% above the budget for 1976-77. The increase is supported by increase of 10.2% in the appropriations and 17% in institutional income. The institutional income increase is based principally on authorization by the Agriculture Experiment Station of $325,000 of additional funds over that budgeted for 1976-77.

It is proposed to use the additional $325,000 of federal funds plus $10,000 from appropriations to expand programs supported by budgets of $75,000 for personnel, $161,000 for general expense, $100,000 for equipment, and $10,000 for RR&A. The program expansion includes projects in conservation, tillage, soybean breeding, germ plasma vulnerabiliy, the genetics of nitrogen fixation and cell culture, food and nutrition of the aging, corn breeding, soil survey, and muscle biology. It is anticipated during the coming year that projects will be launched to include a family farm program survey, improvement of beef cattle through breeding methods, and further muscle biology equipment expenditure.

Expenditures for salary and other budget categories are in conformance with the mandate and intent of the appropriations bill.

Cooperative Extension Service in Agriculture and Home Economics
The institution proposes a preliminary budget of $10,047,200 which is an increase of 8.3% over the 1976-77 budget and is supported by an increase of 5% in institutional income and 10.6% in appropriations. The institutional income is derived solely from Smith-Lever federal funding which is anticipated to be $3,923,000 for 1977-78.
Mr. Richey reported that the proposed preliminary budget for the Cooperative Extension Service was consistent with the appropriations bill and allows for salary increases as mandated therein. There may be a problem with funding the health insurance premiums for extension personnel, but it was proposed to make adjustments in the final budget to accommodate the cost of premiums.

Vice President Moore commented with respect to the difference between the Board Office's interpretation and the university's interpretation of Senate File 301. He reported that the university took the approach that in 1976-77 federal funds losses allowable amounted to over $500,000 but only $335,000 was funded. That left certain federal losses of this past year unfunded. The university, then, used part of the $293,000 of its share of the $1.3 million to restore its budget base by $163,000, the amount of capitation loss. Vice President Moore requested the board consider the university's interpretation of the bill as the appropriate one due to the severe financial pressures. He noted that if the university were to absorb this money by budget reductions, internal reallocation would be necessary which is what the university has been doing. He reported that increasing enrollments cause this to be harder and harder to do.

In response to Vice President Moore, Mr. Caldwell said he has discussed Senate File 301 with Mr. Richey and that it would allow those losses that occur in 1977-78 but not losses in 1976-77 which are unfunded in the base for 1977-78. He added that the legislature did not enact any appropriation for carrying the base at the level of $2.7 million into 1977-78. He said that legislative action supports the Board Office's interpretation in its recommendation before the board.

Vice President Jennings commented that the University of Iowa does not make up its budget the same way that Iowa State University does. He said the University of Iowa is planning on having $1.3 million available for federal funds losses. He added that in determining a loss you take the losses since the base year and subtract out the amount the state has appropriated to get a net of federal funds losses for the year under consideration. The state has appropriated $750,000 less than actually lost through this fiscal year. The University of Iowa's loss totals for 1977-78 will go up by $619,000. The actual 1977-78 losses will be $750,000 higher according to the method losses which have been calculated for this year. Vice President Jennings said the university has $1 million unallocated in its budget at this stage but he hoped that the million dollars could be used to recover all the losses in the health colleges. Vice President Jennings added that the university needs to appraise the $1.3 million for both years of the biennium or even a larger loss could be experienced.

President Petersen asked if it would not be best to have the University of Iowa and Iowa State University compute losses in the same way, particularly since the institutions have an outside relationship that must be maintained in regard to appropriated funds. Vice President Jennings said the University of Iowa would be glad to amend the institutional base to include that $1 million although the university might have to amend it again, depending on the actual losses. Vice President Moore said the $1.3 million should be studied further.

Mr. Caldwell noted the difference in the intent of the Senate File 301 legislation, but said he's conferred with Mr. Richey who feels that the State Comptroller must be consulted if those funds are used for anything other than federal funds losses which are incurred in 1977-78.
Vice President Jennings said he assumes that $1 million is available to the State University of Iowa although not yet allocated. He said the $1 million may be greater than the actual report of 1977-78 losses but will not be greater than the total federal funds losses for both 1976-77 (unfunded) and 1977-78. Mr. McMurray and President Petersen indicated the Board Office will give the university support and priority on this matter of concern.

