

The State Board of Regents met at the State University of Iowa, Iowa City, Iowa, on Wednesday, May 19, 1982. Those present were:

<u>Members of the State Board of Regents:</u>	<u>May 19, 1982</u>
Mr. Brownlee, President	All Sessions
Mrs. Anderson	All Sessions
Dr. Harris	All Sessions
Mrs. Jorgensen	All Sessions
Mr. McDonald	All Sessions
Mrs. Murphy	All Sessions
Mr. Neu	All Sessions
Mr. Nolting	All Sessions
Mr. Wenstrand	All Sessions
<u>Office of the State Board of Regents:</u>	
Executive Secretary Richey	All Sessions
Director Barak	All Sessions
Director McMurray	All Sessions
Director Sonnenschein	All Sessions
Director Volm	All Sessions
Associate Director Caldwell	All Sessions
Ms. Mininger	All Sessions
Ms. Peters, Secretary	All Sessions
<u>State University of Iowa:</u>	
President Freedman	All Sessions
Vice President Bezanson	All Sessions
Acting Vice President Moll	All Sessions
Assistant Vice President Small	All Sessions
Assistant to President Mears	All Sessions
Acting Associate Vice President Mahon	All Sessions
Director Jensen	All Sessions
<u>Iowa State University:</u>	
President Parks	Exc. 12:37 p.m.
Vice President Christensen	Excused
Vice President Hamilton	Exc. 12:37 p.m.
Vice President Moore	Exc. 12:37 p.m.
Assistant Vice President Madden	Exc. 12:37 p.m.
Assistant to President Crawford	Exc. 12:37 p.m.
<u>University of Northern Iowa:</u>	
President Kamerick	Exc. 12:12 p.m.
Provost Martin	Exc. 12:12 p.m.
Vice President Stansbury	Exc. 12:12 p.m.
Director Kelly	Exc. 12:12 p.m.
<u>Iowa School for the Deaf:</u>	
Superintendent Giangreco	Exc. 12:05 p.m.
Business Manager Kuehnhold	Exc. 12:05 p.m.
<u>Iowa Braille and Sight Saving School:</u>	
Superintendent DeMott	Exc. 12:08 p.m.
Business Manager Berry	Exc. 12:08 p.m.

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The following business pertaining to general or miscellaneous items was transacted on Wednesday, May 19, 1982.

ELECTION OF THE PRESIDENT OF THE BOARD OF REGENTS. The term of the president of the Board of Regents expires in each even-numbered year. Chapter 262.9(1) provides that the Board of Regents shall "each even-numbered year elect, from its members a president of the board, who shall serve for two years and until his successor is elected and qualified."

The Board Office noted that since the terms of the board members now run from May 1 through April 30, the election of the president of the board normally will take place in May of each even-numbered year.

Mr. S. J. Brownlee, who had been elected president of the Board of Regents a year ago, turned the meeting over to Executive Secretary Richey who in turn recognized Regent Harris.

Regent Harris, speaking on behalf of the board, said board members felt fortunate to have Mr. Brownlee as president and appreciated the excellent quality of leadership he had provided.

MOTION:

Dr. Harris moved that Mr. Brownlee be elected unanimously as president of the Board of Regents. Mrs. Anderson seconded the motion and it passed with all members voting "Aye" except Mr. Brownlee, who abstained.

President Brownlee thanked the board for its confidence and took the chair.

APPROVAL OF MINUTES. The Board Office noted two corrections to the minutes of the April 21-22, 1982, meeting. President Brownlee said that the minutes with the inclusion of the corrections were approved by general consent of the board.

INTERINSTITUTIONAL COMMITTEE ON EDUCATIONAL COORDINATION. It was recommended that the board approve changes in the names of two departments at the University of Iowa, as follows:

1. Department of Otolaryngology and Maxillofacial Surgery in the College of Medicine to the Department of Otolaryngology-Head and Neck Surgery; and
2. Department of Oral Surgery in the College of Dentistry to the Department of Oral and Maxillofacial Surgery.

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At the April meeting of the Board of Regents, these proposed name changes had been referred to the Interinstitutional Committee for Educational Coordination and the Board Office for review and recommendation. The Interinstitutional Committee had reviewed these proposed changes and recommended ". . . approval of the changes, in view of the national trend to identify comparable departments in the manner which has been proposed."

The Board Office noted that according to the university these proposed name changes did not involve any new programmatic thrusts. The Board Office also assumed that there were no budgetary implications for these changes.

MOTION: Dr. Harris moved that the board approve the changes in the names of two departments at the University of Iowa, as noted above in the recommendation. Mr. Nolting seconded the motion and it passed unanimously.

REPORT ON MAY 6 MEETING OF THE IOWA COORDINATING COUNCIL FOR POST-HIGH SCHOOL EDUCATION. It was recommended that the board receive the report.

The Iowa Coordinating Council for Post-High School Education met on May 6, 1982, at the American Institute of Business, Des Moines, for its regular monthly meeting and the last meeting of the academic year. Below are some highlights of this meeting:

1. Elected New Officers. The Council unanimously elected Robert McBride, President of Simpson College, as Chairperson of the Council, and Keith Fenton, President of the American Institute of Business, as Vice Chairperson. Both officers will serve in this capacity for the 1982-83 year.
2. Approved Proposed Legislation. The Council unanimously adopted proposed legislation to require the registration of out-of-state postsecondary institutions offering courses and degree programs in Iowa. The Council also recommended that the legislative representatives of each of the sectors of postsecondary education in Iowa work in concert with representatives of the Secretary of State and Attorney General's office to seek passage of this legislation during the next session of the Iowa General Assembly.
3. Accepted Proposed Programs Without Concern. The Council accepted without concern the proposed curriculum changes from the University of Northern Iowa and four new programs for the area schools.

The complete minutes of this meetings are on file in the Board Office. Regent Nolting attended the meeting.

The report on the May 6, 1982, meeting of the Iowa Coordinating Council for Post-High School Education was received by general consent of the board.

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REPORT ON THE MEETING OF THE IOWA COLLEGE AID COMMISSION. It was recommended that the board receive the report.

The Iowa College Aid Commission met on May 11, 1982. The Commission voted to enter into a one-year contract with the Iowa Student Loan Liquidity Corporation to furnish certain services to the Commission for handling the Iowa Parental Loan Program (IPLUS). The contract would be carried out by the Student Loan Liquidity Corporation through utilization of its contract with the Pennsylvania Higher Education Assistance Authority.

The Iowa College Aid Commission also discussed briefly the fact that a major lending institution in Iowa is attempting to bring a second loan guarantee agency into the state of Iowa. The Commission has asked for a statement from the Secretary of Education as to the legality of having a second guarantor in the state if the state guarantee agency is satisfying the demand for student loans.

