

The State Board of Regents met at the Oakdale Hospital Building on the campus of the State University of Iowa, Iowa City, Iowa, on Tuesday and Wednesday, June 6-7, 1978. Those present were:

	<u>June 6-7</u>
Members of State Board of Regents:	
Mrs. Petersen, President	All Sessions
Mr. Bailey	All Sessions
Mr. Barber	All Sessions
Mrs. Belin	All Sessions
Mr. Brownlee	All Sessions
Mr. Harris	All Sessions
Mr. Shaw	All Sessions
Mr. Slife	All Sessions
Mr. Wenstrand	All Sessions

Office of State Board of Regents:	
Executive Secretary Richey	All Sessions
Director Barak	All Sessions
Director McMurray	All Sessions
Ms. Bacon	All Sessions
Miss Van Ryswyk, Secretary	All Sessions

State University of Iowa	
President Boyd	All Sessions
Vice President Brodbeck	All Sessions
Vice President Jennings	All Sessions
Business Manager Mossman	Morning Only

Seminar speakers in order of presentation were:

Dean Howard R. Jones	College of Education
Dean Howard Laster	College of Liberal Arts
Dean B. L. Barnes	College of Business Administration
Dean N. William Hines	College of Law
Dean Robert G. Hering	College of Engineering
Professor James. B. Lindberg	College of Liberal Arts
Dean Evelyn R. Barritt	College of Nursing
Dean Dale E. Wurster	College of Pharmacy
Dean James H. McLeran	College of Dentistry
Dean John W. Eckstein	College of Medicine
Dean Rudolph W. Schulz	Graduate Education & Research
Vice President William J. Farrell	Graduate Education & Research
Dean Robert Ray	Continuing Education
Director John W. Colloton	University Hospitals and Clinics
Director William J. Hausler	State Hygienic Laboratory
Associate Professor H. Verdain Barnes	Internal Medicine
Director Alfred Healy	University Hospital School

STATE UNIVERSITY OF IOWA

The following business pertaining to the State University of Iowa was transacted on June 6-7, 1978.

LONG-RANGE ACADEMIC PLANNING SEMINAR. The board convened at 1:00 p.m. on June 6, 1978, for the purpose of holding a seminar on long-range academic planning for the State University of Iowa.

ADJOURNMENT. The seminar adjourned at approximately 4:30 p.m. on June 7, 1978.

Minutes pertaining to this seminar are on file in the Board Office.

The State Board of Regents convened in regular session during the long-range planning seminar for the purpose of selling hospital revenue bonds on June 7, 1978, as shown below.

SALE OF \$12,000,000 HOSPITAL REVENUE BONDS, SERIES 1978, FOR UNIVERSITY HOSPITALS--ROY J. CARVER PAVILION--PHASE B. President Petersen called the meeting to order at 11:00 a.m., Central Daylight Savings Time in the Oakdale Conference Room, Oakdale Hospital Building, State University of Iowa, Iowa City, Iowa. The roll being called, there were present Mary Louise Petersen, president, in the chair, and the following named board members: Bailey, Barber, Belin, Brownlee, Harris, Shaw, Slife, Wenstrand.

President Petersen said this meeting was for the purpose of receiving separate sealed bids on the purchase of \$12,000,000 Hospital Revenue Bonds, Series 1978, of said board. This being the time and place fixed by published notice, the board took up for consideration the matter of bids for the purchase of \$12,000,000 Hospital Revenue Bonds, Series 1978, of said board.

President Petersen requested the filing of all sealed bids. Paul D. Speer, Bond Consultant, responded that three sealed bids had been filed. President Petersen then made a second, and then a third and final call for sealed bids. She then announced the closing of receipt of sealed bids.

President Petersen directed the executive secretary to open the sealed bids and directed Mr. Speer to read the bids. The bids follow:

<u>Bidders</u>	<u>Net Interest Rate</u>
John Nuveen & Co., Inc., Chicago, and Merrill Lynch White Weld Capital Markets Group, New York, Joint Managers and Associates	6.0179%
Bache Halsey Stuart Shields, Inc., New York, and Kidder, Peabody & Co., Inc., New York, Joint Managers and Associates	6.212%
Salomon Brothers, New York, and Donaldson, Lufkin & Jenrette Securities Corp., New York, Jointly	6.3964%

President Petersen then directed Mr. Speer and Mr. McMurray to calculate the bids and to determine the best bid. Mr. Speer, after consideration, recommended the board accept the bid of John Nuveen & Co., Inc., Chicago, and Merrill Lynch White Weld Capital Markets Group, New York, Joint Managers and Associates at a interest rate of 6.0179%.

MOTION:

This being the time and place fixed by published notice, the board took up for consideration the matter of bids for the purchase of \$12,000,000 Hospital Revenue Bonds, Series 1978, of said board. After all sealed bids had been opened, the results thereof were incorporated in a resolution entitled "Resolution providing

for the sale and award of \$12,000,000 Hospital Revenue Bonds, Series 1978, and approving and authorizing the agreement of such sale and award," which was introduced and caused to be read. Member Bailey moved that said resolution be adopted, seconded by Member Shaw, and the roll being called the following voted:

Aye: Bailey, Barber, Belin, Brownlee,
Harris, Shaw, Slife, Wenstrand,
Petersen.

Nay: None.

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

MOTION:

The board took up for consideration the matter of authorizing and issuing \$12,000,000 Hospital Revenue Bonds, Series 1978. Whereupon Member Brownlee introduced and caused to be read a resolution entitled "A Resolution amending a resolution entitled 'A Resolution authorizing and providing for the issuance and securing the payment of \$12,000,000 Hospital Revenue Bonds, Series 1978, for the purpose of defraying the cost of constructing an addition to the general hospital on the campus of the State University of Iowa,'" and moved that said resolution be adopted. Member Slife seconded the motion and after due consideration by the board the president put the question on the motion and upon the roll being called the following voted:

Aye: Bailey, Barber, Belin, Brownlee, Harris,
Shaw, Slife, Wenstrand, Petersen.

Nay: None.

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

MOTION:

Mr. Bailey moved that all certified checks submitted by bidders except for that of John Nuveen & Co., Inc., and Merrill Lynch White Weld Capital Markets Group, Joint Managers and Associates be returned. Mr. Wenstrand seconded the motion and it passed unanimously.

MOTION:

Mr. Bailey moved that the firm of Peat, Marwick, Mitchell & Co. be employed as bond auditor. Mr. Wenstrand seconded the motion and it passed unanimously.

The regular session of the Board of Regents adjourned following the action shown above, and the meeting continued with presentations by the collegiate deans relating to long-range planning.

The State Board of Regents met at Lakeside Laboratory, Milford, Iowa, on Thursday, June 15, and Friday, June 16, 1978. Those present were:

	<u>June 15</u>	<u>June 16</u>
Members of State Board of Regents:		
Mrs. Petersen, President	All Sessions	All Sessions
Mr. Bailey	All Sessions	All Sessions
Mr. Barber	All Sessions	All Sessions
Mrs. Belin	All Sessions	All Sessions
Mr. Brownlee	All Sessions	All Sessions
Mr. Harris	All Sessions	All Sessions
Mr. Shaw	All Sessions	All Sessions
Mr. Slife	All Sessions	All Sessions
Mr. Wenstrand	All Sessions	All Sessions
Office of State Board of Regents:		
Executive Secretary Richey	All Sessions	All Sessions
Director Caldwell	Exc. 2:00 p.m.	
Director McMurray	All Sessions	All Sessions
Associate Director De Nio	Exc. 2:00 p.m.	
Miss Van Ryswyk, Secretary	All Sessions	All Sessions
State University of Iowa:		
President Boyd	Exc. 2:00 p.m.	
Vice President Brodbeck	Exc. 2:00 p.m.	
Vice President Jennings	All Sessions	All Sessions
Assistant to President Mahon	All Sessions	
Assistant Vice President Small	Exc. 2:00 p.m.	
Director Hawkins	All Sessions	All Sessions
Director Tobin	All Sessions	
Iowa State University:		
President Parks	All Sessions	Exc. 9:30 a.m.
Vice President Christensen	All Sessions	Exc. 9:30 a.m.
Vice President Hamilton	All Sessions	Exc. 9:30 a.m.
Vice President Moore	All Sessions	Exc. 9:30 a.m.
Assistant Vice President Madden	All Sessions	Exc. 9:30 a.m.
University of Northern Iowa:		
President Kamerick	Absent	Absent
Provost Martin	All Sessions	Exc. 9:40 a.m.
Vice President Stansbury	All Sessions	Exc. 9:40 a.m.
Vice President Voldseth	All Sessions	Exc. 9:40 a.m.
Director Kelly	All Sessions	Exc. 9:40 a.m.
Iowa School for the Deaf:		
Superintendent Giangreco	All Sessions	Exc. 9:35 a.m.
Business Manager Kuehnhold	All Sessions	Exc. 9:35 a.m.
Iowa Braille and Sight Saving School:		
Superintendent DeMott	Absent	Absent
Business Manager Berry	All Sessions	Exc. 9:45 a.m.

GENERAL

The following business pertaining to general or miscellaneous items was transacted on Thursday, June 15, 1978.

APPROVAL OF MINUTES OF MAY 18, 1978 MEETING. Approval of the May 18th Board of Regents minutes was deferred until the July board meeting.

COMMITTEE ON EDUCATIONAL COORDINATION. A. University of Northern Iowa New Programs. The Board Office reported that action on this item would be postponed until the July board meeting when a response from the Interinstitutional Committee on Educational Coordination would be available.

B. Iowa State University New Majors. The Board Office recommended the board approve the new majors in Consumer Sciences and Family Services in the Department of Family Environment that have been recommended by the Interinstitutional Committee on Educational Coordination.

The Board Office reported that the Department of Family Environment was proposing that the present options in Consumer Sciences and Family Services that may be taken toward a bachelor of science degree be made into two majors instead of options. Majors in Consumer Sciences may concentrate in one of three areas: Management and Consumer Behavior, Housing, or Household Equipment. Graduates of this major are prepared for employment with federal, state or local governmental agencies; business, industry or labor; and profit and nonprofit organizations. Majors in Family Services develop interpersonal skills that will enable them to help families function more effectively and improve their environment. Students completing this program find employment as youth workers, physical and psychiatric program directors, social workers, day care facilitators, and extension specialists. The change from option to major would open up professionally-related opportunities to students that are now closed to them and would better complement the existing programs. The university stated that no incremental costs directly attributable to the change from option to major are anticipated.

Regent Bailey asked for a definition of "options." Vice President Christensen reported that in any curriculum there are a number of choices where there may be program emphasis but where a major is not provided. A "major" indicates more of a concentration and better training from the standpoint of what the course designates. Vice President Christensen added that there are a series of options within a given curriculum. He noted that an "option" does not have any academic significance to the student whereas a major does. Regent Bailey asked if an "option" would be considered to be less than a minor. Vice President Christensen said that an option is not similar to a major or minor.

MOTION:

Mr. Bailey moved the board approve the new majors proposed by Iowa State University in Consumer Sciences and Family Services in the Department of Family Environment. Mr. Slife seconded the motion.

Regent Bailey asked that Vice President Christensen provide him with more information on the job possibilities for graduates of Majors in Consumer Sciences. Vice President Christensen indicated that he would see to it that Regent Bailey was provided with additional information regarding the federal, state and local government positions which would be available for such graduates.

VOTE ON MOTION: The motion passed unanimously.

REPORT ON MEETING OF IOWA COORDINATING COUNCIL FOR POST-HIGH SCHOOL EDUCATION. The board was presented a brief report on the June 1 actions of the Iowa Coordinating Council for Post-High School Education. Highlights of that report follow:

1) Estimated Coordinating Council Budget for 1978-1979

The Coordinating Council voted to have the ingoing and outgoing officers meet to develop a budget which will sustain the council through the course of the entire 1978-1979 year.

2) Report on Reciprocity

A full report by the Committee on Reciprocity will be provided to members of the council during the summer.

Regent Bailey said he understood that the Coordinating Council agreed to accept the Committee on Reciprocity's recommendations until September when a discussion of the full report can take place. He asked, however, a question with respect to the Reciprocity Committee's recommendation that public and private institutions in Iowa continue to negotiate program reciprocity agreements with other institutions and states. He said he wondered what the board's position should be with reference to the word "public" in the recommendation above. Vice President Christensen stated that public institutions continue to serve other states' needs in certain credit programs that are not duplicated. Vice President Christensen said the recommendation simply puts in words what the state is already doing with respect to selling seats in veterinary medicine, for example, to other states.

President Petersen also responded to Regent Bailey's concerns by saying the committee's recommendation insinuated that "blanket reciprocity" between states could be detrimental to the private institutions and possibly to the public institutions. She said a study was encouraged on student exchanges in public and private institutions as an alternative to "blanket reciprocity" where the net effect of the institutions' state budgets is unknown. Regent Bailey said he was bothered by President Petersen's use of the word "encouraged." He asked if she meant encouraged as opposed to "should." If that was her intention, he said he did not have apprehension. Her intention was understood to be "encourage."

3) Position on Veterans Administration Problem

The Coordinating Council was apprised of a situation concerning the veterans regulations requirement that Iowa colleges and universities report to the Veterans Administration for each undergraduate veteran the number of classroom hours spent each week in each course where that number is less than the units of credit awarded by the institution for the course. The purpose of this requirement is to permit the Veterans

Administration to reassess the amount of credit which it will apply toward the measure of full-time enrollment in calculating veterans benefits.

The Coordinating Council felt that such a policy was not in the best interest of veterans, since good and sufficient educational grounds and policies exist for a variation between the number of class contact hours and the number of credit hours. The council voted to approve a letter to the members of Iowa's Congressional delegation expressing concern over this requirement. President Boyd also emphasized particular concern over this position.

4) Report on Data Gathering

Mrs. Willis Ann Wolff of the Higher Education Facilities Commission gave a brief presentation on the first draft of this year's data report.

5) Educational Information Centers Report

The Coordinating Council approved the proposed program for the Educational Information Centers.

6) Appointment of New Officers

Mrs. Willis Ann Wolff was appointed new chairman of the council and Jolly Ann Davidson was appointed as the new vice chairman.

7) Reports on New Programs

The Coordinating Council received reports on new programs at the University of Northern Iowa and the Department of Public Instruction.

8) Western Iowa Report

The Task Force on Upper Division and Graduate Level Education in Western Iowa made several recommendations which were accepted along with its report by the council.

President Boyd indicated that he has concerns over the Western Iowa consortium relationship with the voluntary consortia of postsecondary educational institutions (five regional clusters). He said that efforts should be made to avoid duplication in those areas. He suggested that the Western Iowa Task Force be "spliced" into the regional cluster so there are not two separate operations in that area.