Regent Zumbach asked about budgeting in view of increased enrollments. He asked if the quality faculty necessary are being hired in spite of the tight budget restraints. Vice President Christensen said that in many of the fields with enrollment problems, faculty are hired on a temporary basis. The institution also tries to hire persons who are willing to come on a professorship or persons who have passed the age of 65 and are willing to work in a temporary consulting position.

Vice President Moore said he feels that if enrollments are collected as projected at Iowa State, about $354,000 would be identified in fees due to enrollment increase. That figure is almost identical to the $345,000 requested for temporary teaching funds in the general university instructional budget. He noted that it has been found that the cost of the teacher in front of the classroom is 40-45% of the total cost of education. In some ways, this $345,000 might come close to "putting the teacher in front of the class." That amount would leave unfunded other course expenses.

MOTION:

Mr. Baldridge moved the board: 1) not use funds provided by Senate File 301 to restore the budget base for losses in 1976-77 which are unfunded in 1977-78 and 2) approve the preliminary budgets proposed by the institution, as revised to incorporate the annualization of 1976-77 merit steps, as follows:

<table>
<thead>
<tr>
<th>Institution</th>
<th>Amount</th>
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<tr>
<td>General University</td>
<td>$79,581,916</td>
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<tr>
<td>Experiment Station</td>
<td>$8,934,972</td>
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<tr>
<td>Cooperative Extension Service</td>
<td>$10,047,819</td>
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Mr. Slife seconded the motion and it passed unanimously.

University of Northern Iowa

The board was requested to approve the proposed preliminary budget as revised of $30,329,400 for general program operations.

The Board Office reported that the institutional proposed preliminary budget of $30,320,000 for 1977-78 for general program operations represents an 11.9% increase over the budget for 1976-77. The funding for the proposed budget increases consists of 3.9% from Senate File 214, 6.4% from House File 634, and 1.6% in institutional income.

The institutional and preliminary budget indicated that only $734,600 has been included in program change. The appropriation increase for special needs of $552,000 and a special addition of $75,000 and the anticipated increase in tuition income of $372,200 represent $999,200 available for program change. Of the amount identified for program change, only the special needs funding of $552,000 has been specifically identified in the institutional analyses.
The Board Office noted that the change to the institutional proposed preliminary budget arises from the revised prorated annualization cost on the basis of merit increases for general service staff employees. As a consequence of the revision, the Board Office recommended the university's preliminary budget be increased by $9,500 to reflect the revised annualization cost distribution.

The Board Office was presented the following information from the institution:

**Income**
Student tuition income is based on fall headcount enrollment of 10,400. Original fall headcount was projected to be 10,143; however, admission data has demonstrated that the original estimates would be exceeded as of June 15. University admissions reports show an increase of 20% over this time last year in new students direct from high school and a 13.6% increase in applications. A fall headcount of 10,400 this fall will mean an increase of 7.2% over the fall of 1976. Steps are being taken to assure sufficient class sections for students yet to enroll.

Income from other sources expects to be $560,000 for 1977-78. The diversity and number of sources of this income cause it to be somewhat volatile and difficult to estimate, but the projection for 1977-78 was considered reasonable by personnel in the university's business office.

**Wages and Salaries**
The institution reported that wages and salaries increases will be distributed in accordance with legislation, collective bargaining contracts, and Regents' Merit System revisions. Faculty salary increase funds are generally identified as 6.4% of the salaries provided in 1976-77.

Professional and scientific employee salaries will be altered in accordance with the appropriations bill requiring a 6% increase for individuals below $13,200 per year salary and 5% for individuals at or above this salary level. In addition to the required 5% and 6%, professional/scientific personnel will receive 2% increase distributed on the basis of merit. Adjustments will also be made to reflect the results of appeals resolved during 1976-77 following the implementation of the professional/scientific system.

Salaries and wages for the blue collar unit, the security unit, and Regents Merit System will be distributed on the basis of contracts and the Merit System as approved by the board.