The report on the meeting of the Iowa College Aid Commission was received by general consent of the board.

STUDENT TEACHING CONTRACTS FOR 1982-83 FOR THE THREE REGENT UNIVERSITIES. It was recommended that the board approve the student teaching contract forms for 1982-83 for the three Regent universities.

The Board Office noted that Regent policy requires that student teacher contract forms be approved by the board each year in advance of their use. Following board approval of the format and conditions of contracts, the executive secretary and the institutional president (or the president's designee) are authorized to execute agreements during the year.

Student teaching contracts for each of the universities included an increase in compensation to the cooperating school district or educational agency (from \$100 to \$120 per student teacher per semester). For Iowa State University and the University of Northern Iowa, the prorated remuneration for less than a full semester, for less than 16 hours of credit, and for special cases is also increased by a corresponding amount.

The University of Northern Iowa contract form includes minor changes in wording, mainly for purposes of updating and clarification. The Board Office found that these changes were satisfactory. The University of Iowa and Iowa State University forms are identical to those approved in prior years, except for the change in compensation.

Mr. Richey noted that many contracts would be signed on the basis of this general approval.

MOTION:

Mr. Nolting moved that the board approve the student teaching contract forms for 1982-83 for the three Regent universities. Mrs. Anderson seconded the motion and it passed unanimously.

ALLOCATIONS OF SUPPLEMENTAL APPROPRIATIONS FOR FUEL AND PURCHASED ELECTRICITY, 1982-83. It was recommended:

1. That 1981-82 fuel and purchased electricity savings of \$798,881 be carried forward to 1982-83 and allocated as shown in the table below, with an exception as noted.
2. That the supplemental appropriation of \$1,277,337 be allocated as set forth in the table below.

Fuel and Purchased Electricity Carry Forward and Supplemental Appropriations for 1982-83		
Institution	1. Proposed Fuel & P.E. Carry Fwd. From 81-82	2. Proposed Allocation of Supplemental Appropriations
<u>University of Iowa</u>		
General University	\$204,232	\$481,122
University Hospital	0	23,744
Psychiatric Hospital	0	3,749
State Hygienic Laboratory	0	0
Hospital School	0	6,248
Oakdale Campus	0	49,660
Subtotal - ISU	\$204,232	\$564,523
<u>Iowa State University</u>		
General University	\$336,255	\$ 509,031
Experiment Station		
Cooperative Extension Service		
Subtotal - ISU	\$336,255	\$ 509,031
<u>University of Northern Iowa</u>		
General University	\$197,193	\$ 143,290
<u>Iowa School for the Deaf</u>	61,201	\$ 9,412
<u>Iowa Braille & Sight Saving School</u>	\$ 0	\$ 51,081
TOTAL	\$798,881	\$1,277,337

The Board of Regents requested a supplemental appropriation of \$3.0 million for fuel and purchased electricity in 1982-83 because no additional funds had been appropriated previously for price growth in 1982-83. The Governor's supplemental budget recommendation included appropriations of \$1,277,337 to the Board of Regents. The Governor's supplemental appropriation was based on an estimated surplus of \$798,881 for 1982-83 which may be carried

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forward to 1982-83 and additional savings of \$891,887 during 1982-83. The Board Office stated that consequently the board needed to allocate both of these amounts to appropriate organizational units.

Appropriations - 1982-83	\$1,277,337
Carry Forward from 1981-82	798,881
Savings - 1982-83	891,887
Total Additional Funds	<u>\$2,968,105</u>

The state comptroller's estimate of 1981-82 and 1982-83 expenditures and resultant savings was based on actual 1980-81 prices increased by the Regent assumption of 14 percent per year price growth times the Regent assumption of consumption.

According to the Board Office, estimated expenditures of \$18,820,000 indicate a savings of \$2,540,000 from the original budget of \$21,360,000. These savings are sufficient to carry forward the \$798,881 for fuel and purchased electricity expenditures into 1982-83 as allowed by statute. However, Oakdale Campus and Iowa Braille and Sight Saving School estimate a deficit for 1981-82.

Allocation of the savings carried forward to 1982-83 is proposed to follow the state comptroller's calculations as adjusted to exclude carry forward by Oakdale Campus and Iowa Braille and Sight Saving School.

It was proposed to allocate the supplemental appropriations of \$1,277,337 in proportion to the original Regent request for 1982-83 after covering the 1981-82 deficits noted above and filling the oil tanks at the Iowa School for the Deaf and Iowa Braille and Sight Saving School.

After deducting \$41,000 for the above purposes, the remaining \$1,236,337 would be allocated according to the original Regent request. The original Regent request was based on average consumption for a three-year period and price estimates that were analyzed carefully to insure that all institutions should benefit from continuation of their aggressive energy conservation and purchasing programs.

Subject to Regent approval, the Board Office allocated amounts to each organizational unit based on actual expenditure through February in order for the institutions to prepare preliminary budgets. Experience through March revealed a larger deficit at Oakdale Campus. Consequently, it was proposed that an additional \$20,000 be shifted from the University of Northern Iowa to Oakdale Campus. This proposal was discussed with UNI and incorporated into the preliminary budget recommendations for the two organizational units.

Further review of the Iowa Braille and Sight Saving School budget revealed that the school is vulnerable to a deficit in 1982-83 due to greater use of oil. Funds for the Iowa School for the Deaf appeared to be more than sufficient. Accordingly, the Board Office proposed that \$20,000 be shifted from Iowa School for the Deaf to Iowa Braille and Sight Saving School to correct this special situation.

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Mr. Richey reported to the board that he was withdrawing his recommendation for the transfer of \$199,000 from other budget categories to the fuel and purchased electricity category in the University of Iowa budget. This recommendation, which is covered under another docket item, is made on condition that the University of Iowa will absorb that much in additional fuel costs, if necessary, before requesting a reallocation of fuel funds from any reversions in the fuel budgets of the other institutions during the latter part of the fiscal year.

Even with these adjustments, the institutions will have to continue an aggressive energy conservation program in 1982-83, according to the Board Office.

The Board Office believed that funds allocated as recommended should be sufficient for each organizational unit during 1982-83.

MOTION:

Dr. Harris moved (1) that 1981-82 fuel and purchased electricity savings of \$798,881 be carried forward to 1982-83 and allocated as shown in the recommended table (page 623); and (2) that the supplemental appropriation of \$1,277,337 be allocated as set forth in the table on page 623. Mr. McDonald seconded the motion and it passed unimously.