In response to President Boyd, Vice President Christensen stated that the task force, in its recommendation to the Coordinating Council, considered the cluster aspect but felt that the cluster in its present stage involved relatively few institutions and it was felt that all of the institutions should be involved in the decision-making process. President Boyd agreed and said the cluster in Western Iowa is open to anyone who wishes to function in it. Vice President Christensen said that to his knowledge, however, contacts between the two operations have not occurred as of now. President Boyd said the Regents' institutions have not yet been drawn into the cluster arrangement and that problem does need to be resolved. Regent Bailey added that not only Regents' institutions need to become involved in the cluster arrangement, but state-wide agencies need to become involved.

President Petersen expressed appreciation for the board to Vice President Christensen for assuming a leadership role in the Western Iowa project. She noted that a great deal of effort was put into this project. President Boyd concurred with President Petersen by adding that due to Vice President Christensen's leadership, a lot of accomplishments have been made.

President Petersen also thanked Mr. Barak for his work with the Coordinating Council. She particularly expressed appreciation for his work on the ad hoc committee on reciprocity. She said he has been the mainstay of that committee in pulling together the fragmented work of participants and seeing that it came to closure. President Boyd noted that Mr. Barak also writes the council's newsletter.

ANNUAL REPORT ON TENURE AT REGENTS' UNIVERSITIES. The board was presented an annual report on tenure from each Regents' university. President Petersen noted that the board would discuss the general tenure situation at all three Regents' institutions first and then would discuss each individual institution's tenure report. Acceptance of each report was recommended.

The Board Office noted that the board has had particular concern about the tenure issue for the last several years, as has been the case nationally. In its final report, the Keast Commission spoke to the issue of numbers of tenured faculty as well as to the sources of concern about these numbers. The Keast Commission reported that an institution should probably not allow more than one-half to two-thirds of its faculty to be on tenure appointments. It noted that with a larger proportion of tenured faculty, the appointment and retention of younger faculty would be curtailed. Opportunities would also be diminished for the recruitment and promotion of increased numbers of women and members of minority groups.

It was reported that the majority of higher education's total faculty is in the under 40 age category and once tenured will be on the campus for many years to come. The Board Office indicated that a further complicating factor may lie in the results of a recent study which gave evidence that faculty at research universities are more likely to hold on to their appointments after the age of 65 than faculty at two or four-year colleges.

The Board Office stated that from the data provided, it was determined that the University of Iowa has 65.8% of its tenure-track faculty on tenure, while 45.7% of its total faculty have tenure. At Iowa State University, the comparable percentages are 73.98% of the tenure-track faculty and 65.4% of the total faculty; at the University of Northern Iowa, the percentages are 73% and 55%, respectively. The Board Office noted that the percentage of total faculty with tenure at the University of Iowa is significantly lower than at the other two institutions. The reason appears to revolve around the number of nontenure-track personnel employed by the health sciences schools. Of the 671 nontenure-track faculty employed at the University of Iowa, 390 or 58% are employed by the health sciences schools. Yet, these schools employ only 34% of the tenure-track faculty. If one considered the faculty composition of these health sciences schools to be significantly different from that of the other academic units of the university, removing these schools from the comparative data would show that 55.2% of the rest of the university's total faculty are tenured. This figure more nearly compares to those percentages at the other universities under the board.

Two points were made with regard to the above percentages: 1) while the percentage of tenure-track faculty holding tenure is quite high at all three universities, when nontenure-track faculty are included, the percentages are lowered by a significant amount; and 2) institution-wide tenure percentages are difficult to relate meaningfully to the issue of flexibility.

The Board Office reported that statistics themselves do not give a complete picture of the faculty staffing situations at the three universities. The following factors also attribute to the tenure situation: age of the faculty, the turnover rate, efforts at faculty development, the possibilities of early retirement plans, the quality of the faculty, and efforts by the universities to fill what vacancies do occur with part-time or adjunct faculty.

The Board Office indicated that while the board does have concern about the tenuring-in of faculty in the Regents' universities and in the departments in particular, it noted that factors of departmental quality and stability are of value in making tenure decisions, as is the potential growth of some curricular areas.

Regent Bailey asked Vice President Brodbeck for further clarification of the reason that the total faculty with tenure at the University of Iowa is significantly lower than at the other two institutions. Vice President Brodbeck responded that the difference lies in the number of nontenure-track faculty in the College of Medicine compared to the other faculty. Regent Bailey asked which personnel are not on tenure. Vice President Brodbeck reported that faculty "associates" are not on tenure. She noted that the associates are on limited-time appointments. She explained that there are more associates in the School of Medicine than in most other colleges of the university.

State University of Iowa

The University of Iowa reported that the procedures by which the approved tenure policies of the university were applied during the current year have not changed from those described in detail in the 1976-77 report. The university reported that tenure is based on systematic evaluation and documentation of the faculty member's teaching effectiveness, scholarship and professional contributions.

President Petersen noted that the University of Iowa's report included information on the methods that are being used to maintain vitality at the institution. She added that the report also included a report on peer evaluation recommendations that have been approved by the faculty.

Regent Belin commended the State University of Iowa for development of the peer evaluation and for its use of instruments to obtain student opinions about teaching. Vice President Brodbeck reported that the peer evaluation conducted at the institution is not universally used within the institution but it is very important for the improvement of instruction.

MOTION:

Mrs. Belin moved the board accept the Report on Operation of Tenure Policies: 1977-1978 for the University of Iowa. Mr. Barber seconded the motion and it passed unanimously.

Iowa State University

The university noted that its tenure policies were revised by its general faculty and approved by the board during the 1973-1974 academic year. Vice President Christensen noted that peer review and involvement of students is part of each tenure recommendation.

Vice President Christensen indicated that Iowa State University is not experiencing a great deal of tenured faculty turnover and therefore is screening new faculty more thoroughly. He added that Iowa State University is constantly being revitalized, too, through "visiting" faculty. It was noted that the departments of engineering and architecture rely more heavily on visiting professors, for example, than other departments at Iowa State University.

President Boyd noted that it is very important for the board to support the institutions with providing "visiting money" so that professors from other institutions can provide new insight in its classes while temporarily filling a vacancy, etc.

President Parks noted that tenure is an important method of retaining faculty at an institution. He expressed fear with the attitude some graduate students now have in obtaining employment for one year one place and one year at another. He said that attitude affects the tenure pool at a given institution.

President Petersen commented that it is not fair to hire women and minorities in "visiting" positions only at a given institution. She said that from observing Iowa State University's tenure report, she saw that significant progress has not been made in the affirmative action area at the university. She noted that while progress has been made, the numbers aspect did not show any great increases in the percentage of women and minority persons hired.

Regent Barber expressed his feeling that in many ways the tenure system is not very satisfactory. He noted, however, that it is easy not to like it until you explore the alternatives. He therefore noted that there are no alternatives better to the tenure system now known. He said that the tenure system is constantly being improved through availability of visiting professors and the hiring of new faculty.

MOTION: Mr. Barber moved the board accept the Report on Operation of Tenure Policies, 1977-1978 academic year for Iowa State University. Mr. Wenstrand seconded the motion.

President Parks noted that, in essence, the tenure system is a rough system. The tenure system in the entire university community is the only place in our economy that says "up or out." He added that even when tenure is achieved, your job security is not better than the security in other segments of the economy. While the security used to be present, it is not the case anymore for tenured faculty. President Parks stressed that attainment of tenure status is much more difficult than it has been in the past. President Parks noted that in practice, "tenure" sounds like security but that practical facts indicate that is not true.

Vice President Martin reported that the collective bargaining agreement formalizes a system which was previously in existence with respect to tenure at the university. He also noted that the university has a Professional Assessment Committee in each department which assesses all senior faculty. In addition, student assessment of all faculty is provided. He noted that tenured faculty are assessed every five years at the University of Northern Iowa.

Vice President Martin said the University of Northern Iowa is cautious with regard to the appointment of tenure-track persons. He noted that in some areas where the market is very tight, the person temporarily hired by the university may not desire to be on the tenure track. He added that he anticipates the University of Northern Iowa's tenure track to decline.

MOTION: Mrs. Belin moved the board accept the Annual Tenure Report of the University of Northern Iowa for 1977-1978. Mr. Harris seconded the motion and it passed unanimously.

HIGHER EDUCATION FACILITIES COMMISSION. Regent Bailey presented an oral report to the board on the last Higher Education Facilities Commission meeting.

Regent Bailey said that the Governor has not yet signed the bill changing the name of the Higher Education Facilities Commission to the College Aid Commission.

Regent Bailey commented that the Higher Education Facilities Commission discussed the National Guard Benefit Program. He commented that a change in the Administrative Rules is being contemplated with respect to this program.

Regent Bailey reported that each of the five "cluster" regions received an initial grant of \$9,000. Additionally, some more funds were available and four of the five regions indicated they would like to have some additional funds. One region indicated that it didn't need additional funds so allocation of \$900 to each of the four requesting regions was made.

Regent Bailey commented that discussion with respect to hiring a director for the Student Loan Program took place. He said someone will need to set up that program. Regent Bailey commented, however, that the salary available for that position is quite limited and that matter, too, is being considered. Regent Bailey noted that several members of the commission expressed a need to have a legal counsel in connection with the Student Loan Program. An initial step was taken to contact the Attorney General's Office and it was determined that this concern should be handled there.

FINAL BUDGETS FOR 1978-1979. The Board Office reported that a final budget summary statement was provided by each institutional organizational unit. The Board Office noted that the total budgets were identical except for minor changes due to rounding for all organizational units with those approved by the Board of Regents at its May meeting. It was noted that

institutional income amounts were identical with those in the preliminary budgets.

The Board Office indicated that salary increases are being provided in accordance with bargaining unit agreements and the statutory provisions of the appropriations bill. There are no internal adjustments in fuel and purchased electricity, equipment, library books or RR&A for any of the organizational units from the amount set forth in the preliminary budgets. Some adjustments were proposed, however, in the salary and general expense categories as a result of a detailed institutional analysis.

President Petersen reported that one of the items for action in regard to the final budgets of the institutions had to do with the setting of the presidents' salaries. She noted that over recent weeks the board (in executive session under "personnel" evaluation and review and/or "strategy in regard to collective bargaining") had an opportunity to evaluate and review the performance of its institutional presidents. She commended the respective presidents for the outstanding work they have shown in contributing the educational leadership they provide both in and out of the state. She said that performance should be compensated for by increasing the present salary level of those institutional heads. She noted that the board has not had an opportunity to evaluate and review the performance of its institutional superintendents but said that such review will occur in a routine fashion in the near future.

State University of Iowa

The Board Office recommended the line budgets for 1978-1979 be approved as requested by the university, including the following budgets:

General University	\$103,384,000
University Hospitals	71,199,000
Psychiatric Hospital	5,394,000
State Hygienic Laboratory	1,946,000
Hospital School	2,937,000
Oakdale Campus	1,771,000

The Board Office reported that the appropriations bills were acted upon sufficiently early in the legislature that the university was able to conduct comprehensive budget analysis prior to preliminary budget, so additional adjustments have not been necessary for any of the expenditure categories.

MOTION: Mr. Harris moved the board approve the line budgets for 1978-1979 as requested by the State University of Iowa, including the budgets as specified above. Mrs. Belin seconded the motion.

AMENDMENT TO MOTION: Mr. Slife moved the board set the salary of the university president at \$59,210, which is a 6.4% increase over the current year's salary. Mrs. Belin seconded the motion.

VOTE ON AMENDMENT: The motion passed unanimously.

VOTE ON MOTION AS AMENDED: The motion passed with all members voting aye.

Iowa State University

The Board Office recommended the line budget for 1978-1979 be approved, as requested by the institution, including \$86,752,502 for the general university, \$9,836,811 for the Agriculture and Home Economics Experiment Station, and \$10,806,091 for the Cooperative Extension Service in Agriculture and Home Economics.

The Board Office indicated that although the total proposed final budgets for 1978-1979 remained unchanged from the preliminary budgets approved by the board at its May meeting, a number of internal adjustments were proposed by the institution. Iowa State University provided the board comprehensive information on the budget material.

MOTION: Mr. Bailey moved the board approve the line budget for 1978-1979 for Iowa State University as requested, including \$86,752,502 for the general university, \$9,836,811 for the Agriculture and Home Economics Experiment Station, and \$10,806,091 for the Cooperative Extension Service in Agriculture and Home Economics. Mrs. Belin seconded the motion.

AMENDMENT TO MOTION: Mr. Slife moved the board set the salary of the university president at \$59,210, which is a 6.4% increase over the current year's salary. Mr. Bailey seconded the motion.

VOTE ON AMENDMENT: The motion passed unanimously.

VOTE ON MOTION AS AMENDED: The motion passed unanimously.

University of Northern Iowa

The Board Office recommended the board approve the 1978-1979 line item budget including the general university final budget of \$32,788,000 as submitted by the university.

The Board Office indicated that the general university final budget of \$32,788,000 is identical with that submitted as the preliminary budget in May. The only internal adjustments to the preliminary budget amounted to a \$65,000 increase in professional and scientific staff salaries, due to reclassification of employees from faculty and institutional officials' salaries in the amount of \$38,000 and general service staff salaries in the amount of \$27,000.

MOTION: Mr. Slife moved the board approve the 1978-1979 line item budget including the general university final budget of \$32,788,000 and a 6.4% increase in the salary of the university president over the current year's salary to \$55,300. Mr. Harris seconded the motion and it passed unanimously.

Iowa School for the Deaf

The Board Office recommended the board approve the general program operations final budget of \$3,434,440 as requested by the Iowa School for the Deaf for 1978-1979.

The Board Office indicated that the general program operations final budget of \$3,434,440 for 1978-1979 was \$440 above the level in the preliminary budget approved by the board. Adjustments made in arriving at the final budget involved transfer of funds between employee salary categories and transfer from equipment to library books. The final budget submitted by the institution indicated an additional \$440 in expenditures applied to general service staff salaries. The increased expenditure is supported by using the whole dollar amount of appropriation for merit salary increases and FICA costs.

Mr. Richey reminded members of the board that the Title I budget for the Iowa School for the Deaf will be coming to the board in July. He noted that the Title I budget is an inseparable part of the school's budgeting process. He added that the school was able to support from general funds almost all the costs of programs this year which were formerly supported through Title I funds. He reported that Title I money for the next year will be used for improving programs at the school. Mr. Richey stated that the Regents' evaluation report of the school would comment further on those funds.

MOTION:

Mr. Slife moved the board approve the general program operations final budget of \$3,434,440 as requested by the Iowa School for the Deaf for 1978-1979 including a \$2,000 increase over current year salary to \$32,975 for the superintendent of the school. Mr. Bailey seconded the motion and it passed unanimously.

Iowa Braille and Sight Saving School

The Board Office recommended the board approve the general program operations final budget of \$1,842,000 as requested by the Iowa Braille and Sight Saving School for 1978-1979.