**Fuel and Purchased Electricity**
The fuel and purchased electricity 1976-77 budget will receive a $3,000 increase for inflationary purposes along with a $99,000 increase for the opening of the new Speech/Art Building in the fall of 1977. With intense energy conservation, the above increases will fall short of the university needs for 1977-78 due primarily to a recent electrical rate increase by the Cedar Falls utilities. This rate increase will approximate 9% and generate an additional $65,000 needed by the university to maintain the existing facilities.
Mr. Caldwell commented about the legislative 1977-78 budget based on appropriations bill calculations by saying $552,000 was listed in the special needs column. To that amount $75,000 was added as the special appropriations addition. Mr. Caldwell said about $999,200 should be categorized as program changes including $372,200 from increase in student fee income.

President Kamerick stated that plans for the $75,000 would be brought back to the board. Concern was expressed by President Petersen regarding plans for expenditure of the $372,200 from student fee income. Vice Presidents Martin and Stansbury indicated that enrollment increases are causing severe problems and that use of the funds for additional faculty and other purposes will be reported to the board later.

MOTION: Mr. Slife moved that the proposed preliminary budget as revised of $30,329,400 for general program operations be approved. Mr. Baldridge seconded the motion and it passed unanimously.

Iowa School for the Deaf

The board was requested to approve the proposed preliminary budget as revised of $3,195,280 for general program operations.

The Board Office reported that the proposal amounts to $3,204,200 which represents an increase of 14.0% over the 1976-77 budget. The proposed preliminary budget is funded by increases in appropriations of 2.4% by Senate File 214, 8.5% by House File 634 and 3.1% in institutional income.

The proposed preliminary budget includes an increase in institutional income of $85,000 which is composed of a substantial increase in federal funds of $80,600 due principally to inclusion of the institution under the federal lunch program. Also, other income is to increase by $10,800 from the return on institutional investments.

The Board Office commented that the preliminary budget will require adjustment to the revised level due to an overstatement of appropriations by $9,000. This was due to an overstatement of appropriations of $4,000 and a reduction in the prorated annualization for salary adjustment of $5,000.

MOTION: Mr. Baldridge moved that the proposed preliminary budget as revised of $3,195,280 for general program operations be approved. Mr. Barber seconded the motion.

Superintendent Giangreco said the institution's only concern with the budget as proposed involves the matter of faculty increases. He said the institution is working in conjunction with the Board Office to find adequate funds for faculty increases.

VOTE ON MOTION: The motion passed unanimously.
The board was requested to approve the proposed preliminary budget as revised to $1,723,051 for general program operations. The Board Office reported that the institutional preliminary budget proposal amounts to $1,725,660 which is an increase of 13.7% over the 1976-77 budget. The proposed preliminary budget is supported by an increase in budget support by appropriations in the amount of 2.2% by Senate File 214, 9.6% by House File 634, and 1.8% by increased institutional income.

Although no additions were shown for program expansion, there will be some expansion in the federal milk-lunch program and the Happy Time Child Care Center. The milk-lunch program will be funded by approximately $8,000 more due to continuation of added service for breakfasts and two more days of meals which has been in effect for four months this year. The Happy Time Child Care Center program expansion may realize additional income of about $4,600.

The salary increase for general service staff employees may be overstated somewhat because fringe benefits have been included therein for all three categories of employees. Moreover, the funds for unemployment insurance has been excluded in the adjusted 1976-77 budget but reinstated in 1977-78 additions to reflect its continuation in the budget base.

The Board Office cautioned the institution to continue to exercise care that the increased federal funds be used for nonrecurring items. Since the money was not expected, it is doubtful that a state pickup of any loss of these funds should be expected or requested.

MOTION: Mr. Bailey moved the board approve the proposed preliminary budget as revised to $1,723,051 for general program operations. Mr. Zumbach seconded the motion.

President Petersen noted that the Title I and deaf-blind programs will be reviewed later.

VOTE ON MOTION: The motion passed unanimously.

Continuing Education

Mr. Caldwell commented about the status of the $100,000 for continuing education. President Petersen asked if the Committee on Educational Coordination has reviewed this matter. Vice President Martin said it would be good to have Mr. Richey's advice on this matter.

MOTION: Mr. Baldridge moved the board approve the budget for the expenditure of the $100,000 appropriation for continuing education subject to review by the executive secretary. Mr. Slife seconded the motion.