MERIT SYSTEM PAY PLAN, CLASSIFICATION PLAN, AND RULE REVISIONS. It was recommended that the board approve the following recommendations to be effective July 1, 1982:

1. Adoption of the pay matrices for nonorganized employees and for blue collar, security, and technical employees (a complete copy is on file in the Board Office).
2. Provide that pay for employees whose salary now exceeds the maximum of their assigned pay grade will be established at the new maximum of that grade or 5 percent above this year's salary, whichever is higher.
3. Revision of classification descriptions to include provision that duties may involve the use of electronic words/data processing equipment and/or conventional equipment for the following classifications: Library Assistant I, II, III, and IV; Secretary I, II, III, and IV; Record Analyst I and II; Clerk-Typist I, II, and III; Clerk I, II, III, and IV; Nursing Unit Clerk; Cashier I and II; Office Coordinator I and II; Account Clerk; Account Specialist.
4. Direct the Merit System Director to continue the system's study of the use of electronic word-data processing equipment in merit positions to develop, if appropriate, a separate classification or series of classifications for this function.
5. Deletion of the Expanded Function Dental Assistant Classification from pay grade 409.

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6. Revision of the minimum qualifications and/or characteristic duties and responsibilities for the following classifications:

Dental Assistant II	Plant House Assistant
Broadcast Television-Radio Technician I, II, and III	Food Service Coordinator I
Greenhouse Caretaker	Graphics Technician I
Gardener	Storekeeper I
Clerk-Typist III	Telephone Operator
Groundskeeper	Vending Maching Supplier

None of the above classification changes affects the pay plan of the Regent Merit System.

7. Elimination of Respiratory Therapy Technician I and II from pay grades 408 and 412, respectively, to be replaced by Respiratory Therapy Technician at pay grade 410.
8. Revision of the Merit Rules.
9. Increase from \$62 to \$66 maximum monthly contribution by the board toward single and family health insurance.

The Board Office reported that on April 20, 1982, a public hearing as required by state law was held on the Regents Merit System proposals for 1982-83 in Seerley Hall on the campus of the University of Northern Iowa. Regents Harris and Anderson represented the board. Complete minutes of the hearing are on file in the Board Office.

Those employees attending the hearing again expressed strong concern over the continued freeze of merit steps provided by the appropriations act of the Iowa Legislature last year. In addition, the Merit System Director and the Regents in attendance at the hearing again expressed their strong feelings that merit steps needed to be reimplemented for the good of the operations at the Regent institutions.

Also at the public hearing there was discussion of the addition of language to several clerical classifications specifying that the use of word processing or data processing equipment was an appropriate part of the duties performed within those classifications.

The personnel staff of the Regent institutions and the Board Office staff have, within the past year, made an extensive review of the use of word processing and data processing equipment in each of the departments at the various institutions. Following a survey of all departments at each of the universities, extensive discussions were held on the data which had been gathered to determine if it was feasible to develop a separate classification or series of classifications for this type of responsibility within the Regents Merit System.

The Board Office reported that efforts in this area were continuing. Because of the developmental and fluid aspect of responsibilities performed

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with the use of such electronic equipment, the personnel staffs of the institutions and the Board Office determined that it is not yet desirable to develop separate classifications based on various levels of responsibilities with electronic word/data processing equipment.

Further discussion at the public hearing included the matter of compensation for traditionally male and traditionally female classifications of work. The issue of "comparable worth" was also discussed as it applies to compensation in the Regents Merit System.

The theory of "comparable worth" probably is the cutting issue of the 1980s with regard to nondiscrimination in the personnel field, according to the Board Office. To date, those agencies charged with enforcement of nondiscrimination laws and regulations and the courts in their decisions have not pronounced any final solution to the questions involved or even a unified definition of "comparable worth" in its application to compensation. During the 1980s the issue most likely will be defined and decided by the courts.

At the present time, under the present laws and regulations as well as applicable court decisions, the point count approach to compensation used by the Regents Merit System is probably the most appropriate and acceptable procedure available. With the point count system used by the Regents Merit System, the duties and responsibilities performed in each of the classifications of the system are rated with regard to their importance to the institution's overall mission and functions. Following such a rating, compensation is then determined based on that relative importance.

At that point, modifications are made in starting salaries when outside marketplace competition indicates that certain types of classifications are paid more in the marketplace than what normally would be provided by the Regents Merit compensation plan. Such adjustments based on marketplace competition are appropriate under current laws, regulations, and court decisions in the comparable worth area.

After briefly explaining each of the nine recommendations, Mr. Volm said he would answer any questions from board members.

Regent Jorgensen wondered why it was taking so long to develop job guidelines in the area of word processing since it was apparent there was a problem because of the lack of definition. According to Mr. Volm, the problems are not because of salary, but there is a concern by employees about having these skills reflected in their job titles. He said that as long as the field is in a state of flux, job classifications cannot be formalized. Regent Anderson said she had noted a real concern at the hearing that this was a means of adding skills requirements to jobs without adding pay. Mr. Richey said this was not really the case; value for any particular classification would be assigned by point count evaluation, with or without the addition of the word processing skills. Regent Anderson added that she hoped in the continuing study of this matter people who really do the work would have a chance to contribute their ideas. Mr. Volm said this would be done.

Another area of concern noted by Regent Anderson at the pay plan hearing was a feeling by secretaries that they are not given credit for prior experience when beginning work but blue collar workers are. They felt this was because this was what the market would bear in their female-dominated field. Mr. Richey said the Regents can and do in many instances employ clerical persons above the beginning rate, based on skill. However, if anyone already on the staff in a similar position is being paid at a rate lower than what the newly hired person will be paid, they will have to be brought up to the pay grade of the new employee. This has a dampening effect on hiring people at higher steps. Mr. Richey noted that this does sometimes make it difficult to hire experienced personnel as they might not wish to start at the beginning salary levels.

Assistant Vice President Small said the perception that crafts persons were given credit for experience was not accurate because in many instances, market factors necessitated starting these persons on a higher step even if they had no experience. She noted that within the system the theory of the point count is very good, but the fact that various classifications are either male- or female-dominated make it seem as if it did not work. She added that in many cases, the maximum pay is actually higher for clerical than for crafts persons.

Mr. Volm reiterated that pay grades are set by point count evaluation, based on the principle of comparable worth. Regent Anderson felt this was somewhat misleading: people tend to think it is a pure system and it is not. Mr. Richey agreed that this was true; even a system that eliminates sex bias in pay has to have some way of adjusting to reflect competition in the marketplace, which can cause some inequities.

MOTION:

Dr. Harris moved that the board approve the nine (9) recommendations concerning the Regents Merit System Pay Plan, to be effective July 1, 1982. Mrs. Anderson seconded the motion and it passed unanimously.

Regent Harris asked if these changes would be communicated to the presidents of the staff councils. He said it was most important to make them aware that the board and the institutions supported their concerns.