It was noted that the general program operations final budget of \$1,842,000 for 1978-1979 was at the same expenditure level as the preliminary budget approved by the board. The only adjustment made in the final budget involved transfer of funds between employee salary categories.

MOTION:

Mr. Slife moved the board approve the general program operations final budget of \$1,842,000 for Iowa Braille and Sight Saving School for 1978-1979 including a \$2,000 increase over current year salary to \$27,000 for the superintendent of Iowa Braille and Sight Saving School. Mr. Bailey seconded the motion.

about the proposal that board member expense be reduced from the initial proposal of \$30,590 to \$26,000. The \$26,000 figure was based on the anticipated expenditure level in 1977-1978 of no more than \$22,300. Expenditures for board member expense in 1976-1977 were \$29,589. The Board Office indicated that when the effects of inflation were considered, the board reduced its cost by about \$8,000 to \$9,000 in the current year by shortening the length of board meetings.

Regent Bailey said that while he had no quarrel with the recommendation to reduce the amount of money available for board member expense to \$26,000, he said the difference between the current proposal and the former one (\$30,000) was very minimal in comparison to the entire Board Office budget. He said he did not want a "false economy" to sacrifice adequate management of the board's institutions. He emphasized that he assumed the intent to economize was not at all related to less than "top notch" management. President Petersen noted that Regent Bailey's assumption was accurate in that the board's efficiency would become greater if meetings could be held in one day.

Regent Belin asked what assistance could be obtained if the board established a final budget figure of \$26,000 for board members' expenses if it were later indicated that funds were needed. Mr. Richey responded that he was sure that the State Comptroller's Office would be sympathetic, although he was confident the board could adjust to that figure.

Regent Belin questioned whether the amount of money budgeted for board members' travel expenses should be \$27,500 for 1978-1979 due to the fact that there might be three new board appointees coming up in the 1979-1981 biennium. She said the locations of those new members could increase the travel money necessary for board meetings.

MOTION:

Mr. Slife moved the board: 1) approve the budget of the Board of Regents' Office for 1978-1979 at a level of \$516,012 subject to adjustment as indicated when the salary of the executive secretary is established by the Governor; and 2) authorize the transfer of \$11,153 of appropriations from the Iowa Braille and Sight Saving School and the Iowa School for the Deaf from their reserve accounts for unemployment compensation. Mr. Harris seconded the motion.

Regent Brownlee reported that Senate File 2125 established the range for the salary of the board's executive secretary at a maximum of \$39,000, to be set by the Governor in the exercise of his discretion. He reported that he felt he was speaking for the board when he stated that he felt strongly that the board should have the authority to set that salary, as it does for all the other salaries in the Regents' institutions. Regent Brownlee said that he feels that sometimes there is a misunderstanding about the functions of the Board Office in that there is not always full realization of the oversight that office provides. He made specific reference to the fact that the Board Office reviews all of the institutional budgets and recommends action on same to the board. Regent Brownlee expressed admiration for Mr. Richey and his staff for the work done in the Board Office. He then recommended the board request the Governor set the salary for the board's executive secretary at \$37,000 for 1978-1979.

AMENDMENT TO MOTION: Mr. Brownlee moved the board request the Governor increase the salary for the board's executive secretary to at least \$37,000 for 1978-1979. He also moved that the request be made by letter from the board's president with communication therein indicating the high level of performance being performed by Mr. Richey. He said that letter should include a request for the board to be able to establish that salary in the future. Mrs. Belin seconded the motion.

VOTE ON AMENDMENT TO MOTION: The motion passed unanimously.

VOTE ON MOTION: The motion passed unanimously.

REALLOCATION OF FUEL AND PURCHASED ELECTRICITY SAVINGS - 1977-1978. The Board Office recommended the board:

1) approve transfers in the following amounts:

	<u>To</u>	<u>From</u>
<u>SUI</u>		
General University	\$300,242	\$ -
University Hospital	-	5,877
Psychiatric Hospital	10,703	-
State Hygienic Laboratory	-	-
Hospital School	5,051	-
Oakdale Campus	30,318	-
Refund	-	661,000
 <u>ISU</u>		
General University	\$188,981	-
 <u>UNI</u>	\$166,227	-
 <u>ISD</u>	-	\$ 34,507
 <u>IBSSS</u>	-	\$ 138
Total	<u>\$701,522</u>	<u>\$701,522</u>

2) approve the development of a method on or before October 1, 1978, for reallocation of fuel and purchased electricity savings which recognizes institutional effort to conserve energy.

The Board Office indicated that the intent of Senate File 214 is to recognize the unpredictability and volatility of fuel and electricity prices and the impact of variable weather conditions while providing an incentive for the conservation of expenditure for fuel and purchased electricity by the Regents' institutions. By providing that any savings can be used for other operational needs by the institutions, there is an attempt to promote and recognize additional efforts toward reducing the overall costs of fuel and purchased electricity expense.

Mr. Richey said he has requested the business officers at the respective institutions to devise a formula to credit institutions for energy saving effort by October 1, 1978, or earlier if possible. The formula could then be considered for use for reallocating any savings for 1978-1979.

The board was reminded that the actual surplus for 1976-1977 was greater than that estimated for use in the allocation process by \$8,518. As in the case of the 1976-1977 reallocation, the overestimate or underestimate in the preceding year was taken into consideration before making the reallocation. In order to avoid any cumulative effects of errors in estimating fiscal year expenditures, the Board Office proposed that a correction be incorporated based on the actual expenditures for 1976-1977. The difference between the actual and estimated expenditures for 1976-1977 are added to or subtracted as appropriate from the estimated savings or deficit for 1977-1978, before reallocation is determined. The estimated surplus is prorated to each organizational unit on the basis of the adjusted final budgets for 1977-1978.

The State University of Iowa reported that the analysis of fuel and purchased electricity at the university through May, 1978 for the 1977-1978 fiscal year showed an estimated budget surplus of \$600,000. Because of the magnitude of this budget surplus, the university addressed two significant questions:

- 1) It will be difficult, as well as inefficient, for the Regents' institutions to attempt to encumber those funds prior to July 1, 1978. Consequently, the university recommended authority be sought from the State Comptroller's Office to retain this budget surplus for use in the 1978-1979 fiscal year.
- 2) The distribution of the budget surplus between the five Regents' institutions must be addressed.

Mr. Jennings reported that during the last two fiscal years (including 1977-1978), the university has invested \$241,043 in conservation projects with an estimated annual savings of \$244,105. The university's energy conservation program has been expanded markedly beyond routine maintenance and a continuation of its programs for thermostat and lighting reductions. He stated that the projects completed indicate that the university should be allowed to retain the savings realized of at least \$244,105. He noted that improvements in the university's Delta 2000 computer system have allowed it to reduce dramatically the use of purchased electricity. Mr. Jennings said the university has saved at least \$334,387 in annual energy expenditures beyond savings generated through normal maintenance and its energy awareness programs. As a consequence, Mr. Jennings recommended the university be allowed to retain \$334,387 before any remaining budget surpluses are allocated to the five Regents' institutions on a pro rata basis.

Mr. Richey noted that the board has, in past years, allocated surpluses among the institutions in proportion to their total general budgets after taking care of any deficits in the individual institutions for fuel and purchased electricity. He stated that while he felt the University of Iowa's proposal was a good one, he felt more notice should have been made so that the other institutions could, too, have indicated their fuel and purchased electricity savings before any "reward" system could be fairly executed.

Regent Bailey reported that the \$661,000 recommended for transfer from the Oakdale Campus at the University of Iowa did not seem to be related to the economics issue. He referred to that amount of funds as a refund. Mr. Richey commented that Regent Bailey was accurate in his assumption that the \$661,000 amount is a refund.

Mr. Richey commented that he was sympathetic with the request made by the University of Iowa, but that he needed more time to evaluate that request. He added that it would be impossible to make comparisons between the institutions as to what credit should be granted to which institution on this short time notice. Vice President Jennings said he was not sure, however, that the State University of Iowa's situation is ever quite "comparable" to the other institutions.

Regent Belin said she was pleased that the universities have "built-in incentives" with respect to conservation methods. She noted that she would like to see some recognition of that within the guidelines of being fair to all institutions under the Regents' governance.

President Parks commented that it would be very difficult to reconstruct the records relating to fuel and purchased electricity savings. He inquired as to what length of time span was being referred to to make the institutions "comparable."

Vice President Jennings emphasized that the University of Iowa is involved in a different type of energy conservation. Some of the university's greatest benefits come from use of its computer system. The initial investments in the computers, he noted, should be considered.

President Petersen commented that the only reward system now built in to the conservation system is that if an institution estimates its fuel needs and does not use all of those funds, those funds can be kept and used for other needs.

Mr. Richey said a formula needs to be devised that would be relatively simple, but yet sound, for reallocation of fuel and purchased electricity savings which recognizes institutional efforts to conserve energy. He recommended that a method be developed on or before October 1, 1978.

President Boyd expressed agreement with President Parks in that the time frame Mr. Richey referred to would not allow for a retroactive study of a new method for fuel and purchased electricity savings reallocation. He suggested an alternative should be found to that recommendation. He said he realized that the funds would revert June 30.

Vice President Moore commented with respect to Vice President Jennings' statement that along with certain risks, there will be certain benefits involved if the University of Iowa retained its budget surplus for the 1978-1979 fiscal year. He indicated that if Iowa State University were to be proposing what the University of Iowa was, it would first need to implement the energy conservation project it has brought to the board a number of times the past two years. Vice President Moore said that to finish implementing that system would cost approximately \$2.5 million. Experts, he said, have informed him that if such a system were incorporated at Iowa State, the savings in energy would be recovered in a period of

four years, depending on a number of factors. He said that two factors would need to prevail for that kind of cost savings: 1) the university would need to continue getting appropriations to support the number of BTUs the university has been burning and not the number it "would" be burning in the future, and 2) the philosophy could be opposed due to the fact that Iowa's institutions are public and the university would be doing, then, what any good public employer should do in improving conservation measures. Therefore, the money doesn't actually belong to a given institution, but to the state itself. That policy would work against the institution expecting to get the benefits of incorporating energy-saving devices.

In response to Vice President Moore, President Petersen stated that energy conservation efforts would, in effect, free state funds to be available for other academic purposes. Vice President Moore said that he was not objecting to energy conservation at all and said he realized President Petersen's point was true. He noted that part of the university's energy conservation effort is already in place. He specified that the controls in the Veterinary Medicine complex and the Iowa State University Center are in operation.

Vice President Stansbury commented on the energy conservation efforts at the University of Northern Iowa by stating that just after the energy crisis the university made a very significant reduction in BTU consumption. The University of Northern Iowa is now installing a coal-fired boiler that has been long awaited. He noted that some savings have been experienced on that capital project, as well. Vice President Stansbury said it must be emphasized that a formula should be devised which would be fair to all universities and not grant those doing the poorest jobs of energy conservation the benefits for improvements in other institutions for energy purposes.

President Petersen expressed a great deal of confidence in the institutional business officers in developing an equitable formula to reward conservation of energy for next year. She noted, however, that many factors are involved and suggested that a committee would be the most appropriate place for a solution to be made. She recommended that the Board Office's recommendation pertaining to reallocation of fuel and purchased electricity savings be adopted at this time until the business officers come up with a proposal.

MOTION:

Mr. Slife moved the board: 1) approve transfers in the amounts as shown above and 2) approve the development of a method on or before October 1, 1978, for reallocation of fuel and purchased electricity savings which recognizes institutional effort to conserve energy. Mrs. Belin seconded the motion.

President Petersen explained that the motion takes into consideration for next year the concerns and the recommendations Vice President Jennings alluded to, along with requiring significant work on an interinstitutional basis to work out details for a new reallocation method for fuel and purchased electricity.

Regent Harris suggested the board consider granting the State University of Iowa approximately \$122,000, one-half the amount of the annual savings resulting from direct capital expenditures. Mr. Richey responded by saying that while he did not question the figures presented by the University of Iowa with respect to amounts of money saved, he was not prepared to compare those savings due to the fact that the other institutions were not advised to prepare that information for the board's perusal at this time.

AMENDMENT TO MOTION:

Mr. Harris moved the board allow the State University of Iowa to retain \$122,000 with the balance of its budget surplus then allocated to the other institutions under the board.

Mr. Barber seconded the motion.

Mr. Richey noted that a problem with the amendment to the motion was that there may have been investments the other institutions had with respect to energy conservation but those figures were not provided. He emphasized equity considerations for all the Regents' institutions. Regent Harris then inquired as to how much time it would take the other institutions to report to the board on how much money they invested in energy conservation measures.

Vice President Jennings pointed out that the University of Iowa's total budget would have been "in the red" before the refund of \$600,000 had the university not done the conservation activities as it had. The refund, he continued, allows the university to break even. Had the university not undertaken those projects and not received the refund, it would be concluding that it would have to go to the State Comptroller's Office for more money. He said there was a budget surplus of \$650,000 because of the refund. He said the university should receive some credit for that savings.

Regent Barber noted that the other institutions had not submitted reports on energy projects which resulted in institutional savings. He said that for that reason he would have to vote against the amendment.

Regent Shaw reported that he regarded energy savings in the same way as classroom teaching in that both must be done well. He said that any opportunity to save state dollars should be pursued. He recommended that savings be used to add facilities which would save energy in the future. Regent Wenstrand concurred with Regent Shaw by saying that the board should provide leadership in the state with respect to cost savings.

President Boyd said he wanted it understood that it was realized that all of the board's institutions want energy conserved. He noted that he did not want the conversation to sound like there has not been a conscientious effort on the part of each institution to conserve. He reported, however, that the University of Iowa could have used its money for other purposes than energy conservation. He gave an example of the university's serious remodeling needs. The university allotted this money, however, to energy conservation.

President Petersen commented that whether the board is dealing with students or interinstitutional matters, the board needs sufficient prior notice to carry out its decisions. She said she felt that not

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enough notice was provided and so she supported applying Vice President Jennings' principles to develop a new method for reallocation of fuel and purchased electricity for next year, but not retroactively.

Regent Bailey noted the risks involved at the respective institutions when energy is conserved. He said that a campus that is not well lighted may become involved in a law suit of some sort because of that fact. He reported that he was personally inclined to choose, in such an instance, against conservation of energy and have a campus that is well lighted for security purposes.

President Parks commented that Iowa State University has a cumulative overload of students. He said that when the board made the choice to follow energy conservation methods, money to implement such systems was used for such needs rather than for remodeling classrooms to accommodate more students, etc. He said that if energy is to take a higher priority than academic needs, the institutions should know.

President Boyd agreed with the remarks made by President Parks but said that there does come a time when you have to make certain decisions such as making the institution (State University of Iowa) more accessible for the handicapped even though there are other pressing needs as well. He made the point that there are always priority decisions needing to be made.