The breakdown was noted by President Petersen as being as follows:
GENERAL
June 30 - July 1, 1977

$43,000 -- Establishment of a Regents Center in a Central Location
   (Fiscal responsibility - Iowa State University)

$28,000 -- Course Delivery and Development for Western Iowa
   ($10,000 for course delivery and $18,000 for course development
   and fiscal responsibility would be Iowa State University's)

$30,000 -- Interinstitutional Program Development for Students Learning
   at a Distance (Bachelor of Liberal Studies Program, etc.)
   (Fiscal responsibility - State University of Iowa)

Vice President Christensen commented that he has been chairman of the
Committee on Educational Coordination for the past year and on two different
occasions he appeared before legislative committees to answer questions about
the $100,000 for continuing education. He said he feels legislative intent
is to use the $100,000 for western Iowa.

VOTE ON MOTION: The motion passed unanimously.

BOARD OFFICE PRELIMINARY BUDGET FOR 1976-77. The Board Office requested the
board approve its preliminary budget in the amount of $464,304.

The Board Office reported that non-salary items are as recommended by the
Governor. The salary policy recommended is consistent with the appropriations
act which applies to employees on the state central payroll, which
includes 6% cost-of-living increases for those employees earning
under $13,200, 5% for those earning over $13,200, increased health benefits
equal a single policy premium, Blue Cross and Blue Shield increased life
insurance benefits to $10,000 per employee, and increased IPERS benefits
from 4.75% to 5.25%.

It was reported that staffing in the Board Office was recommended to remain
the same except to charge to Employment Relations one-half of a Secretary III's
salary actually assigned that function, plus the annualization of salary and
expenses for the full year.

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<td>$113,970</td>
<td>$53,463</td>
<td>$11,845</td>
<td>$464,304</td>
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</table>

State Appropriations $267,300
Salary Adj. funds 15,255
IPERS funds 854
Health Insurance funds 1,178
Institutional Income $113,970
Fisc. reimbursement 439
TOTAL $285,026 $113,970 $53,463 $11,845 $464,304
MOTION: Mr. Bailey moved the board approve the Board Office's preliminary budget for 1977-78 in the amount of $464,304. Mrs. Collison seconded the motion and it passed unanimously.

AWARD OF CONTRACT. The board was requested to concur in an award of contract made by the Department of Transportation on an institutional road project at the Iowa Braille and Sight Saving School. The contract award was made to: Allied Construction Company, Inc., Charles City, Iowa, with a total bid of $77,270.62.

The Board Office reported that the Department of Transportation took bids on June 21 for an institutional road project at the Iowa Braille and Sight Saving School. This project was originally in the 1976 construction program of the Board of Regents, but was not able to be undertaken last year. At the suggestion of the Department of Transportation, it was added to the 1977 construction program at an estimated cost of $30,000.00.

A single bid was received, but the bid was under the most recent engineer's estimate of the Department of Transportation, which attached a project cost to this of $85,000.00. The Department of Transportation awarded this contract on June 28 and with board approval it was expected that the contractor would be able to begin work shortly after the first of July.

Business Manager Berry reported that this project is a much needed and long overdue improvement at the school. The plans and specifications include: safety of pedestrian traffic, installation of sidewalks, wider street for increased parking, reduction of grading at entrance and exit to meet city street grade and alteration of design to regulate internal flow of traffic.

MOTION: Mr. Baldridge moved the board concur in the award of contract made by the Department of Transportation on an institutional road project at Iowa Braille and Sight Saving School to Allied Construction Company, Inc., Charles City, Iowa, with a total bid of $77,270.62. Mr. Bailey seconded the motion and it passed unanimously.

Regent Bailey asked where the funds come from and Mr. McMurray said they come from the board's share of the Institutional Road Fund.

AWARD OF CONTRACT FOR IOWA SCHOOL FOR THE DEAF PROJECTS. The board was requested to: 1) approve revised project budgets for three Iowa School for the Deaf projects and 2) award a construction contract to accomplish the projects as outlined below to Lueder Construction Company, Omaha, Nebraska, at a base bid of $217,370.00.

The Board Office reported that combined bids on three projects at Iowa School for the Deaf were received on June 27, 1977. The projects are:

- Girls' Locker Room Addition and Remodeling
- Fire Safety Revisions -- Phase I
- Roofing Restoration and Plaster Work at Girls' Dormitory and Primary Hall
Unit costs were requested on each of these projects as part of the combined bid submitted by the contractors so that project funding could be properly determined. The total budget for construction without use of contingency funding for the three projects was $214,080. The low bid slightly exceeds this amount, but funding is available to enable the combined contract to be awarded. In addition, project budgets can now be firmly established for each of the three projects. Three bids were received.