Mr. Volm said this would be done, and that as a means of enhancing this communication it was planned to form an advisory committee, with representatives from each staff council. This advisory committee would work closely with the Board Office on the issues of step increases, early retirement, and other matters of concern.

Mr. Richey noted that the issue of step increases is one on which the board has taken a strong position. The board and Board Office would be doing everything possible to work for the reinstatement of merit step increases now and during the next session of the Legislature.

PROPOSED PAY AND CLASSIFICATION PLAN FOR PROFESSIONAL AND SCIENTIFIC EMPLOYEES. It was recommended:

1. That the board adopt the following policy for distribution of salary increases for professional and scientific staff: Based on satisfactory performance, each staff member will receive a minimum increase of 5 percent; increases within grade over that amount will be distributed at the discretion of the institutions.
2. That the board approve the pay plan proposals for professional and scientific staff as recommended by the institutions and the Board Office.
3. That the board direct that proposed changes in the approved pay plans, which involve the addition of new classes or titles, changes in the pay grade assignment of classes or titles, or the deletion of classes or titles be submitted for board approval prior to implementation.

The Board Office provided the following information about the proposed pay plans for each of the institutions and the Board Office:

University of Iowa. The schedule proposed for 1982-83 was developed by increasing by 8 percent the minimums of each of the 18 grades in the plan and by increasing by 8 percent the maximum of all grades except 10 through 13. The maximums of grades 10 through 13 were increased by 9 percent.

The university noted that its greatest problems of retention occur in classes assigned to grades 10 through 13. While the additional flexibility provided may give some help in meeting the most urgent needs, the university pointed out that proposed adjustments would not solve its current problems and that they might be required to propose further adjustments during the year.

The university reported that, during the preceding year, it had added 12 new classes to its professional and scientific pay plan. Four classifications were deleted. Changes in pay grade assignments were effected for eight classes: seven were increased, one was lowered.

Iowa State University. According to the Board Office, Iowa State University proposed adjusting its current pay schedule for professional and scientific staff by increasing the minimums and maximums of each grade by 8 percent. It proposed that all employees be given a minimum increase of 5 percent, based on satisfactory performance.

A survey of salaries paid for 56 benchmark positions by 11 other state universities in the midwest indicated that ISU salaries are, on the average, reasonably competitive. However, salaries for certain engineering and scientific jobs fall considerably below salaries reported in a national survey of engineering laboratories (the Battelle survey).

Forty-three new titles were assigned to pay grades in the ISU pay plan over the past year. Three titles were increased one pay grade and 11 titles were deleted.

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University of Northern Iowa. The university's proposed schedule was developed by increasing the existing minimum and maximum of each salary grade by 8 percent. The university understands that increases within ranges will be granted in accordance with policy adopted by the board. The university reported that it now has completed six years of operation under its plan and recently has initiated an overall study of the classification and compensation of covered positions.

A university survey of benchmark P&S positions shows UNI salaries are behind the average of salaries paid for similar jobs in 23 of 30 positions. Overall salaries paid UNI professional and scientific staff are 4.9 percent below the averages paid by the universities surveyed.

The university reported the addition of five new titles during 1981-82, three changes in titles that involve no change in pay grade assignment, and six changes that involve new pay grade assignments. Of those six, four were raised by one or two grades and two were reduced.

Iowa School for the Deaf, Iowa Braille and Sight Saving School, and the Board Office. It was proposed that current pay schedules for professional employees at ISD and IBSSS and the Board Office be adjusted by increasing the current minimums and maximums of all grades by 8 percent. Based on satisfactory performance all employees would receive a minimum increase of 5 percent. Such adjustments are consistent with university proposals and would permit the institutions and the Board Office generally to maintain the relationship with salaries paid by the state.

New positions, changes in the pay grade assignments of positions, and deletions in the ISD-IBSSS and Board Office pay plans for professional employees previously had been approved by the board.

In regard to the third recommendation, the Board Office reported that two major and essential components of the university pay plans for professional and scientific personnel are 1) the grade structure including the assignment of dollar values to the minimum and maximum of pay grades, and 2) the allocation of classes or position titles to established grades.

In 1976 the board approved pay plans for professional and scientific personnel at its institutions and the Board Office. Since then the board annually has reviewed and approved revisions in salary ranges and has accepted reports from the universities on changes in pay grade assignments and additions and deletions of classes and position titles that were made by the universities during the preceding 12 months. (Changes proposed by ISD, IBSSS, and the Board Office have been submitted for approval by the board prior to implementation.)

The board and the Board Office are not informed of proposed changes at the universities until after they have been effected, and only then indirectly by inclusion of changes in the universities' personnel registers. Under existing procedures it is possible that major changes in the plans approved by the board could be effected without coming to the attention of the board for almost a year.

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The Board Office said that the recommendation to require prior board approval was not intended to suggest that there had been misuse of university discretion in the administration of pay plans for professional and scientific staff. However, a mechanism is needed that would improve the effectiveness and timeliness of board oversight of P&S pay plans and reduce chances for centralization of control outside the board. For those reasons, the Board Office recommended that changes be submitted to the board for review and approval prior to implementation. The Board Office further proposed that, in an emergency situation, changes might be approved by the executive secretary subject to subsequent ratification by the board.

In beginning the discussion, Mr. Richey reminded the board that these are institutional plans, not a system plan, and as such they are reviewed individually. The Board Office found no conflicts in the plans and recommended them to the board, noting however the possibility of further adjustments being needed at the University of Iowa.

Assistant Vice President Madden said Iowa State University felt that more clarification was needed on the third recommendation. He questioned the necessity for this change. In the five years the P&S pay plan has been implemented at ISU, there have been no questions raised about the changes proposed by the university when these changes have been docketed for approval. Mr. Madden said it seemed that this proposal would just add more paper work without actually improving administration of the program. He added that the university certainly did not have any objection to the pay plan itself being reviewed by the board, but it seemed that the material needed is already being submitted as part of the personnel register.

Mr. Richey explained that although this is a campus-based program, it is a board-approved pay plan. The purpose of this recommendation is to keep it board-approved. In current practice, what is approved by the board can be changed by the institutions immediately after board action. The Board Office had been astounded that many changes were taking place after board approval. This recommendation would ensure that the board retains the dominance it needs to maintain credence by external agencies.

Assistant Vice President Madden said there was no disagreement that changes should come to the board. The problem was one of method and timing. He said at ISU there is a process of review that employees must go through when moving from one level to another. These job moves are listed in the personnel register at the appropriate time. Now, however, the board was requesting that these change recommendations be submitted in a different fashion, and that was the area of disagreement.