VOTE ON AMENDMENT TO MOTION: AYE: Bailey, Brownlee, Harris
NAY: Barber, Belin, Shaw, Slife, Wenstrand,
Petersen.
The motion failed.

VOTE ON MOTION: The motion carried with Regent Shaw voting nay.

President Petersen reported that the board will be discussing energy conservation projects for capital in the next biennium.

LEGISLATIVE REPORT. The board was informed that the 1978 Legislative Session recessed on May 12 and will reconvene on Friday, June 30, 1978. The board was presented a summary report on all bills being followed by the Board Office which reflected actions taken through May 12th. President Petersen said that a final report on the 1978 Legislative Session is expected for presentation at the July board meeting.

President Boyd reported that President Parks, President Kamerick and he have met with the Governor concerning the possible impact of new legislation on the Regents' institutions concerning health insurance. He noted that the Governor was informed that the Regents' general service staff members desire to be maintained in the general universities' health insurance programs rather than be placed in a state-wide situation. The clerical staff members have especially expressed concern. The presidents expressed their similar desire that the merit service staff should remain a part of institutional insurance programs.

President Petersen commented that not only have the university presidents communicated that desire to the Governor, but Mr. Richey has, as well.

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President Parks clarified that the clerical employees being referred to are those "nonorganized" employees. He stated that there are 3,500 such clerical employees in the Regents' system who have expressed themselves as strongly preferring their health insurance be with the Regents' community than the state-wide group.

Mr. Richey said he has received no indication as to how the Governor will act on the bill before him excluding the Regents from the jurisdiction of the Executive Council for health and life insurance matters. The Governor was informed that the Board of Regents intends to adhere to its agreement with the Executive Council of February, 1978.

BUDGET PREPARATION FOR 1979-1981 REQUEST. President Boyd noted that the various institutional budget representatives feel that they should "compare notes" as the institutional budget requests are prepared for the 1979-1981 request. He noted that this joint effort will not proceed as "a committee of the board." He stated that a report of such joint efforts will be presented to the board at its July meeting.

President Boyd stated that the respective budget representatives plan to discuss various formulae which the board has adopted in past years and ways in which those may be modified or addressed in the coming biennium. He reported that those representatives would not be bringing to the board any recommendations in the area of general service staff salaries because of the fact that matter is worked out in conjunction with the Governor's Office.

The representatives would, however, bring in recommendations concerning "catching up" in the professional and scientific staff area to others similarly employed in comparable educational institutions in the Middle West and comparable business organizations within the state. He reported that none of the professional and scientific staff is organized on the three university campuses. He said that under the agreement with the Governor there is now local campus-wide discretion regarding those staff members.

With respect to faculty and institutional officials' salaries, President Boyd said that the discussions, which would ensue with the institutional representatives, would only involve those personnel at the State University of Iowa and Iowa State University as the faculty at the University of Northern Iowa are organized under collective bargaining contracts. He said that it is likely that a "catch up" factor will be discussed for both Iowa State University and the State University of Iowa's faculty and institutional officials' salaries.

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President Boyd reported that the budget title of "general expense" will be examined by the institutional representatives examining the budgets for the 1979-1981 request. He said it needs to be made clear that "general expense" really refers to instructional support services and supplies. He said considerable emphasis is necessary so the board's institutions will "keep up" as well as "catch up."

President Boyd indicated that he anticipated no change by the institutional representatives with respect to fuel and purchased electricity formulae. He said that the state has been very supportive of the board's policies in that regard.

President Boyd said he felt that a "keep up" factor should be brought into consideration with respect to library book needs. He said that a "catch up" factor will not likely be brought up.

President Boyd said he felt there is a problem with respect to equipment and RR&A needs. He noted that the board has two well thought out formulae which have been generally accepted by the executive branch but have not been implemented by the legislative branch. Therefore, he suggested that a request be made not only to "keep up" but also emphasize the importance of starting out on the formula.

President Boyd said that while expectations should not be raised with respect to special needs monies, the academic officers of each institution have been asked to bring in to the institutions information on special needs in excess of what is likely to be the amount recommended for special needs.

President Boyd stated with regard to federal funds losses that there is a continuing struggle pertaining to capitation grants.

Enrollment continues to be a problem and the institutional representatives, therefore, will be addressing that to see the consequences of the burdens of that situation.

President Boyd reported that discussion on the above items will come before the board at the July meeting with the exception of discussion pertaining to special needs. Special needs and the capital request will be discussed at the September board meeting. President Boyd reported that the deadline for special needs and capital information is August 21. The salary discussion will occur at the October board meeting as well as energy conservation matters.

President Boyd reported that the Personnel Management Information System has been discussed. There are some substantial cost implications in this and further discussion has been requested involving the Board Office in this matter.

STATE TELECOMMUNICATION STUDY. The Board Office recommended:

- 1) that any proposal for a comprehensive central authority for planning, implementing and operating communications systems, which would include the Board of Regents, be opposed; and
- 2) the board expect to cooperate in providing inventory information and developing joint-use systems of mutual interest as limited by availability of funds.

The Board Office reported that on August 18, 1977, Governor Ray sent a letter to each of the state department heads to inform them that a consultant had been employed to conduct a study of the state's telecommunications needs and problems. A summary of that study advanced four alternative approaches to management of the communications function, including:

- 1) establishing a comprehensive central authority for all telecommunications functions
- 2) a more limited partial centralization of authority and functions
- 3) essentially maintaining the status quo with some minor changes in authority and function
- 4) decentralizing telecommunications authority and functions entirely by making each agency completely responsible for its own telecommunication needs.

President Petersen reported that Mr. Caldwell has been her representative on the State Telecommunication Committee.

Mr. Richey noted that the institutions were in favor of the Board Office recommendation to oppose comprehensive centralization. Because of a need for some coordination of communications planning, however, he recommended the board be fully cooperative in developing joint-use systems of mutual interest as limited by the availability of funds.

MOTION:

Mr. Brownlee moved the board: 1) oppose any proposal for a comprehensive central authority for planning, implementing and operating communications systems, which would include the Board of Regents; and 2) cooperate in providing inventory information and developing joint-use systems of mutual interest as limited by availability of funds. Mr. Shaw seconded the motion and it passed unanimously.

REVISIONS IN THE MERIT SYSTEM PAY PLAN, CLASSIFICATIONS AND RULES. The Board Office recommended the board approve the following, to be effective July 1, 1978:

- 1) Pay matrices for merit employees not under collective bargaining contracts and for merit system blue collar, security and technical unit employees, which were developed in accordance with the provisions of House File 634 and approved collective bargaining agreements.
- 2) The addition of two new classes, Senior Orthotist in pay grade 412, and Public Safety Dispatcher in pay grade 308, and the deletion of three classes which are no longer used or needed: Drug Abuse Counselor III, Power Plant Assistant Superintendent, and Security Communications Support Services/Training Officer.

- 3) Revisions in class descriptions and pay grade assignments for the following classes:

<u>Title</u>	<u>Grade</u>		<u>Title</u>	<u>Grade</u>
Chief Parking Cashier	106	to	Parking Cashier Supervisor	108
Power Plant Chief Operator	111	to	Power Plant Chief Operator	113
Offset Equipment Operator II	205	to	Offset Equipment Operator II	206
Chief Parking Enforcement Officer	305	to	Supervisor, Parking Control	108
X-Ray Technician I	106	to	Radiographer I	407

- 4) Revisions in class titles, descriptions of duties, or minimum required qualifications which do not involve changes in pay grade assignment.
- 5) Changes in advanced starting rates which have been determined in accordance with the policy previously approved by the board.
- 6) Revisions in the Merit Rules.

Mr. De Nio, Associate Director of the Regents' Merit System, recommended the board act on the following additions to the Board Office memorandum:

- A.1) To amend the proposed revision in the Board Office memorandum concerning Merit Rule 3.39(2), "Merit increases," by adding the following sentence: "The period of satisfactory performance will be measured from the last merit review date if such a date has been established."

Mr. De Nio explained that this additional sentence was prompted by concerns of institutional representatives relating to the proposed revisions and the interpretation and application of the rule involving current employees. Assistant Vice President Small noted that she, Assistant Vice President Madden and Mr. De Nio had discussed the amendment and found that it provided clarification with respect to the proposed revision.

- 2) To amend the proposed revision in the Board Office memorandum concerning the Merit Rule 3.148, "Emergency and funeral leave," by inserting the word "grandchildren" after the work "grandparents."

Mr. De Nio noted this was necessary to correct an omission and that "grandchildren" was intended to be part of the proposed revision.

- B. To approve the continuance of using step 12 as the advanced starting step (rate) for the classes of power plant larryman, power plant assistant chief operator and power plant repairman.

Mr. De Nio explained that at the time of the public hearing that these classes had been undergoing further study and that no recommendation had been made at that time pending further review with institutional representatives. He noted that there is currently some difficulty with respect to recruitment and retention at that step, and that if the starting step was adjusted (lowered) in accordance with the current board policy as outlined in the Board Office memorandum, the situation would probably be compounded. Mr. De Nio expressed that it was necessary to bring these classes to the board's attention since the recommendation was a departure from the established policy.

In addition to the above amendments, Mr. De Nio reported that the power plant chief operator had received a recommendation for a pay grade change

from 111 to 113 and that the advanced starting step was being decreased from step 12 to step 9 in accordance with the established policy. This was recommended because the actual starting rate was being increased due to the pay grade change.

Mr. De Nio stated that the power plant classes and the elevator mechanic class should be reviewed during the coming year in conjunction with the review of a number of other craft classes. He further stated the Board Office will make an appropriate recommendation to the board when a sufficient evaluation has been performed. Assistant Vice President Small confirmed the recruitment and retention problem relative to starting salaries in comparative market data. She indicated that many of these classes have special salary problems that may need to be resolved in a special way beyond that which was being proposed.

MOTION: Mr. Bailey moved the board approve the actions 1-6 as shown above as well as the additional actions recommended by Mr. De Nio (A and B) as shown above. Mr. Harris seconded the motion and it passed unanimously.

REVISION OF POLICY ON RETENTION OF FUNDS ON CONSTRUCTION CONTRACTS. The Board Office recommended the board amend Section 9.11, paragraph D, of the Procedural Guide, as follows:

- 1) Strike paragraphs 1 and 2 of the existing policy on retention of funds on construction contracts
- 2) Insert a new paragraph 1 to read as follows:
 1. The Board of Regents' basic policy on retention of funds on construction contracts is to follow the provisions of Chapter 573 of the Code of Iowa, in particular sections 573.12 and 573.13, and to reduce the amount retained to the minimum level allowable by law.
- 3) Renumber paragraphs 3 and 4 of the basic policy accordingly.

The Board Office further recommended that the board state in its motion that this new procedure would not apply to contracts for work currently in progress, but would begin on contracts entered into after the board action at the June 1978 meeting.

It was also recommended by the Board Office that the board support efforts currently underway to give joint sponsorship to legislation in conjunction with Master Builders and Associated General Contractors for proposing to the 1979 Legislature a change in Section 573.12 of the Code which will reduce cash retention as follows: (Revision to 573.12)

In making said payments, there shall be retained ~~10%~~ 5% of each said monthly estimate by the public corporation, ~~provided, however, that if a contract is for more than \$50,000, and if the public corporation at any time after 50% of the improvement has been completed finds that satisfactory progress is being made, the public corporation may authorize any of such remaining payments to be made in full.~~

The Board Office pointed out three items which needed to be noted with its recommendation:

- 1) This policy on reduction of retention to a net 5% in accordance with Section 573.12 only applies on contracts for more than \$50,000. On all other contracts, the board is required by the Code to continue to retain 10% of each monthly estimate submitted by the contractor during the life of a contract.

- 2) The Board Office interprets the language in Section 573.12 on "50% of the improvements has been completed" to mean 50% of the work in place. The Board Office did not find this interpretation inconsistent with the readable intent of the Code. Work in place generally means work completed and does not give prior credit on retainage for materials not yet installed.

- 3) This policy change would not be retroactive to any contract currently underway at the institutions and the board would not consider any changes in those contract documents to put in place the change in policy. New policy would only apply to contracts entered into after June 1978 board action.

Mr. McMurray commented that this change would represent a fairly significant improvement in the cash flow situation for contractors. He noted that the primary reason that this was brought to the board's attention was the Board Office's recognition that contractors do, perhaps, have a cash flow problem partially due to the board's policy on retention. The policy could realize an improvement in the cash flow situation of contractors of about \$900,000 per year. On the other hand, there is recognition that the institutions would lose a small amount of interest earnings on retention but that particular issue is still being discussed by the Board of Regents' institutions in conjunction with Master Builders and the Associated General Contractors.

In discussion, it was agreed that some change was needed in the recommended action (see paragraph b) below for the language change). Mr. Richey noted that two factors were causing a need for a change in the recommended action: 1) a need for the institutions to have adequate protection, and 2) to have the board policy allow for unusual circumstances where retention would not be reduced to the minimum allowable by law. He noted that this change would indicate clearly to the industry that there might be some unusual circumstances such as an instance where a contractor would be new to Board of Regents' business and that there might be concern over the ability of the contractor to perform. In that instance, the board might want to withhold the maximum retention until the contractor has completed the project.

MOTION:

Mr. Bailey moved the board: 1) amend Section 9.11, paragraph D, of the Procedural Guide, as follows:

- a) strike paragraphs 1 and 2 of the existing policy on retention of funds on construction contracts;
 - b) insert a new paragraph 1 to read as follows:
 1. The Board of Regents' general policy on retention of funds on construction contracts is to follow the provisions of Chapter 573 of the Code of Iowa, in particular sections 573.12 and 573.13, and to reduce the amount retained to the minimum level allowable by law except in unusual circumstances where reasons exist for a higher amount of retention.
 - c) renumber paragraphs 3 and 4 of the basic policy accordingly.
- 2) apply this procedure only on contracts entered into after the board action at this meeting.
- Mr. Harris seconded the motion.

Regent Bailey noted that the recommended action suggested that the board support legislation that would reduce retainage to 5% instead of the 10% on all contracts and he indicated his reservations about that change. Mr. Richey stated that the board could operate under the first part of this policy until later this fall when the legislative program is considered. If it does become an issue in the rump legislative session, he indicated that the board could operate under a position consistent with the policy being talked about which would be to generally retain a 5% base except when there is authority to retain a larger amount for unusual circumstances. Regent Bailey stated that the board was "giving away a very sizable thing" by taking this action today and he expressed the belief that the board should try that policy before taking another step. Mr. Richey reiterated the action the legislature had already taken on retention relative to escrow accounts which passed the House by a vote of 87 to 0.

Regent Shaw indicated that it was not uncommon for private firms to have retention. He stated that he felt the board should not be setting a standard that is more lenient than private firms have adopted.