**Girls' Locker Room Addition and Renovations**

The board in April of 1977 approved a $75,000 project which was intended to construct 900 gross square feet of new space and remodel 690 square feet of existing space for the girls' locker room.

The board was requested to approve a revised project budget totaling $91,595.00. The board was reminded that the State Comptroller approved a transfer of $30,000 from unemployment compensation funds to RR&A to fund the remodeling portion of this project. It was understood at that time that care must be taken to ensure that none of the RR&A funds would be used for any purpose that could be construed as new construction. That care has been accomplished through requesting unit prices for the various portions of the work. The major increase in the budget is due to an underestimation of the new construction portion of the project. The architects assumed that the new construction cost would be $36.56 per square foot, but the low bid actually came in at a cost per gross square foot of $54.66. The explanation given by the architect was that there are certain fixed costs involved with project start up which caused the original estimate of square footage cost to be exceeded. The original estimate given by the architect was on the basis of a normal-sized project for the type of space being constructed.

Source of funds follows:

- Land Sale Proceeds: $21,250
- Reimbursement from Department of Transportation: 16,891
- 1976-77 Operating Equipment Funds: 3,381
- Transfer out of Fire Safety Requirements - Phase I - Project Budget: 17,829
- 1976-77 RR&A Funds: 32,244
- **$91,595**

**Fire Safety Improvements**

In February, the board allocated $155,000 to the school to begin implementation of recommendations made by the State Fire Marshal last fall. The board has also allocated $95,000 to the school of 1977 capital appropriations for the purpose of completing all recommendations made by the State Fire Marshal.

Upon further analysis of the State Fire Marshal's recommendations and after further consultation with him, the Board Office didn't believe that all of the funds would be needed for this purpose. Therefore, the Board Office recommended a transfer of $27,829 of those funds be made to the Girls' Locker Room project.

Source of funds follows:

- 1976 Capital Allocation: **$137,171**
Roofing Restoration and Plaster Work -- Girls' Dormitory and Primary Hall

The board, in May of 1976, approved a project to correct roof drainage problems and repair of damage caused by water on the interior and exterior of the Girls' Dormitory. Total project budget was established at $39,520. Since that time, the school added to the project some similar work on Primary Hall.

Source of funds follows:

| 1976-77 RR&A | $43,025 |

MOTION:

Mr. Bailey moved the board: 1) approve the revised project budgets for three Iowa School for the Deaf projects as shown above; and 2) award a construction contract to accomplish the projects as outlined above to Lueder Construction Company, Omaha, Nebraska, at a base proposal of $217,370.00. Mr. Zumbach seconded the motion and it passed unanimously.

UNI-DOME SEATING. The board was requested to: 1) authorize the University of Northern Iowa to enter into a loan agreement for $76,000 for purchase of 4,335 seats at a cost per seat of $17.53, and 2) authorize the University of Northern Iowa to place a purchase order with Lawrence Aluminum Company, Sterling, Illinois, to furnish and install the seats.

The Board Office noted that currently the UNI-Dome has seating for 12,057 persons. The university projects that current demand for student season tickets will exceed seats available for the university students during the upcoming football game. Therefore, the university recommended that the seating for the UNI-Dome be completed through the purchase of 4,335 additional seats, making the total capacity 16,492. A purchase order would be placed with the same firm which has installed all the seats to date to ensure standardization of the seating in the building.

Source of funds for the new seats would be a loan of $76,000 from a local bank with the loan to be paid back from deposits into the fieldhouse surplus funds, when available, under the conditions established by bonding requirements. A five-year loan would be involved. The university provided the board with detailed information relative to the availability of funds to pay back the loan from surplus funds in the fieldhouse revenue bond issue and has contacted Mr. Paul Speer, bond counsel, as well as local counsel, who concurred that the procedure is within the legal requirements of the bond issue involved and that such note would be junior and subordinate to outstanding fieldhouse revenue bonds.

The Board Office reported that action needed to be taken on this matter at this meeting so that the seating could be installed in sufficient time this fall to meet student demand for seats.