Mr. Richey noted that a weakness of the present system is that a position could move from pay grade 8 to 18 on university recommendation. The Board Office recommendation would prevent movement of an employee from one pay grade to another without board approval. There would still be latitude within the pay grades.

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Mr. Madden said one of the difficulties is that each university has some unique aspects to its professional and scientific staff. At Iowa State, for example, many P&S personnel are involved in extension and the Ames Laboratory. The laboratory, particularly, because of its science and technology has very few generic job descriptions; most often each particular position must have its own title and classification.

Assistant Vice President Small said that, on the assumption that this would be docketed as is now done for department heads and other administrators, the University of Iowa did not feel it could object to this recommendation. However, in defense of Iowa State, she said that the problem is much smaller for SUI because it does have more generic job classifications. And, even though SUI did not object, she wished to point out that the university had at all times followed board-approved policy.

President Kamerick said that the University of Northern Iowa also takes this board policy seriously and follows it carefully. John D. Mixsell, Director of Personnel Services at UNI, said that UNI, like ISU, used very few generic job classifications. The university has found that almost every one of its P&S positions is unique. Mr. Mixsell said the evaluation process is delicate and thorough. First there is a P&S review committee. When that review is completed, it is referred to the vice presidential level. Because the university doesn't have generic commonalities it looks at the position in relation to other positions on the campus to see if there are similar functions. This requires in-depth knowledge of the positions and how they have evolved. He said it was difficult to understand how it would be possible for a further external review to be carried out without disruption.

President Parks said it seemed that there has been a tendency year after year for centralization and coercion toward uniformity. He felt that Iowa State University did not want to go voluntarily into a more centralized system.

Mr. Richey reiterated that an important reason for this recommendation is that it would give the Regents a good basis for resisting attempts at control by outside agencies. Regent Jorgensen agreed. She said there is no question that the Board of Regents is the governing board for the institutions. This is a time of economic constraints. Employee salaries are 77 percent of the budget. In order to appear to the public and the legislature that the board is fiscally responsible, it must be knowledgeable in matters such as this one. Regent Jorgensen said she understood the concern of the universities. There is no question that they go through a good review process. If they have done this in a fiscally responsible fashion there should be no problem, but the board needs to be able to say, if asked, that yes, we know about this.

Regent Wenstrand said he could understand the reasoning of Regent Jorgensen, but supported the universities' position in this matter. He said at some point the board has to recognize that it has delegated some responsibility to the institutions, and unless there is some evidence of misuse, he felt they should be allowed to use that responsibility.

Regent Anderson said it is important to respond to some of the concerns of the legislature. For that reason she favored the recommendation. Regent McDonald concurred; he felt it is clearly the board's responsibility to retain this type of oversight. Regent Neu felt this is a difficult issue but the nature of the duties of the Board of Regents meant that it had to spend a certain amount of time on this kind of detail. However, he felt the board did not want total conformity from its institutions. President Brownlee thought perhaps this could be implemented in a way that would be acceptable to the institutions.

President Brownlee said he believed the board had three options before it: adopt all three of the recommended actions, adopt one and two but not three, or adopt one and two and defer action on number three. Regent Neu felt that if the third recommendation were deferred, it should not be put off indefinitely but should be on the agenda in June.

MOTION:

Dr. Harris moved that (1) the board adopt the following policy for distribution of salary increases for professional and scientific staff: based on satisfactory performance, each staff member will receive a minimum increase of 5 percent; increases within grade over that amount will be distributed at the discretion of the institutions; (2) that the board approve the pay plan proposals for professional and scientific staff as recommended by the institutions and the Board Office; and (3) that the board defer until June action on the recommendation that the board direct that proposed changes in the approved pay plans, which involve the addition of new classes or titles, changes in the pay grade assignment of classes or titles, or the deletion of classes or titles be submitted for board approval prior to implementation. Mr. Neu seconded the motion.

President Parks wished the board to know that at Iowa State University and the University of Northern Iowa there is no question of the authority of the board to oversee them. He felt this is just a technical matter.

VOTE ON MOTION:

The motion passed unanimously.

PROPOSED FACULTY SALARY SCHEDULE, IOWA SCHOOL FOR THE DEAF AND IOWA BRAILLE AND SIGHT SAVING SCHOOL. It was recommended:

1. That the board approve the proposed 1982-83 faculty salary schedule for ISD and IBSSS; and
2. That the board approve the Conditions of Appointment for Teachers.

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The Board Office noted in its supporting information that the proposed faculty salary schedule is the same for ISD and IBSSS. Implementation of the schedule will increase the average teacher's salary at ISD from \$16,963 this school year to \$18,264 next school year; the \$1,301 increase is approximately 7.7 percent. At IBSSS the average teacher's salary would increase from \$17,607 this school year to \$18,861 next school year; the \$1,254 increase is approximately 7.1 percent. The higher average salary at IBSSS as compared to ISD reflects the fact that the average years of experience of a faculty member at IBSSS is greater than at ISD. The salaries and percents of increase do not include the cost of fringe benefits. When the cost of fringe benefits and track changes are added to the increases, the average increase will be slightly more than 8 percent.

A majority, but not all, of the faculty at the schools have special certification beyond what the state requires for K-12 teachers. The faculty salary schedule calls for an additional payment for the special certifications of either \$312 or \$520, depending on the type of certification. These two amounts are not included in the salary matrix itself but are included in the average salaries discussed above. The schools report that they do not wish to include the special certification in the salary matrix as the present method of paying for the certification serves as an inducement to the faculty to secure it.

The proposed salary schedule has been compared to the schedules for faculty in districts surrounding the special schools as well as to the schedules for schools for the deaf and visually handicapped in surrounding states. The schedule appears to fall within an acceptable range in that comparison. The schools report that they expect to have no problem with recruiting new faculty with the exception of math and science teachers for which there is a general nationwide shortage of qualified applicants.

The Board Office recommended that in the next review of this pay plan, particular attention be given to the salaries of teachers with 10 or more years of experience and those who have earned advanced degrees.

The conditions for appointment for teachers that were presented for approval are the same as those approved last year with the exception of the title change. It is the request of the schools that these conditions not expire annually and that, in future years, the board would approve only changes and additions to them. This document requires that satisfactory service by the teacher is a requirement for advancement on the salary schedule.

Mr. Richey noted that this plan is within funds provided by the legislature. Both Superintendent DeMott and Superintendent Giangreco were closely involved with the Board Office in the development of this plan, and both support it. A copy of the salary schedule is on file in the Board Office.

MOTION:

Mr. Nolting moved (1) that the board approve the proposed 1982-83 faculty salary schedule for ISD and IBSSS; and (2) that the board approve the Conditions of Appointment for Teachers. Mr. McDonald seconded the motion and it passed unanimously.