President Petersen stated that the motion would approve a), b), and c) of the recommended action with the additional language that had been discussed. She added it would be that policy from which any information would be derived for the board's policy during the short session of the legislature.

VOTE ON MOTION:

The motion passed unanimously.

The policy follows:

D. Policy on Retention of Funds on Construction Contracts

1. The Board of Regents' general policy on retention of funds on construction contracts is to follow the provisions of Chapter 573 of the Code of Iowa, in particular sections 573.12 and 573.13, and to reduce the amount retained to the minimum level allowable by law except in unusual circumstances where reasons exist for a higher amount of retention.
2. The institutions shall inform the Board Office any time contract documents propose any deviation from general board policy on retention. The Board Office shall inform the board of the proposed deviation prior to execution of the contract documents.
3. Except for highly extraordinary circumstances, the board will not consider any changes in contract documents on the question of retainage after contracts have been executed.

(September 18-19, 1975, pp. 78-79; June 15-16, 1978, pp. 754-757)

REVISION IN BOARD PROCEDURES ON SELECTION OF ARCHITECTS AND ENGINEERS.
The Board Office recommended the board amend Section 9.13 of the Procedural Guide as proposed with an addition to Section C-1 of the agreement to read "The limit for single contracts at Iowa School for the Deaf and Iowa Braille and Sight Saving School shall be \$10,000."

President Petersen noted that this procedure was revised ten years ago and since that time minor changes have occurred. She said that the proposed policy would put in writing what is in operation at the present time. Mr. Richey said the proposal included provisions to ratify award of contracts involving \$25,000 or less for the three universities and \$10,000 or less for the two special schools. All other contracts would need to come to the board for approval.

The Board Office reported that when compensation is estimated to be \$25,000 on a single contract for either architects or engineering services, selection shall be by the board acting upon a recommendation from the institution involved. When compensation on a single contract with an architect or engineer is estimated to be less than \$25,000 (except at Iowa School for the Deaf and Iowa Braille and Sight Saving School where that level is reduced to \$10,000) the chief business officer may, after giving prior written notification to the executive secretary of the board, select and contract for architectural engineering services and the selection and terms

of such contracts would be reported on the Register of Capital Improvement Business Transactions for board ratification. The \$25,000 was, in part, selected because it would limit the delegation to the institutions to total projects of not more than the \$250,000 level, and in part because there is already in effect a \$25,000 delegation level in the Procedural Guide to the institutions on contract change order approvals. In those instances, chief business officers can approve contract change orders under \$25,000 with ratification of the action by the board on the capital register. Change orders of over \$25,000 can not be approved by the chief business officers until the change order, however, has been approved by the board.

MOTION:

Mr. Harris moved the board amend Section 9.13 of the Procedural Guide as proposed with an addition to Section C-1 of the agreement to read "The limit for single contracts at Iowa School for the Deaf and Iowa Braille and Sight Saving School shall be \$10,000." Mr. Brownlee seconded the motion and it passed unanimously.

The following revision was approved:

9.13 Selection of and Instructions to Architects and Engineers

A. GENERAL

1. The president of each institution shall appoint a Campus Architect's Selection Committee whose names shall be reported to the board.
2. The chief business officer of the institution shall determine whether the Campus Architect's Selection Committee shall convene for the purpose of architect selection. However, the chief business officer shall convene the committee whenever architectural services are required for a major new building or a major addition to an existing building.
3. The institution shall request prior board approval to negotiate for architectural or engineering services when the contract for architectural or engineering services is estimated to exceed \$25,000.

4. The Iowa Chapter of AIA shall be notified by letter from the executive secretary of the board of institutional intent to secure architectural services through use of a formal selection process.
5. Any general contract for architectural and engineering services which involve potential usage for more than a single named project shall be subject to prior approval by the State Board of Regents, acting upon a recommendation from the institution involved.
6. Any architect or engineer who has been selected shall be advised by the institution that any material or components of capital improvements for a project shall, when feasible, be described so that competition between manufacturers or suppliers will be fostered. If brand names are used, the specifications shall contain a statement that such reference is only for the purpose of establishing a standard of quality and that materials equivalent to the named material will be accepted in accordance with the provisions of the bidding documents. The use of brand names will be permitted when such use is required in order to continue compatibility and standardization of materials and products for the purpose of economies in replacement and maintenance.

B. APPROVAL OF ARCHITECTS AND ENGINEERS WHERE COMPENSATION EXCEEDS \$25,000 FOR A SINGLE CONTRACT

1. Whenever compensation to an architect or engineer exceeds \$25,000 on a single project, selection shall be by the State Board of Regents acting upon a recommendation from the institution involved. A single architect or engineer shall be recommended to the board, except in unusual circumstances.
2. Institutions may request approval of the selection of an architect or an engineer and the proposed architectural or engineering service contract at the same board meeting.

C. APPROVAL OF ARCHITECTS AND ENGINEERS WHERE COMPENSATION IS LESS THAN \$25,000 FOR A SINGLE CONTRACT

1. The chief business officer may, after giving prior written notification to the executive secretary of the board, select and contract for architectural or engineering services in cases where compensation to the architect or engineer does not exceed \$25,000 on a single contract. The limit for single contracts at Iowa School for the Deaf and Iowa Braille and Sight Saving School shall be \$10,000.

2. Selection and terms of such contracts shall be reported on the Register of Capital Improvement Business Transactions for board ratification.

D. CHANGES IN CONSULTANT CONTRACTS

Any change in architectural or engineering contracts which has been previously approved by the board, as set forth in "B" above, shall be docketed for board action prior to implementation of the contract change. Any change in contracts which has previously been ratified by the board, as set forth in "C" above, shall be reported to the board on the Register of Capital Improvement Business Transactions for ratification.

APPOINTMENTS TO COMMITTEES. The Board Office recommended that the following appointments be approved:

Iowa State University Research Foundation
Regent Barber (Term expires 6-30-81)

State Educational Radio and Television Facility Board
Regent Brownlee (Term expires 6-30-81)

University of Northern Iowa Foundation
Regent Slife (Term expires 6-30-81)

Iowa Coordinating Council for Post-High School Education
Regent Petersen (Term expires 6-30-81)
Alternate: Regent Belin (Term expires 6-30-81)
Regent Wenstrand (replaces Regent Barber) (Term expires 7-31-80)
Alternate: Regent Harris (Term expires 7-31-80)
Regent Barber (alternate for Regent Slife) (Term expires 7-31-80)
President Kamerick, University of Northern Iowa (Term expires 6-30-81)
Alternate: Vice President Voldseth (Term expires 6-30-81)

Committee on Educational Coordination

Vice President Martin, University of Northern Iowa (Term expires 6-30-81)

Committee on Educational Relations (Terms expire 6-30-81)

Associate Professor Anderson, State University of Iowa

Dean Cox, State University of Iowa

Assistant Dean Zuber, State University of Iowa

Dean Schlunz, Iowa State University

Dean Lagomarcino, Iowa State University

Associate Dean Morgan, Iowa State University

Associate Registrar Leahy, University of Northern Iowa

Associate Dean Schnur, University of Northern Iowa

Professor McCollum, University of Northern Iowa

MOTION:

Mr. Bailey moved the board approve the appointments as shown above. Mr. Brownlee seconded the motion and it passed unanimously.

ELECTION OF BOARD PRESIDENT FOR 1978-1980 TERM. The Board Office reported that Section 262.9 of the Code provides that the board shall elect from its members in each even numbered year a president of the board who shall serve for two years "and until his successor is elected and qualified." The board needed to take action at this meeting to elect its president for the period July 1, 1978 through June 30, 1980.

MOTION:

Mr. Bailey moved the board reappoint Mary Louise Petersen as president of the Board of Regents for the period July 1, 1978 through June 30, 1978 by acclamation. Mrs. Belin seconded the motion and it passed unanimously.

BOARD OFFICE PERSONNEL REGISTER. There were no items on the Board Office Personnel Register.

SUMMER COMMENCEMENT. The board was invited to participate in the summer commencement ceremony at the University of Iowa at 7:30 p.m. on Friday, July 28, 1978.

NEXT MEETINGS.

July 20-21	University of Northern Iowa	Cedar Falls
September 21-22	University of Iowa	Iowa City
October 17-18	Iowa State University	Ames
November 16-17	Iowa School for the Deaf	Council Bluffs
December 20-21	University of Northern Iowa	Cedar Falls
January 18-19, 1979	University of Iowa	Iowa City
February 15-16	Iowa State University	Ames
March 15-16	Des Moines (?)	
April 19-20	University of Northern Iowa	Cedar Falls
	Iowa Braille & Sight Saving School	Vinton
May 17-18	Iowa State University	Ames
June 21-22	University of Iowa	Iowa City

President Petersen indicated that while the board should reserve two days for future meetings of the board, one day may be all that is necessary. She said board members would be informed shortly before the respective meetings as to whether they will be one or two days in length.

LONG-RANGE PLANNING SEMINAR.

July 19 - 9:00 a.m.	University of Northern Iowa	Cedar Falls
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APPEAL BY FACULTY MEMBER OF IOWA STATE UNIVERSITY. President Petersen stated that Judith N. Lacasa's grievance was withdrawn and so board action was no longer necessary.

President Petersen asked board members and institutional executives if there were additional matters to be raised for discussion pertaining to general or miscellaneous matters.

REPORTS FROM AFFILIATED ORGANIZATIONS. Regent Bailey noted that the board recently acted to only receive reports from its affiliated organizations rather than have them specifically docketed for board consideration. He suggested the board again initiate its policy of docketing such reports

to give recognition to same in a formal way. He reported that the board now receives such reports by mail but said he favored having the matters officially docketed.

MOTION: Mr. Bailey moved the board docket all reports from its affiliated organizations. Mr. Wenstrand seconded the motion.

Regent Harris commented that while he was not opposed to the motion, he felt an expression of appreciation by letter could provide the recognition the organizations may need without having the reports actually on the board meeting agenda. President Petersen said she would be happy to write the respective affiliated organizations upon receipt of their reports in addition to formal board action on the matter.

VOTE ON MOTION: The motion passed unanimously.

DISTRIBUTION OF DOCKET MATERIAL. Mr. Richey stated that he appeared before the Legislative Rules Committee this week on the matter of distribution of docket material and the board's rules on the subject. He said the board has received a request from the University of Northern Iowa Student Association for it to receive a copy of the docket book at the same time the university administrations get it. The association requested an oral hearing on that rule. A hearing was held on April 6, 1978 and some of the students there requested: 1) a complete docket book, or 2) a complete docket book minus the Board Office memoranda, or 3) a written summary of all items on the agenda. Mr. Richey said those points were brought before the Legislative Rules Committee on Tuesday of this week. The committee put a 70 day delay upon the effective date of any proposed rules effective June 7, 1978.

Mr. Richey said he feels the Board of Regents' policy with respect to materials distribution is probably the best in state government with respect to complete and timely disclosure. Copies of the docket book are available as of 1:00 p.m. on Monday of the week of board meeting at the respective institutional campuses and at the Board Office for perusal by the public. Those persons interested in obtaining specific copies of information can reproduce same at the cost of five cents per copy at each respective institution. Mr. Richey indicated that this information was given to the Legislative Rules Committee. He added that to reproduce more copies of the docket book than presently made available would be both more time consuming and costly than it already is.

President Petersen noted that to reproduce more docket books than are already printed, additional time and effort would be expended. She commented that Mr. Richey had informed her that if additional books were to be printed, the Board Office staff may need to work on Saturday (as well as the State Printing Office) to accommodate such needs. The board, then, would not receive the docket material until Tuesday instead of Monday. She noted that members of the board need that extra day to review the material. President Petersen emphasized that the board believes that as a public board, its business should be done in public. She said the public needs to be aware of what the board is doing. She said that the board will continue to seek ways to try and keep the press and general public and constituency

groups informed as long as it doesn't interfere with carrying out the board's business in a timely fashion.

A concern was raised with respect to the docket book availability at the respective public information office of the institution when someone else is using the book. In discussion, it was noted that persons desiring copies of the material could indicate which copies were needed and the institutional office could duplicate those pages so that the book would remain intact for further perusal by others.

Ms. Angel Nabor, President, University of Northern Iowa Student Association, was present for discussion. She expressed concern that the hours that the University of Northern Iowa's public information office is open is during her class day. She noted it is often difficult to get away to the office to review the upcoming meeting material for the board. She reiterated an earlier concern that the association would appreciate receiving a docket book in addition to that available in the public information office.

Mr. Richey responded to Ms. Nabor by saying that the Board Office presently produces 25 docket books for distribution. The state price for printing 25 copies of a page is the same as for one page. Therefore, to print 26 copies of every page would cost the same as if 50 copies of each page were run. He said the expense involved greatly hinders the production of that "extra" book Ms. Nabor was recommending.

President Petersen suggested that Ms. Nabor designate a representative to get material from the public information office, if necessary, in her place to obtain the material while she was in class.

Regent Bailey asked Mr. Richey what the position of the Legislative Rules Committee is with respect to this issue. Mr. Richey said it appears that the committee's position is that the board should make available copies of the docket book to the students at the same time those books are made available to the board and institutional representatives. He added that the committee's position seems to be that the docket book should be made available at that time to all those persons interested in receiving same. Mr. Richey estimated that the cost per additional docket book would be approximately \$25.

President Petersen stated that the consensus of the board was that the board's present policy would continue to stand and Mr. Richey will continue to pursue that rule in the proper manner.

EXECUTIVE SESSION. President Petersen reported that the board needed to discuss a personnel matter in executive session. On roll call vote the following voted:

AYE: Bailey, Barber, Belin, Brownlee, Harris, Shaw, Slife, Wenstrand, Petersen.

NAY: None.

ABSENT: None.

The board, having voted by at least a two-thirds majority, resolved to meet in executive session beginning at 3:07 p.m. and arose therefrom at 4:15 p.m.

The following business pertaining to general or miscellaneous items was transacted on Friday, June 16, 1978.

EXECUTIVE SESSION. President Petersen reported that the board needed to continue the executive session it had yesterday. The board entered into executive session at 10:30 a.m. and arose therefrom at 10:45 a.m.

TOUR. The board was provided a tour of the Lakeside Laboratory Facilities immediately following the executive session.

STATE UNIVERSITY OF IOWA

The following business pertaining to the State University of Iowa was transacted on Thursday, June 15, 1978.

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

APPOINTMENTS. The board was requested to approve the following appointments with salary as budgeted:

Ray B. Mossman as Treasurer of the university
for 1978-1979

Leonard R. Brcka as Secretary of the university
for 1978-1979

MOTION: Mr. Bailey moved the board approve the appointments of Ray B. Mossman and Leonard R. Brcka as shown above for 1978-1979. Mr. Slife seconded the motion and it passed unanimously.