Vice President Stansbury reported that the university has taken bids on this loan and the low bid was 4.25% from the Cedar Falls Trust and Savings Bank. Six banks were solicited for bids and four responses were made.
GENERAL
June 30 - July 1, 1977

MOTION:
Mr. Barber moved the board: 1) authorize the University of Northern Iowa to enter into a loan agreement for $76,000 for purchase of 4,335 seats at a cost per seat of $17.53; and 2) authorize the University of Northern Iowa to place a purchase order with Lawrence Aluminum Company, Sterling, Illinois, to furnish and install the seats. Mrs. Collison seconded the motion and it passed unanimously.

UNI-DOME ROOF. The board noted that the UNI-Dome roof collapsed a few days ago and Vice President Stansbury reported that he just received word that it has now been repaired, temporarily, with a vinyl panel. A permanent panel will replace the temporary one in four to six weeks.

President Petersen asked if the roof collapsed due to mechanical failure and Vice President Stansbury responded in the affirmative. Insurance will cover the repairs, which will not be significant in cost.

INTERAGENCY AGREEMENT - WOODWARD STATE HOSPITAL-SCHOOL. The board was requested to approve an interagency agreement between the University of Northern Iowa and the Woodward State Hospital-School.

The Board Office stated that this agreement provides for a student-teaching type arrangement for university students at the Woodward State Hospital-School. This summer clinical experience is under the direction of University of Northern Iowa faculty and will provide an excellent opportunity for students to work closely with university faculty and Woodward staff.

MOTION:
Mrs. Collison moved the board approve the interagency agreement between the University of Northern Iowa and the Woodward State Hospital-School. Mr. Bailey seconded the motion and it passed unanimously.

President Petersen asked board members and institutional executives if there were additional matters to be discussed pertaining to general or institutional items.

UNIVERSITY OF NORTHERN IOWA LEGAL SERVICES. The University of Northern Iowa recommended the board request the Attorney General to recommend the Executive Council designate Mr. Wallace B. Reed of the firm of Reed, Merner, Sabbath and Strever, Cedar Falls, Iowa, to provide legal services for the University of Northern Iowa effective July 1, 1977.

The university reported that this firm has provided it with excellent legal services in the past and recommended such services continue, particularly in view of pending legislation, through the designation of Mr. Reed as the person charged with the responsibility of providing legal services. The university indicated that it would continue paying for these services as it has in the past.
MOTION: Mr. Slife moved the board request the Attorney General to recommend the Executive Council designate Mr. Wallace B. Reed of the firm of Reed, Merner, Sabbath and Strever, Cedar Falls, Iowa, to provide legal services for the University of Northern Iowa effective July 1, 1977. Mr. Zumbach seconded the motion and it passed unanimously.

Regent Slife asked if the Attorney General has been contacted on this matter and President Kamerick said he has agreed to this arrangement.

SALARIES OF INSTITUTIONAL EXECUTIVES. Regent Baldridge reported that it is the duty of the Board of Regents each year to set the salaries of its executives. To begin the discussion, he recommended a 5% increase across the board for the three presidents and the Iowa School for the Deaf superintendent be approved by the board. He noted that the superintendent of the Iowa Braille and Sight Saving School’s salary was already established earlier in today’s meeting and would not be included in the board’s decision now on salaries.

The Board Office reported that it had furnished board members with comparisons of salaries around the country of institutional executives. The board was also informed of the legislative enactment of 6.4% increases for faculty salaries.

Regent Shaw said he felt a 5% increase across the board was a fair recommendation due to the fact that the four incumbents have been in office for a minimum of seven years and have demonstrated good performance and increasing skills.

President Petersen said that the board considers the presidents and superintendents of its institutions to be the very top administrators of very fine institutions and they should receive a fair increase.

Regent Zumbach said he felt it was important to note that the board's institutional executives' salaries in comparison to institutions it typically compares itself with are less than the board might like.

MOTION: Mr. Baldridge moved the board approve a 5% across-the-board increase for the superintendent of the Iowa School for the Deaf and the three university presidents. Mr. Shaw seconded the motion and it passed unanimously.

ADJOURNMENT. The meeting of the State Board of Regents adjourned on Thursday, July 1, 1977 at 11:00 a.m.

R. Wayne Richey, Executive Secretary