PRELIMINARY REGENT OPERATING BUDGETS, 1982-83. It was recommended:

1. That the Western Iowa Continuing Education be allocated in 1982-83 as follows: University of Iowa, \$39,000; and Iowa State University, \$61,000; and
2. That special purpose appropriations amounting to \$4,899,038 for 1982-83 be approved as shown in the table below:

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PRELIMINARY SUMMARY OF SPECIAL PURPOSE APPROPRIATIONS: 1981-83

<u>Program</u>	<u>Institution</u>	<u>1982-83</u>
<u>Board of Regents Appropriations</u>		
Western Iowa Continuing Education	Regents	\$ 100,000 ^a
Fuel & Purchased Electricity	Regents	1,277,337 ^b
Specialized Child Health Serv.(PKU)	Regents	17,000 (est)
Subtotal		<u>\$1,394,337</u>
<u>Standing Appropriations</u>		
Livestock Disease Research Fund	ISU	\$ 194,500
Clothing & Transportation	ISD	6,000
Clothing & Transportation	IBSSS	3,000
Tuition Payments & Transport. Costs	ISD/IBSSS	5,000
Subtotal		<u>\$ 208,500</u>
<u>Block Grant Appropriations</u>		
Specialized Child Health Services	SUI	\$1,543,343
Price Laboratory School (DPI)	UNI	3,858
Subtotal		<u>\$1,547,201</u>
<u>Other Appropriations</u>		
Statewide Family Practice	SUI	\$1,372,000 ^c
Mental Hygiene (Social Services)	SUI	242,000
Water Resources Research Institute	ISU	135,000
Subtotal		<u>\$1,749,000</u>
<u>TOTAL</u>		<u>\$4,899,038</u>

^aSupport is allocated to SUI and ISU in the amounts of \$39,000 and \$61,000 respectively.

^bAn additional amount may be carried forward from 1981-82, not to exceed \$798,881.

^cIncludes \$177,000 to be provided from the state's salary adjustment fund.

The Board Office noted that it is customary for the Regents to review and take action on institutional budgets separately.

The preliminary budgets transmitted for board action were reviewed by Board Office staff to confirm that appropriation limits were recognized, that changes in institutional income were explained, that budget changes were consistent with board policies and legislative intent, and that budget plans were internally consistent with previous plans or that differences were justifiable.

Regent institution headcount enrollment for the fall of 1982 is forecast to remain at approximately the level recorded for the fall of 1981. The university total for 1981 was 61,620. There are 61,190 headcount forecast for fall 1982. Special school enrollment in fall 1981 was 346 and is expected to be 363 this fall. Some uncertainty exists regarding the effect of changes in student aid programs and the economy on enrollment.

The proposed 1982-83 preliminary budget plans for the twelve separately appropriated units that make up the Regent institutions total \$517.5 million. This compares to an originally approved 1981-82 education and general budget of \$449.6 million and a revised budget estimated at \$459.5 million. The 1982-83 budget plan represents a 12.6 percent increase compared to the revised current year budget plan.

Appropriations established for FY 1982-83 total \$316.3 million compared to current year appropriations of \$275.5 million. This increase amounts to 14.8 percent, of which a significant part is the 4.6 percent restoration.

The distribution of all proposed expenditures by category are summarized below:

Distribution of Planned Expenditures 1982-83

<u>Expense Category</u>	<u>1982-83</u>
Salaries & Fringe Benefits	76.7%
Fuel & Purchased Electricity	5.0
Supplies & Services	15.3
Equipment	1.0
Library Acquisitions	1.2
Building Repairs	0.8
<u>Total</u>	<u>100.0%</u>

According to the Board Office, institutional income estimates for FY 1982-83 amount to \$201.3 million. The latter includes \$9.8 million approved through budget ceiling changes during FY 1981-82. Compared to original institutional income estimates for FY 1981-82, the increase for FY 1982-83 is 15.6 percent. Tuition income, a major component in institutional income, increased for the same period from \$64.1 million to \$74.6 million or an increase of 16.4 percent.

Combined increases in Regent institution budgeted income from the original budget in the current year to that budgeted to begin FY 1982-83 is \$67.8 million. There is \$40.7 million in new appropriations and \$27.1 million in new institutionally earned income.

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The Board Office reported that each year the board and Regent institutions receive a number of appropriations for other than education and general operations. The Board Office categorizes these as: Regent appropriations, standing appropriations, block grant appropriations, and other appropriations (see table on page 635).

This year appropriations made directly to the Regents are for the Western Iowa Continuing Education Program, supplemental appropriations for fuel and purchased electricity, and new funding to offset federal fund losses in the University Hospitals and Clinics Phenylketonuria (PKU) Program.

Standing appropriations which are charged for Regent institution needs through the Office of the State Comptroller include the continuing Livestock Disease Research Fund and several sources for reimbursing the special schools for costs borne on behalf of students from indigent families.

A new category this biennium is block grant appropriations. New federal policy delegates to the states the authority to allocate block grants. Support for the SUI Specialized Child Health Services (crippled children) Program is now received through the State Department of Health. In addition, a small grant will be received for use by the Price Laboratory School at the University of Northern Iowa through the State Department of Public Instruction.

Other special purpose appropriations received by Regent institutions for 1982-83 include the State Family Practice Training Program and the Mental Hygiene Program at the University of Iowa. A new appropriation was received for the Water Resources Research Institute at Iowa State University for 1982-83. In addition, salary increase support for the State Family Practice Program for 1982-83 was confirmed as available through the State Salary Adjustment fund.

President Brownlee announced that it was consistent with past practice to take up at this time the matter of salaries for the three presidents and the two superintendents. Information concerning these salaries had been distributed previously to the board.

MOTION:

Mr. Wenstrand moved that the salaries for the presidents and superintendents be set as follows: \$89,500 at the University of Iowa; \$89,500 at Iowa State University; \$73,500 at the University of Northern Iowa; \$45,500 at Iowa School for the Deaf; and \$39,000 at Iowa Braille and Sight Saving School. Dr. Harris seconded the motion.

President Brownlee asked if there was further discussion. He said these salaries, when adopted, would be made a part of the institutional operating

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budgets. Action is taken at this time so the institutions can complete work on their budgets.

VOTE ON MOTION: The motion passed unanimously.

President Brownlee then asked if there was further discussion on the preliminary budgets and the recommended actions. Acting Vice President Moll mentioned that the allocations in recommendation number one for the Western Iowa Continuing Education were not entirely satisfactory. However, since the committee had not had a chance to meet and discuss this problem, it felt it should be approved as recommended this year and try to make necessary changes next year.