APPOINTMENTS - DEPARTMENTAL EXECUTIVE OFFICERS. The board was requested to approve the following appointments and reappointments in the Colleges of Liberal Arts and Business Administration:

George DeMello, as Chairman, Spanish and Portuguese, for a three-year term, effective August 28, 1978.

Ray J. Parrott, as Chairman, Russian, for a three-year term, effective August 28, 1978.

Wallace J. Tomasini, as Director, Art and Art History for a five-year term, effective August 28, 1978.

Robert S. Wachal, as Chairman, Linguistics, for a three-year term, effective August 28, 1978.

Ronald L. Akers, Chairman, Sociology, for a three-year term, effective August 28, 1978.

Theodore Sjoerdsma, Chairman, Computer Science,
for a three-year term, effective August 28, 1978.

Warren J. Boe, Chairman, Department of Business
Administration, effective August 1, 1978.

MOTION:

Mrs. Belin moved the board approve the
above appointments and reappointments as depart-
mental executive officers in the Colleges of
Liberal Arts and Business Administration. Mr.
Harris seconded the motion and it passed
unanimously.

FACULTY TENURE REPORT. Discussion and action pertaining to the report
on Operation of Tenure Policies: 1977-78 is found in the general portion
of these minutes.

AMENDMENTS TO CONSTITUTION OF FACULTY SENATE. The board was requested to
approve amendments to the Constitution of the University of Iowa Faculty
Senate as recommended by the institution.

The changes proposed were primarily designed to desex the constitution and
make the meeting dates of the Senate more flexible in relation to the
calendar. A final provision allows the president of the Senate to con-
sult with the Committee on Committees regarding appointments to Senate
committees. The amendments were brought to the board for final approval,
having been already approved by a majority of the Faculty Senate, by a
faculty referendum, and by the university president.

MOTION:

Mr. Bailey moved the board approve the amend-
ments to the Constitution of the University
of Iowa Faculty Senate as recommended by the
institution. Mr. Harris seconded the motion
and it passed unanimously.

APPOINTMENT. The board was requested to approve the appointment of
John K. Sloan as follows:

John K. Sloan for the position of Director of the
Labor Education Program in the Industrial Relations
Institute, effective June 15, 1978 at a 12-month
salary of \$30,000.

MOTION:

Mrs. Belin moved the board approve the appointment of John K. Sloan for the position of Director of the Labor Education Program in the Industrial Relations Institute, effective June 15, 1978 at a 12-month salary of \$30,000. Mr. Shaw seconded the motion and it passed unanimously.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. Executive Secretary Richey reported the Register of Capital Improvement Business Transactions for the month of June 1978 had been received by him, was in order, and recommended approval.

The following construction contracts were recommended for ratification:

<u>Quadrangle Residence Hall -- Renovate Fire Alarm System</u> Award to: Shay Electric Service, Inc., Iowa City, Iowa	<u>\$ 7,400.00</u>
<u>Medical Research Facilities -- Fume Hood Replacement</u> Award to: Universal Climate Control, Inc., Iowa City, Iowa	<u>\$107,650.00</u>
<u>Oakdale Animal Quarters -- Roof Replacement</u> Award to: Hawkeye Roofing and Home Improvement Co., Cedar Rapids, Iowa and Hiawatha, Iowa	<u>\$ 20,795.00</u>
<u>Eastlawn Remodeling -- First and Second Floors</u> Awards to: McComas-Lacina Construction Co., Iowa City, Iowa (General)	<u>\$202,462.00</u>
AAA Mechanical Contractors, Inc., Iowa City, Iowa (Mechanical)	<u>\$177,161.00</u>
Shay Electric Service, Inc., Iowa City, Iowa (Electrical)	<u>\$ 47,500.00</u>
<u>University Hospitals -- Psychiatric Hospital Fire Protection Improvements</u> Award to: Shay Electric Service, Inc., Iowa City, Iowa (Electrical)	<u>\$ 29,500.00</u>
<u>Law Center -- Remodel Room 3 for Copy Center</u> Award to: AAA Mechanical Contractors, Inc., Iowa City, Iowa	<u>\$ 43,713.00</u>
<u>Chemistry-Botany Building -- Modernization of Laboratory 111</u> Awards to: O. F. Paulson Construction Co., Cedar Rapids, Iowa (General)	<u>\$ 68,500.00</u>
Jones Plumbing and Heating, Inc., Iowa City, Iowa (Mechanical)	<u>\$ 98,990.00</u>
Gerard Electric, Iowa City, Iowa (Electrical)	<u>\$ 36,466.00</u>
<u>Dental Science Building -- Repair Damaged Interior</u> Award to: Burger Construction Co., Inc., Iowa City, Iowa	<u>\$ 50,960.00</u>
<u>Hydraulics Laboratory -- East Annex -- Refrigerated Ice Towing Tank</u> Award to: Burger Construction Co., Iowa City, Iowa	<u>\$ 77,415.00</u>

Chemistry-Botany Building -- Fire Safety Improvements

Award to: O. F. Paulson Construction Co., Cedar Rapids, Iowa \$170,825.00

University Hospitals -- Psychiatric Hospital Fire Protection Improvements

Award to: Automatic Sprinkler Corp. of America, Davenport,
Iowa (Sprinkler System) \$ 24,500.00

The Board Office reported that the single bid irregularity was waived by the executive secretary on this project since plans and specifications were taken out by eight prospective bidders on this contract. Bidders' choice was evidently involved in decision not to bid.

The following contracts were recommended for approval:

Chemistry-Botany Building -- Remodeling Chemical Storage Area

Award recommended to: AAA Mechanical Contractors, Inc., \$131,231.00
Iowa City, Iowa

The Board Office reported that the total recommended award exceeded the engineer's estimate of \$89,000 for construction by about \$42,000. The university undertook cost evaluation and the lack of available cost information for specialized systems, materials and continuing research decisions caused them to delete \$35,000 from the total budget at this time for the fire and explosion suppression system portion of the project.

The following revised project budgets were recommended for approval:

Chemistry-Botany Building -- Remodeling Chemical Storage Area

Source of Funds: University RR&A 1977-1978 (Original: \$158,800) \$166,031.00

Medical Research Center -- Cardiovascular Research Addition

Source of Funds: Income from Treasurer's Temporary
Investments (\$754,592)
Pearson Trust Fund (\$434,213) \$1,188,805.00
(Original: \$1,068,805)

Hospital School -- Conference Room Remodeling

Source of Funds Change: From Hospital School Building Usage
Fund to Hospital School RR&A \$ 63,200.00

Mr. McMurray reported that a revised project budget also needed to be approved for the following project in addition to those listed in the Board Office memorandum:

State Hygienic Laboratories Relocation

Mr. McMurray stated that the board approved a project budget in the amount of \$970,315 in December of 1977, of which \$770,315 was funded from Treasurer's Temporary Investments. It was now recommended that this budget be amended to provide for a shift of \$300,000 of the \$770,315 from Treasurer's Temporary Investments funds to University RR&A - 1977-1978, making the revised budget figures read: \$440,315 from Treasurer's Temporary Investments, \$400,000 from University RR&A, and \$100,000 from Oakdale RR&A.

The following new projects were recommended for approval:

Hospital School -- Remodeling Rooms 129 through 141

Source of Funds: State Services for Crippled Children Operating
Budget (federal funds) \$ 26,800.00

Hospital School -- Install Air Conditioning in Rooms 126
through 141

Source of Funds: State Services for Crippled Children
Operating Budget (federal funds) \$ 39,000.00

University Hospitals -- Staff Dressing Room Remodeling, Sixth
Floor, South Wing

Source of Funds: University Hospital Building Usage Fund \$ 25,000.00

University Hospitals and Clinics Fire Protection Improvements --
Fifth Floor General Hospitals

Source of Funds: University Hospital Building Usage Funds \$ 68,000.00

Eastlawn Electrical Service

Source of Funds: University RR&A (1978-1979) \$ 33,500.00

(This project is in addition to the remodeling of the first and second floors of Eastlawn and comes about because the present electrical service would be entirely inadequate to serve the demands of the building after it was remodeled.)

102 Church (President's Residence) -- Provide for Handicapped Access

Source of Funds: Income from Treasurer's Temporary Investments \$ 18,900.00

102 Church (President's Residence) -- Renovation for Library

Source of Funds: University of Iowa Foundation \$ 12,973.00

Renovate Room 14 -- Calvin Hall for Registration Center

Source of Funds: University RR&A (1978-1979) \$ 98,000.00

(This project involves remodeling what is basically an unusable auditorium attached to Calvin Hall for use as the Registration Center for the university. The significant portion of this project must be completed no later than the third week in October, 1978, to permit its use for preregistration for the second semester of the 1978-1979 school year. The project budget at \$98,000 is clearly a preliminary estimate of cost. The university intends to "fast track" the project because of the short time schedule for completion.)

MOTION:

Mrs. Belin moved the board approve the Register of Capital Improvement Business Transactions for the month of June 1978; ratify and approve the construction contracts as shown above; approve the revised project budgets; approve the new projects; and authorize the executive secretary to sign all necessary documents. Mr. Harris seconded the motion and it passed unanimously.

TENANT PROPERTY RENTALS. The university requested the board approve its list of tenant property rentals for the year September 1, 1978 through August 31, 1979. It noted that rental rates were based on rental rates for comparable facilities in the community. Exceptions to this policy were the rates for pre-school, Student Senate Coops, and day care centers where rates were intended to cover only average repair and maintenance costs.

Monthly rate increases for next year were summarized as follows:

<u>Residences</u>		<u>Apartments</u>	
\$20	8	\$ 5	2
\$40	1	\$10	1

Regent Bailey noted that the number of tenant property rentals was much greater than the 12 reported as showing increases above. Vice President Jennings reported that none of the other units experienced rate increases.

MOTION:

Mr. Bailey moved the board approve the tenant property rentals for the period September 1, 1978 through August 31, 1979 as presented. Mrs. Belin seconded the motion and on roll call the following voted:

AYE: Bailey, Barber, Belin, Brownlee, Harris, Shaw, Slife, Wenstrand, Petersen.

NAY: None.

ABSENT: None.

The motion carried.

LEASE OF PROPERTY. The university requested the board approve a lease agreement with the University of Iowa Facilities Corporation of approximately 2,500 square feet of space in the basement of the Jefferson Building in downtown Iowa City.

The term of the agreement was listed as being 13 months commencing June 1, 1978 and terminating June 30, 1979 with a 12 month renewal option. The agreement reported that the tenant would agree to pay the landlord \$885 per month for a yearly rental of \$10,620. The landlord would furnish heat, water and air conditioning while all other utility costs would be the responsibility of the tenant.

The university indicated that although the Eastlawn Remodeling Project includes only two of the four floors of the building, the entire building must be vacated during remodeling. This has required the relocation of four faculty art studios and the office of the State Archaeologist. Adequate university space to relocate the archaeologist was not available; therefore, it was necessary to enter into a lease for one year for a portion of the basement of the Jefferson Building. The archaeologist's artifacts collection will be housed in an unused laboratory in the Chemistry-Botany Building.

The university stated that the rental rate and terms of the lease, as modified, appeared to be fair and equitable.

MOTION:

Mr. Bailey moved the board approve the lease agreement between the State Board of Regents and the University of Iowa Facilities Corporation as shown above. Mr. Wenstrand seconded the motion and on roll call the following voted:
AYE: Bailey, Barber, Belin, Brownlee, Harris, Shaw, Slife, Wenstrand, Petersen.
NAY: None.
ABSENT: None.
The motion passed unanimously.

FINAL BUDGETS FOR 1978-1979. Discussion and action pertaining to the State University of Iowa's final budgets for 1978-1979 is found in the general portion of these minutes.

RESOLUTION PROVIDING FOR A NOTICE OF HEARING ON A HOSPITAL REVENUE BOND FUNDED PROJECT. The board was requested to adopt a resolution providing for a notice of hearing on proposed plans, specifications and form of contract for University Hospital - Roy J. Carver Pavilion - Phase B Project on the campus of the State University of Iowa and for a notice to contractors of bidding thereon.

The Board Office indicated that the estimated cost of constructing this project is \$11,135,000. The board successfully sold bonds to finance the project on June 7.

President Petersen reported that a public hearing on this project will be held on Thursday, July 20, at 11:00 a.m. Central Daylight Savings Time at the University of Northern Iowa, Cedar Falls, Iowa. Bids on the Carver Pavilion -- Phase B project will be received on August 15, 1978.

MOTION:

Mr. Barber moved the board approve a resolution providing for a notice of hearing on proposed plans, specifications and form of contract for University Hospital - Roy J. Carver Pavilion - Phase B Project on the campus of the State University of Iowa and for a notice to contractors of bidding thereon. Mr. Brownlee seconded the motion and on roll call the following voted:
AYE: Bailey, Barber, Belin, Brownlee, Harris, Shaw, Slife, Wenstrand, Petersen.
NAY: None.
ABSENT: None.
The motion carried.

REQUEST OF CONTRACTOR FOR REDUCTION IN RETENTION OF FUNDS ON A CONSTRUCTION CONTRACT. The board was requested to approve the recommendation of the university to reduce the retainage held on the general contract with Burger Construction Co., Inc., Iowa City, Iowa, on the contract Renovation for Handicapped Access in the Pentacrest Area to 5% of the contract amount remaining.

The board in March of 1977 approved a contract with Burger Construction Co., Iowa City, Iowa, for work involved in the installation of elevators in MacLean, Schaeffer, Macbride and Jessup Halls on the Pentacrest. At the same time, the board approved a contract with Schumacher Elevator Co., Denver, Iowa, for elevators. The rate of retention in the Burger contract is in accordance with the board's basic policy of retention of 10% of each monthly estimate submitted by a contractor during the life of the contract.

It was noted that Burger Construction Company has completed its work on installation of elevators in MacLean, Schaeffer and Macbride Halls, with the exception possibly of a few punch list-type items. The general contractor is being held up on completion of his work in Jessup Hall due to late delivery of equipment under order by the elevator contractor. The general contractor has no fault involved in the late completion of this project.

The university analyzed the situation stemming from the request of Burger Construction Co. to reduce the retainage. The university noted that the firm is withholding at present 10%, or \$17,319.80 of the contract amount on this project. The value of work remaining is at best \$7,000. The university recommended that the retainage be reduced to 5%, thus allowing the release of approximately \$8,600 to the contractor, while the University of Iowa retains a like amount, which is in excess of the estimated value (\$7,000) of the work remaining.

The Board Office reported that this matter was discussed by the Construction Contracts Committee at its last meeting and all members agreed that this was a highly extraordinary circumstance which would not set a precedent to the board's basic policy on retention of funds on construction contracts. It was the belief of the committee that in addition to a moral obligation, the board may have a legal obligation to provide relief for Burger Construction Co. in this matter. The Board Office indicated that the reduction of retainage to 5% appeared to be appropriate.