MOTION: Mr. Nolting moved that (1) the Western Iowa Continuing Education be allocated in 1982-83 as follows: University of Iowa, \$39,000; and Iowa State University, \$61,000; and (2) that special purpose appropriations amounting to \$4,899,038 for 1982-83 be approved as shown in the table on page 635. Mrs. Anderson seconded the motion and it passed unanimously.

PRELIMINARY BUDGET FOR BOARD OFFICE, 1982-83. It was recommended that the board approve the preliminary operating budget of the Board Office in the amount of \$695,065 for fiscal year 1982-83.

The proposed budget of \$695,065 was based on an average increase in salaries of 8 percent, some allowance for price inflation and additional board meeting expense, and the filling of a vacant position.

The average salary increase for all positions in the Board Office in fiscal year 1982-83 was proposed to be 8 percent. The merit system salaries were increased by 8 percent across the board as required by the appropriation act, while those for professional and scientific personnel average 8 percent. The salary increases for professional staff were based on the 5 percent minimum increase for satisfactory performance, plus adjustments based on performance, equity, and competitive conditions. The proposed increases for professional staff ranged from 5 to 14 percent. A vacant position now located in the Merit Unit was proposed to be filled. The position will be reconstituted, reclassified, and the salary augmented to reflect more general responsibilities.

Board per diem and expenses were unusually low in the current fiscal year because of fewer than normal days of actual meetings. The proposed budget for fiscal year 1983 assumes a more normal number of meeting days.

Travel expense for the Board Office was estimated to be approximately at the same level as the current fiscal year, except for the additional expenses required in connection with collective bargaining of contracts for the 1983-85 biennium.

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Expense for the general office category, which includes postage, printing, dues and subscriptions, maintenance of office machines, etc., was based on an assumed price inflation of 5 percent. Telephone expense reflected an estimate of 6 percent in price inflation.

Amounts for equipment and contractual services have been reduced modestly in order to keep the budget totals to more reasonable levels.

The overall budget is increased by 11.5 percent and is financed by a 10.2 percent increase in appropriations and an 11.3 percent increase in the institutional reimbursements.

President Brownlee announced that he would like to bring up the matter of Executive Secretary Richey's salary. Major department heads' salaries are in a range set by the General Assembly, and the Governor has the responsibility of setting those salaries within that range. The maximum salary next year is \$52,500. Several state department heads are at or near the top of the range. Mr. Richey's salary is \$3300 below the top of the range at the present time. President Brownlee said it is incumbent on the board to carry to the Governor the recommendation that Mr. Richey's salary be set at the maximum amount.

Regent Harris said it seemed to him that in past years the board had always requested that the Governor set Mr. Richey's salary at the maximum. The board has not been successful but he felt the board should try again with greater emphasis on this request. Regent Harris felt that the type of job done by Mr. Richey spoke for itself, and if the board could do more on his behalf, it should do so.

MOTION: Dr. Harris moved that the board recommend to the Governor that the salary of Executive Secretary Richey be set at \$52,500. Mrs. Anderson seconded the motion.

Regent Anderson commented that a problem is that in other similar jobs in state government, department heads are administering large departments. The Regent position is different but she felt even more difficult.

President Brownlee said he could not pass this moment by without saying how much he enjoys working with Mr. Richey and how much he respects his abilities and his dedication to his job, his sense of integrity toward his office, and the integrity he maintains with board members and institutions. He has a great deal of respect for the way Mr. Richey conducts himself personally and professionally. President Brownlee added that Mr. Richey is the senior official in years of service in Iowa state government; he has served 15 years in the Board of Regents system. As senior department head, Mr. Richey exerts a great deal of leadership among his peers.

Regent McDonald also commended Mr. Richey for the performance of duties in an exemplary manner. He agreed with President Brownlee's statement concerning

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Mr. Richey's leadership position in state government and felt the board should do everything it could to seek adequate compensation for him.

President Brownlee proposed that the salary recommendation adopted by the board be communicated by letter and personal contact to the Governor.

VOTE ON MOTION: The motion passed unanimously.

President Brownlee then asked for a motion on the Board Office budget.

MOTION: Dr. Harris moved that the board approve the preliminary operating budget of the Board Office in the amount of \$695,065 for fiscal year 1982-83. Mrs. Anderson seconded the motion and it passed unanimously.

BOARD OFFICE PERSONNEL REGISTER. The following actions reported in the Board Office Personnel Register were ratified by the board:

Resignation: Eunice F. Pals, Secretary II, effective May 6, 1982.

Appointment: Eleanor E. Grice, Secretary II, Grade 106, Step 3, \$10,929 annually plus usual fringe benefits, effective May 4, 1982.

Emergency Appointment: Cathy G. Crippen, Secretary II, Grade 106, Step 3, \$5.25 per hour, effective May 10, 1982.

NEXT MEETINGS. President Brownlee stated that the September meeting of the board needed to be rescheduled. This meeting would be a three-day meeting because of the budget matters coming to the board for approval and because of the University of Iowa academic seminar.

After discussion by the board and after further discussion with the Board Office and the institutions, the September meeting was set for September 21, 22, and 23, 1982. The academic seminar is expected to occupy the first two days. The regular portion of the board meeting is expected to start early on Thursday, the 23rd.

The new schedule is as follows:

June 16-17	Iowa State University (Academic Seminar)*	Ames
July 21-22	Iowa State University	Ames
August	No Meeting	
September 21-23	University of Iowa (Academic Seminar)	Iowa City
October 20-21	Iowa School for the Deaf (Academic Seminar)	Council Bluffs
November 17-18		Des Moines
December 15-16	University of Northern Iowa	Cedar Falls

*The academic seminar will be held on the first day of the board meeting.

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

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

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

Richard D. Remington as Vice President for Academic Affairs and Dean of the Faculties and University of Iowa Foundation Distinguished Professor of Preventive Medicine and Environmental Health, effective September 1, 1982.

George Klingler as Director of Broadcasting, Division of Continuing Education, effective June 1, 1982.

Jerald W. Dallam as Registrar, effective July 1, 1982.

Walter Foley, reappointed as Chair of the Division of Educational Administration, College of Education, for a three-year term, beginning July 1, 1982.

Lowell Schoer, reappointed as Chair of the Division of Psychological and Quantitative Foundations, College of Education, for a three-year term beginning July 1, 1982.

Clifford Howe, reappointed as Chair of the Division of Special Education, College of Education, for a three-year term beginning July 1, 1982.

President Freedman introduced Richard D. Remington, who had been selected as academic vice president after a year-long, national search. President Freedman said Dean Remington is an outstanding scholar and leader, and he was delighted to have him at the University of Iowa. President Brownlee welcomed Dean Remington on behalf of the board and said he would look forward to becoming better acquainted.