MOTION:

Mr. Slife moved the board approve the recommendation by the university to reduce the retainage held on the general contract with Burger Construction Co., Inc., Iowa City, Iowa, on the contract Renovation for Handicapped Access in the Pentacrest Area to 5% of the contract amount remaining. Mr. Barber seconded the motion.

Regent Barber asked what the completion date for the renovation is expected to be. Vice President Jennings reported that there have been some delays involved in the project and the completion date is now uncertain. He noted that delays have resulted from being unable to get through the bedrock.

VOTE ON MOTION:

The motion passed unanimously.

PUBLIC HEARING ON ACADEMIC REVENUE BOND FUNDED PROJECT - UNIVERSITY HOSPITAL ELECTRICAL SUBSTATIONS. President Petersen called the meeting to order at 3:00 p.m. , Central Daylight Savings Time, on Thursday, June 15, 1978, at Lakeside Laboratory, Milford, Iowa. The roll being called, there were present Mrs. H. Rand Petersen, president, in the chair, and the following named board members: Bailey, Barber, Belin, Brownlee, Harris, Shaw, Slife, Wenstrand.

The president stated that this was the date, time and place set for a hearing on the proposed plans and specifications and form of contract for Contract II -- General Construction -- University Hospital Electrical Substations on the campus of the State University of Iowa, Iowa City, Iowa.

President Petersen asked whether anyone present wished to register objections concerning either the proposed plans and specifications or the proposed form of contract. No objections were filed.

The president then inquired whether the executive secretary had received any written objections to the project. The executive secretary stated that he had not received any such objections. There being no objections, the president declared the public hearing closed.

President Petersen asked board members and institutional executives if there were additional matters to be discussed pertaining to the State University of Iowa.

COMMENCEMENT. President Petersen asked who could represent the board at the University of Iowa's commencement on July 28. Regent Harris indicated that he would attend the ceremony.

IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Friday, June 16, 1978.

COMMENCEMENT. President Petersen reported that board members interested in attending the Iowa State University summer commencement ceremonies on August 17, 1978 at C. Y. Stephens Auditorium were welcome to attend.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the month of May 1978 were ratified by the board.

APPOINTMENT. The board was requested to approve the following appointment:

Michael P. Brooks as Professor of Community and Regional Planning and Dean of the College of Design, effective August 1, 1978. Salary \$45,000 per year, twelve months' basis, plus fringe benefits.

MOTION: Mr. Bailey moved the board approve the appointment of Michael P. Brooks as shown above. Mr. Harris seconded the motion and it passed unanimously.

APPOINTMENT. The board was requested to approve the following appointment:

Jon Sontag as Acting Dean of the College of Design for the month of July 1978, when he will continue his regular position as Professor and Chairman of the Department of Applied Art. Salary as budgeted, twelve months' basis, plus fringe benefits.

MOTION: Mr. Bailey moved the board approve the appointment of Jon Sontag as shown above. Mr. Harris seconded the motion and it passed unanimously.

APPOINTMENT. The board was requested to approve the following appointment:

John Douglas Stevens as Acting Director of the Department of Chemical Engineering, effective July 1, 1978. Salary \$31,150 per year, twelve months' basis, plus fringe benefits. This appointment and salary will be effective until such time as a chairman is appointed, at which time he will continue in his regular position as professor.

MOTION: Mr. Bailey moved the board approve the appointment of John Douglas Stevens as shown above. Mr. Harris seconded the motion and it passed unanimously.

CHANGE IN TITLE. The board was requested to approve the following change in title:

John G. Bannister from Coordinator of Financial Aid to Director of Financial Aid, effective July 1, 1978. Salary as budgeted for 1978-1979, twelve months' basis, plus fringe benefits.

MOTION: Mr. Bailey moved the board approve the change in title for John G. Bannister as shown above. Mr. Harris seconded the motion and it passed unanimously.

APPOINTMENT. The board was requested to approve the following appointment:

Charles B. Handy as Acting Chairman of the Department of Industrial Administration, effective July 1, 1978. Salary as budgeted for 1978-1979. This appointment will be effective until such time as a chairman is appointed at which time he will continue in his regular position as professor.

MOTION: Mr. Bailey moved the board approve the appointment as shown above of Charles B. Handy. Mr. Harris seconded the motion and it passed unanimously.

OPERATION OF TENURE POLICIES. Discussion and action pertaining to Iowa State University's report on Operation of Tenure Policies, 1977-1978 academic year, is found in the general portion of these minutes.

NEW CURRICULUM ITEMS. The Board Office recommended the board refer the proposed new programs to the Interinstitutional Committee on Educational Coordination for review and recommendation.

The university requested approval of: 1) a Specialist Degree in School Psychology, 2) a curriculum in Agricultural Extension Education, 3) a curriculum in Seed Science, 4) an undergraduate major in Agricultural Biochemistry, and 5) a change in the name of the graduate major in Fisheries Biology and Wildlife Biology to a major in Animal Ecology.

Regent Bailey reported that nos. 2 and 3 above sounded like major changes. In response, Vice President Christensen indicated that those requests involve the regrouping of existing courses. There will not be an addition of a lot of new courses to establish those curriculums.

MOTION: Mr. Harris moved the board refer the proposed new programs of Iowa State University to the Interinstitutional Committee on Educational Coordination for review and recommendation. Mr. Slife seconded the motion.

MOTION:

Mr. Bailey moved the board approve the granting of an easement retroactively to the city of Ames for the construction and operation of water distribution system improvements across land owned by the state of Iowa. Mr. Harris seconded the motion and on roll call the following voted:

AYE: Bailey, Barber, Belin, Brownlee, Harris, Shaw, Slife, Wenstrand, Petersen.

NAY: None.

ABSENT: None.

The motion carried.

The Board Office reported that this project involves an easement for construction of a water distribution system located next to the east side of State Avenue extending north from Mortensen Road. Construction is an extension of an existing water main that is serving the west area of the city and it is necessary to improve the system's fire and water supply response.

MOTION:

Mr. Bailey moved the board approve the granting of an easement retroactively to the city of Ames for the construction and operation of water distribution system improvements across land owned by the state of Iowa. Mr. Harris seconded the motion and on roll call the following voted:

AYE: Bailey, Barber, Belin, Brownlee, Harris, Shaw, Slife, Wenstrand, Petersen.

NAY: None.

ABSENT: None.

The motion carried.

The Board Office indicated that this project involves an easement for projects which occurred a number of years ago in extension of the water distribution system along South Riverside Drive.

MOTION:

Mr. Bailey moved the board approve the granting of an easement to the city of Ames for construction and operation of a sanitary sewer across land owned by the state of Iowa. Mr. Harris seconded the motion and on roll call the following voted:

AYE: Bailey, Barber, Belin, Brownlee, Harris, Shaw, Slife, Wenstrand, Petersen.

NAY: None.

ABSENT: None.

The motion carried.

The Board Office stated that this project involves an easement for construction which also occurred a number of years ago in extension of a sanitary sewer system along South Riverside Drive.

RESOLUTION PROVIDING FOR NOTICE OF HEARING ON AN ACADEMIC REVENUE BOND FUNDED PROJECT. The board was requested to approve a resolution providing for a notice of hearing on proposed plans, specifications and form of contract for Utilities - Chilled Water System Additions - 1977 - Divisions 3 and 4 on the campus of Iowa State University and for a notice to contractors of bidding thereon. The board was requested to set the date and time for the public hearing for Thursday, July 20, 1978 at 11:00 a.m. in the Board Room, Gilchrist Hall, University of Northern Iowa, Cedar Falls, Iowa.

MOTION: Mr. Harris moved the board approve a resolution providing for a notice of hearing on proposed plans, specifications and form of contract for Utilities - Chilled Water System Additions - 1977 - Divisions 3 and 4 on the campus of Iowa State University and for a notice to contractors of bidding thereon. Date of such hearing was scheduled for Thursday, July 20, 1978 at 11:00 a.m. in the Board Room, Gilchrist Hall, University of Northern Iowa, Cedar Falls, Iowa. Mr. Barber seconded the motion and it passed unanimously.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. Executive Secretary Richey reported the Register of Capital Improvement Business Transactions for the period of May 19 through June 16, 1978 had been received by him, was in order, and recommended approval.

The board was also requested to reject the single bid received from Kiowa Construction, Inc., Boone, Iowa, of \$95,217.00 on the project Utilities--Chilled Water System Additions--1977--Division 3--Structural Alterations, and proceed to combine Division 3 work with Division 4 to be bid as a single contract later this summer.

In addition, the board was requested to reject the two bids received of \$41,700 and \$115,900 (as compared to a project estimate of \$20,000) on the project Mechanical Engineering--Chimney Razing and Disposal, and proceed to negotiate a contract through use of an informal bidding procedure leading to project completion without formal rebidding.

The following contracts were recommended for ratification, having been awarded by the executive secretary:

<u>MacKay Hall -- Third Floor Air Conditioning</u>	
Award to: Air Conditioning, Inc., Ames, Iowa	<u>\$ 43,400.00</u>
<u>Athletic Facilities -- Intercollegiate Running Track and Tennis Courts</u>	
Award to: Parkview Company, Iowa City, Iowa	<u>\$610,470.00</u>
<u>Utilities -- University Utilities Extensions - South Central Campus</u>	
Award to: Hurst Excavating Inc., Waterloo, Iowa	<u>\$ 97,500.00</u>

Alumni Hall -- Life and Safety Improvements

Award to: Hoffman Construction Co., Ames, Iowa \$126,389.00

(The executive secretary waived an irregularity in that only a single bid was received because plans and specifications were checked out by 11 contractors and bidders' choice was evidently involved in the decision not to bid. In addition, the single bid was slightly below estimate for that phase of the work.)

Maple-Willow-Larch Dormitory Caulking

Award to: Frank McGill, Inc., Omaha, Nebraska \$ 19,112.00

(The executive secretary noted that there were two irregularities on this project. The first was that a single bid was received. The second was that the bidder failed to submit equal employment opportunity information with the bid. These irregularities were waived since, in the first instance, five bidders checked out plans and specifications and bidders' choice was evidently involved in the decision not to bid. In the second instance, this bidder has since filed equal employment opportunity information. In addition, the firm is already on file at the Board Office.)

The board was requested to approve the following contract recommended by the Board Office in addition to those reported in its memorandum:

Tennis Courts Restoration - Beyer Hall

Award recommended to: Hillis Company, Inc., Des Moines,
Iowa \$ 78,187.50

The following amended or revised project budgets were recommended for approval:

MacKay Hall -- Third Floor Air Conditioning

Source of Funds: 1977-1978 RR&A Funds \$ 50,000.00

Athletic Facilities -- Intercollegiate Running Track and Tennis Courts

Source of Funds: Athletic Council \$691,700.00

Utilities -- University Utilities Extensions - South Central Campus

Source of Funds: 67th G.A. Academic Revenue Bonds \$290,000.00

Tennis Courts Restoration - Beyer Hall

Source of Funds: 1977-78 RR&A Funds (Original \$75,000) \$ 82,400.00

Maple-Willow-Larch Dormitory Caulking

Source of Funds: Dormitory System Surplus Fund (Original \$20,000) \$22,000.00

Alumni Hall - Life and Safety Improvements

Source of Funds: Overhead Reimbursement for Use of
Facilities (Original \$130,000) \$139,125.00

The following special contract matters were recommended for approval:

Mechanical Engineering -- Chimney Razing and Disposal

Estimated cost of the project by an outside inspector was \$20,000 funded from RR&A. Bids were received on this project on June 6. The two bids received were in the amounts of \$41,700 and \$115,900. The university recommended that both bids be rejected and that it proceed to negotiate a contract through use of an informal bidding procedure leading to project completion without formal rebidding. The university expressed confidence that negotiations with other demolition contractors would allow completion of the project at a cost much closer to the original estimate.

Utilities -- Chilled Water System Additions -- 1977 -- Division 3 -- Structural Alterations

The Board Office indicated that bids were received on this phase of the Chilled Water System project on June 1. Plans and specifications were sent to at least ten prospective bidders. A single proposal, however, was received. The estimate for this portion of the work made by Brown Engineering was \$50,000. The single bid was in the amount of \$95,217.

The university recommended that the single bid be rejected and that the project proceed by combining Division 3 work with Division 4 to be bid as a single contract later this summer. The university believes that there may be more favorable marketplace conditions for the type of work covered by Division 3 if it were bid as a subcontract later in the summer.

Regent Bailey asked what type of policy the board has with respect to the rejection of bids and proceeding with the project. Mr. McMurray quoted from the Code of Iowa Section 262.34 in response:

262.34 Improvements -- advertisement for bids. When the estimated cost of construction, repairs, or improvement of buildings or grounds under charge of the state board of regents shall exceed ten thousand dollars, the said board shall advertise for bids for the contemplated improvement or construction and shall let the work to the lowest responsible bidder; provided, however, if in the judgment of the board bids received be not acceptable, the said board may reject all bids and proceed with the construction, repair, or improvement by such method as the board may determine. All plans and specifications for repairs or construction, together with bids thereon, shall be filed by the board and be open for public inspection. All bids submitted under the provisions of this section shall be accompanied by a deposit of money or a certified check in such amount as the board may prescribe.

The following new project was presented for approval:

Iowa State University Stadium -- South Parking Lot

Source of Funds: Athletic Council

Estimated Cost: \$350,000

The board was also requested to authorize the university to design and proceed with the South Parking Lot project. It was noted that because of existing lease arrangements with the Iowa State University Foundation, the foundation will sign this construction contract and pay for the project out of funds provided by the Athletic Council.

MOTION:

Mr. Bailey moved the board approve the Register of Capital Improvement Business Transactions for the period of May 19 through June 16, 1978; approve the contract awards as shown above; approve the amended or revised project budgets as shown above; approve the new project; reject the single bid received from Kiowa Construction Inc., Boone, Iowa of \$95,217.00 on the project Utilities -- Chilled Water System Additions -- 1977 -- Division 3 -- Structural Alterations, and proceed to combine Division 3 work with Division 4 to be bid as a single contract later this summer; reject the two bids received of \$41,700 and \$115,900 on the project Mechanical Engineering -- Chimney Razing and Disposal, and proceed to negotiate a contract through use of an informal bidding procedure leading to project completion without formal rebidding; and authorize the executive secretary to sign all necessary documents. Mr. Wenstrand seconded the motion and it passed unanimously.

President Petersen asked board members and institutional executives if there were additional matters to be brought up for discussion pertaining to Iowa State University. There were no additional matters raised for discussion.

UNIVERSITY OF NORTHERN IOWA

The following business pertaining to the University of Northern Iowa was transacted on Friday, June 16, 1978.

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

OTHER PERSONNEL TRANSACTIONS. The following transactions were recommended for approval:

A. Appointments/Renewal of Appointments

Reappointment of Mr. James Bailey, Associate Director of Business Services, as University Treasurer for the 1978-1979 fiscal year.

Reappointment of Mr. Gary Shontz, Controller, as University Secretary for the 1978-1979 fiscal year.

Appointment of Dr. Hugo L. Beykirch, Acting Head, 1978-1979, Department of Speech Pathology and Audiology, effective July 1, 1978.
Current rank: Assistant Professor, Probation.

B. Resignations

Dr. Roy E. Eblen, Head, Department of Speech Pathology and Audiology, effective July 1, 1978.

Dr. Thomas L. Reuschling, Head, School of Business, effective August 1, 1978.

Dr. Edward W. Amend, Director of Individual Studies, effective August 23, 1978.

Dr. James C. Canada, Department of Home Economics, effective July 31, 1978.

Mr. Victor Potter, Director of Plant Services, effective June 15, 1978.

MOTION: Mr. Brownlee moved the board approve the appointments, reappointments, and resignations as shown above. Mr. Bailey seconded the motion and it passed unanimously.

TENURE REPORT. Discussion and action pertaining to the University of Northern Iowa Annual Tenure Report is found in the general portion of these minutes.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. Executive Secretary Richey reported the Register of Capital Improvement Business Transactions for the period of May 9 to June 6, 1978 had been received by him, was in order, and recommended approval.

The following actions were also recommended for specific board approval:

- 1) Approve a contract for engineering services with Shive-Hattery and Associates, Davenport, Iowa, to provide design and construction supervision services associated with the UNI-Dome South Parking Lot Improvement.
- 2) Ratify executive secretary concurrence in award of Department of Transportation contracts on a pedestrian overpass and underpass, as part of the reconstruction of the Hudson Road project in Cedar Falls.

The following construction contracts were recommended for ratification, having been awarded by the executive secretary of the board:

Bartlett Hall Elevator Replacement

Award to: Schumacher Elevator Co., Inc., Denver, Iowa \$26,900.00

Women's Tennis Courts -- Rehabilitate North Five Courts

Award to: Aspro, Inc., Waterloo, Iowa \$19,118.25

Price Laboratory School -- South Porch Renovations

Award to: Claude Gardner Construction, Inc., Waterloo, Iowa \$14,046.00

Coal-Fired Boiler Replacement and Auxiliaries -- Contract C-2B --
Structural Steel

Award to: Huxtable-Hammond Co., Inc., Bettendorf, Iowa \$375,000.00

(The executive secretary waived an irregularity in the above contract. The low bidder failed to submit an equal employment opportunity form with the bid but it was waived since the form was submitted directly to the board's compliance officer prior to award of contract.)

The following special contract matters were called to the board's attention for approval:

Contract for Engineering Services

The university recommended the board approve an agreement for engineering services with Shive-Hattery and Associates for design and construction supervision services associated with the UNI-Dome South Parking Lot Improvement. This is a \$120,000 project approved by the board in May. The contract utilizes the standard form of the board and is on an hourly rate basis with a maximum upset figure of \$4,200. This low cost of 3.5% of the total budget is due in part to the engineer's familiarity with the project and, in part, to the fact that the project is relatively simple since it involves surfacing of an existing lot.

Hudson Road Improvements

The board was asked to ratify executive secretary concurrence in award of Department of Transportation contracts as follows:

Award Group 2 -- Design 4177, a pedestrian underpass, to Progressive Contractors, Inc., Osseo, Minnesota, in the amount of \$84,475.20.

Award Group 4 -- Design 4077, a pedestrian bridge, to Progressive Contractors, Inc., Osseo, Minnesota, in the amount of \$164,833.40.

Total Award: \$249,308.60

The Board Office reported that because of a project time schedule which has project completion, as far as the UNI-Dome, by September 15, and total project completion by November 15, the Department of Transportation was very anxious to undertake the work as quickly as possible. A meeting was held on Friday, June 2, at the Department of Transportation. Agreement was reached with the department on funding the Board of Regents' portion of this project. Work has already started on the project by the contractor.

The following new projects were recommended for approval:

Redeker Center -- Remodel Administrative Offices

Source of Funds: Dormitory Improvement Funds \$57,000.00

Hillside Courts -- TV Reception System Improvements

Source of Funds: Dormitory Improvement Funds \$12,000.00

MOTION:

Mr. Barber moved the board approve the Register of Capital Improvement Business Transactions for the period of May 9 to June 6, 1978; ratify the construction contracts as approved by the executive secretary; approve the new projects; approve a contract for engineering services with Shive-Hattery and Associates, Davenport, Iowa, to provide design and construction supervision services associated with the UNI-Dome South Parking Lot Improvement; ratify executive secretary concurrence in award of Department of Transportation contracts on a pedestrian overpass and underpass, as part of the reconstruction of the Hudson Road project in Cedar Falls; and authorize the executive secretary to sign all necessary documents. Mr. Bailey seconded the motion and it passed unanimously.

FINAL BUDGET FOR 1978-1979. Discussion and action pertaining to the University of Northern Iowa's final budget for 1978-1979 is found in the general portion of these minutes.

PROPOSED EASEMENT WITH CITY OF CEDAR FALLS FOR CONSTRUCTION OF A SANITARY SEWER. The board was requested to approve granting of an easement to the city of Cedar Falls for the construction and maintenance of a sanitary sewer across land owned by the state of Iowa.

The Board Office reported that the city of Cedar Falls has requested an easement across land under the jurisdiction of the University of Northern Iowa in connection with an extension of its Twentieth Street sanitary sewer project. This easement continues construction of a project begun in 1977. Consideration is the fact that the new sanitary sewers will be of greater dimension than the old and thus constitute potential benefit to the university because of the larger capacity to handle requirements of the university.

The Board Office noted that the easement was in standard form and included the standard liability clause developed by the board last June.

No cost of facilities shall be assessed against the state except that eventually the city will be permitted to charge a connection fee to the user of the sanitary sewer if a connection is made.

MOTION:

Mr. Harris moved the board approve granting an easement to the city of Cedar Falls for the construction and maintenance of a sanitary sewer across land owned by the state of Iowa. Mrs. Belin seconded the motion and on roll call, the following voted:
AYE: Bailey, Barber, Belin, Brownlee, Harris, Shaw, Slife, Wenstrand, Petersen.
NAY: None.
ABSENT: None.
The motion carried.

TENANT PROPERTY RENTALS, 1978-1979. The university requested the board approve the tenant property rentals for 1978-1979 as proposed.

The university proposed to increase the monthly rental fees on 14 of 15 residential properties which are owned by the university and located on the edges of the campus. Long-range plans call for removal of the structures and use of the resultant space in ways more directly related to university purposes. Meanwhile, the university will rent these properties at competitive rates. Proposed rate increases generally range around \$10 per month with one exception. The property at 1223 West 22nd Street is presently unoccupied and will be renovated. When placed in better condition, the property should be rented at a substantially higher monthly rate. Thus, that rental increase was set at \$70.00 per month.

MOTION:

Mr. Bailey moved the board approve the tenant property rental rates for 1978-1979 as proposed by the University of Northern Iowa. Mr. Slife seconded the motion and on roll call, the following voted:
AYE: Bailey, Barber, Belin, Brownlee, Harris, Shaw, Slife, Wenstrand, Petersen.
NAY: None.
ABSENT: None.
The motion carried.

SPECIAL SECURITY OFFICERS. The board was requested to commission Ms. Laurel Magee and Mr. Duane Van Gerpen as permanent special security officers at the University of Northern Iowa.

Laurel Magee has received her certificate from the Iowa Law Enforcement Academy for completing the two-week course of the Fourteenth Advanced Officers Training School from May 1 to May 12, 1978.

Duane Van Gerpen has received his certificate from the Iowa Law Enforcement Academy by attending the ten-week course of police recruit training at the 52nd Basic Recruit Session.

MOTION:

Mr. Slife moved the board commission Ms. Laurel Magee and Mr. Duane Van Gerpen as permanent special security officers at the University of Northern Iowa. Mr. Harris seconded the motion and it passed unanimously.

LONG-RANGE PLANNING SEMINAR. President Petersen reminded members of the board of the seminar to be held at the University of Northern Iowa at 9:00 a.m., Wednesday, July 19, 1978.

President Petersen asked board members and institutional executives if there were additional matters to be raised for discussion pertaining to the University of Northern Iowa. There were no additional matters raised for discussion.

IOWA SCHOOL FOR THE DEAF

The following business pertaining to the Iowa School for the Deaf was transacted on Friday, June 16, 1978.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the month of May 1978 were ratified by the board.

HOLIDAY SCHEDULE FOR 1978-1979. The Board Office recommended the board approve the holiday schedule submitted by the Iowa School for the Deaf for 1978-1979 as proposed.

The Board Office noted that the schedule has been reviewed with Mr. Gene Vernon, State Director of Employment Relations, and has been found to be acceptable.

MOTION: Mr. Barber moved the board approve the holiday schedule submitted by the Iowa School for the Deaf for 1978-1979 as proposed. Mrs. Belin seconded the motion and it passed unanimously.

The holiday schedule is on file in the Board Office.

APPOINTMENT OF SECRETARY-TREASURER FOR 1978-1979. The board was requested to approve the following reappointment:

Melvin H. Kuehnhold as secretary and treasurer of the Iowa School for the Deaf for the year that will begin July 1, 1978, with the understanding that reports to the board will be made through the Superintendent of the Iowa School for the Deaf and that the treasurer's bond, in the amount of \$50,000.00, will be purchased from the lowest responsible bidder.

MOTION: Mr. Brownlee moved the board reappoint Melvin H. Kuehnhold as secretary and treasurer of the Iowa School for the Deaf for the year that will begin July 1, 1978 as shown above. Mr. Harris seconded the motion and it passed unanimously.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. There were no items on the Register of Capital Improvement Business Transactions for the month of May 1978.

APPROVAL OF BUDGET FOR 1978-1979. Discussion and action pertaining to the final budget for the Iowa School for the Deaf is found in the general portion of these minutes.

President Petersen asked board members and institutional executives if there were additional matters to be discussed pertaining to the Iowa School for the Deaf. There were no additional matters raised for discussion.

IOWA BRAILLE AND SIGHT SAVING SCHOOL

The following business pertaining to the Iowa Braille and Sight Saving School was transacted on Friday, June 16, 1978.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the month of May 1978 were ratified by the board.

APPOINTMENT OF SECRETARY-TREASURER. The board was requested to approve the reappointment of M. D. Berry as secretary-treasurer of the Iowa Braille and Sight Saving School for 1978-1979.

MOTION: Mr. Brownlee moved the board approve the reappointment of M. D. Berry as secretary-treasurer of the Iowa Braille and Sight Saving School for fiscal year 1978-1979. Mr. Bailey seconded the motion and it passed unanimously.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. Executive Secretary Richey reported the Register of Capital Improvement Business Transactions for May 1978 had been received by him, was in order, and recommended approval.

The Board Office indicated that all the items on the register involved the May 31 bid opening held at the Iowa Braille and Sight Saving School. Joint bids were taken at one time on three different projects. These involved:

- 1) Fire Safety Improvements
- 2) 1977-1978 Remodeling/Renovation
 - a. Repair of Guttering on the Main Building
 - b. Renovation of the Dining Room on the first floor of the Main Building
 - c. Phase I - Relocation of Administrative Offices in the Main Building
 - d. Renovation of the Instructional Materials Center/Production Center on the second floor of the Main Building
- 3) Combination Window Installation on Palmer Hall, Rice Hall and Children's Cottage

The following awards were recommended for ratification, having been approved by the executive secretary:

General

Award to: Berry-Mahurin Construction Co., Cedar Rapids, Iowa \$228,280.00

Mechanical

Award to: Young Plumbing and Heating, Waterloo, Iowa \$ 69,932.00

Electric

Award to: Mayhew Electric Co., Vinton, Iowa \$ 15,852.00

Window

Award to: Rusco - Cedar Rapids, Iowa \$ 51,875.00

The Board Office reported that the electrical and window contracts were awarded after irregularities were waived by the executive secretary concerning the time the equal employment opportunity information was submitted.

The following amended/revised project budgets were presented for approval:

Fire Safety Improvements

Source of Funds: 66th G.A. Capital Allocation (\$100,088)
67th G.A. Capital Allocation (\$150,088) \$250,088.00

Combination Windows for Dormitories

Source of Funds: 1977-1978 RR&A Funds \$ 57,000.00

1977-1978 Renovations/Remodeling - Phase I

Source of Funds: 67th G.A. Capital Appropriations (\$102,500)
1977-1978 Operating Balances (\$69,000)
1977-1978 Unemployment Compensation Fund (\$24,000)
(subject to approval of State Comptroller) \$195,500.00

Mr. McMurray commented that the amount specified for this project should be viewed as tentative in that an attempt will be made to utilize operating balances to the fullest extent possible before any of the capital appropriations are utilized. He noted that the Board Office has also applied to the State Comptroller for approval to use unemployment compensation funds balances. Mr. McMurray said the Board Office will present a more final budget to the board as soon as the books are closed for this year.

Regent Bailey asked why the two special schools seemed to show such a large amount of unexpended money for unemployment compensation. Mr. Richey said the Board Office thought there was a liability there several years ago and requested appropriations to cover it. It has since been carried as a reserve and has been treated as a line item. He added that from an appropriations standpoint, the board can use funds any way it wishes without further specific approval. The board has, however, kept this money internally as an earmarked account.

Mr. Richey added that a year ago, errors were made in calculating the health insurance needs for the Iowa School for the Deaf and the Iowa Braille and Sight Saving School last year which caused some extra funds in that area, also. Mr. Richey reported that the universities are underfunded in this area and at the October board meeting those facts will be reviewed. He said the excess funds at the two special schools may be used at the universities.

IOWA BRAILLE AND SIGHT SAVING SCHOOL
June 15-16, 1978

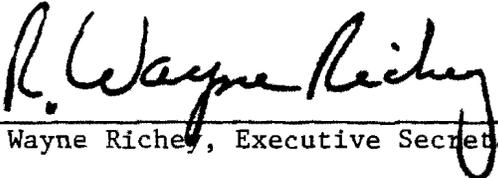
MOTION:

Mr. Brownlee moved the board approve the Register of Capital Improvement Business Transactions for the month of May 1978; approve and ratify the contract awards as shown above; approve the amended/revised project budgets as shown above; authorize the executive secretary to sign all necessary documents. Mr. Barber 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 the Iowa Braille and Sight Saving School. There were no additional matters raised for discussion.

FINAL BUDGET - GENERAL PROGRAM OPERATIONS - 1978-1979. Discussion and action pertaining to the final budget for the Iowa Braille and Sight Saving School is found in the general portion of these minutes.

ADJOURNMENT. The meeting of the State Board of Regents adjourned at 10:30 a.m., Friday, June 16, 1978.


R. Wayne Richey, Executive Secretary