ADDITIONAL FACULTY DEVELOPMENTAL ASSIGNMENTS, 1982-83 ACADEMIC YEAR. It was recommended that the board approve the additional faculty developmental assignments requested for the University of Iowa for the 1982-83 academic year.

In February 1982 the board approved a total of 115 developmental assignments for the University of Iowa for the 1982-83 academic year. The university now requested an additional 8 assignments. It was indicated that this request was due to special opportunities that had become available.

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As noted in February, the total number of leaves for the University of Iowa includes those, now a total of 21, for the faculty scholars program. Fifteen of these individuals are in their second or third year of the program, which provides for faculty developmental assignments in each of three consecutive years. The university had previously indicated the importance of this option for faculty vitality, and it has reported that a number of the leaves also generate additional external support.

The university indicated that the net replacement cost for the 8 additional assignments would be approximately \$27,500, with an estimated replacement cost for the initial 115 assignments of \$123,785. The total estimate of net replacement cost is \$151,285.

The universities had previously considered the board's request to review whether the net replacement costs are reported on a common basis among the institutions. The Interinstitutional Committee on Educational Coordination has determined that the costs are reported on the same basis, and that they represent the total amount of additional funds allocated to departments or colleges to replace the faculty member on leave. The Board Office said that the Interinstitutional Committee has further indicated that, at each of the universities, the allocated funds are used only to employ temporary instructional personnel when needed to cover the necessary courses normally taught by the faculty member on leave.

Regent Jorgensen commented on the finding by the Interinstitutional Committee that costs were reported on a common basis among the universities. She hoped this would address the problem, previously discussed by the board, of the discrepancies between estimated costs and actual costs of developmental assignments. Mr. Richey said this would be looked at. There would be the usual report on actual costs when that information is available.

MOTION:

Mr. Nolting moved that the board approve the additional faculty developmental assignments requested for the University of Iowa for the 1982-83 academic year. Mrs. Jorgensen seconded the motion and it passed unanimously.

PHASED RETIREMENT PROPOSALS. It was recommended that the university's request for phased retirement for six tenured faculty members be approved.

According to the Board Office, the university had reported that the six faculty members for whom phased retirement is requested satisfy the conditions for eligibility established by the board in December 1981. All are at least 60 years of age and have 20 or more years of service at the university. The cost of phased retirement incentives for the six, based on current salary levels, will be \$34,365. Salary funds in the net amount of \$77,689, based on 1981-82 levels, will be freed by the reductions in appointment time and will be used as needed to fund replacements for instructional responsibilities.

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Acting Vice President Moll noted that this was the first time the university had brought names of faculty to the board under the terms of a policy adopted in September 1982. In so doing, the university had tried to bring the information it considered most relevant.

MOTION: Dr. Harris moved that the board approve the university's request for phased retirement for six tenured faculty members. Mr. Neu seconded the motion and it passed unanimously.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office reported that the Register of Capital Improvement Business Transactions for May 1982 had been received, was in order, and was recommended for approval.

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

Van Allen Hall--Computer Aided Design Facility

Award to: Schoff Construction Co., Lisbon, Iowa \$38,617.00

Boilers 5 and 6--Repair and Insulation of Breeching

Award to: Iowa-Illinois Thermal Insulation Co., Inc., Davenport, Iowa
\$36,400.00

Chilled Water Plant Expansion--Phase IV--Contract #3--General Construction

Award to: AAA Mechanical Contractors, Inc., Iowa City, Iowa \$520,713.00

Smoke Detector Installation--Residence Halls System--Phase II--Contract A (Slater, Reinow, Hillcrest)

Award to: Sweeney-Manning-Seivert, Granger, Iowa \$111,200.00

University Hospitals--Sixth Floor Procedure Room

Award to: R-K's Construction, Inc., Iowa City, Iowa \$50,288.00

Old Music Building--Exterior Repairs

Award to: E & H Waterproofing and Restoration Co., Davenport, Iowa
\$27,400.00

University Hospitals--Internal Medicine Faculty Offices

Award to: McComas-Lacina Construction Co., Inc., Iowa City, Iowa
\$179,539.00

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

Campus Electrical Supply Renovations

The university requested approval of a revised budget increasing project costs by \$165,000 funded from Income from Treasurer's Temporary Investments, to a new total of \$4,288,400. Some \$125,000 of additional project costs are so that the university has the capability to monitor and control the operation of the substation from the central power plant which will eliminate the need to assign operating staff to the substation. The remaining \$40,000 is for additional costs associated with enlarging the vault adjacent to the hospital entrance. The board had in November approved a budget increase for that purpose, which has since been shown to be insufficient.

In a related item, the board was also requested to approve a contract change order in the amount of \$81,967.64 with O'Brien Electrical Contractors, Inc., which is for additional costs connected with the hospital circle duct bank crossing. The Board Office recommended approval.

Communications Facility

The university presented a budget revision for approval totaling \$6,809,000. This budget revision conforms the project to the amount approved by the Legislature for academic building revenue bonding in fiscal year 1983. A total of \$6,675,000 of that amount is to be sold for construction of the project with an estimated bid letting date of June 24, 1982. Some \$134,000 additional was utilized for advanced planning on the project.

The board was requested to ratify executive secretary approval of the following contract change order:

Hawkeye Sports Arena--Contract #3--Structural Steel Truss

The Board Office reported that at the time the original contract for structural steel was awarded, it was anticipated that a compacted buttress in the bowl of the arena would be in place. This would have permitted the structural steel in the arena roof to be erected from shoring placed on the buttress. Because of soil conditions, voids, and compaction problems, it was impossible to have the buttress in place by the fall of 1981. In order to maintain a December 1982 completion date, it was necessary for the contractor to rent three 240-ton cranes and incur additional labor costs. Had this not been done, the arena could not have been on schedule.

The university submitted for board ratification a contract change order in the amount of \$245,594 which reflects the additional costs incurred. The figure was arrived at through negotiations with the contractors involved.

The Board Office reminded the university of the Procedural Guide requirement on this and other similar contract change orders which states in 9.08, paragraph A, that:

Contract change orders requiring an increase in the project budget, or which are \$25,000 or over, shall not be approved by the chief business officer until the change order increase has been approved by the State Board of Regents.

The executive secretary was requested to approve this change order because of a timing problem. The Board Office reminded the university of the necessity to follow the requirements of the Procedural Guide on contract change orders and said it should provide an explanation for the board of any such change orders for which board approval is requested. The executive secretary approved this change order on an "exception basis" only, as the normal course of events would be for such decisions to be made by the board.

The board was requested to approve the following new projects:

Stadium Tennis Courts Renovation

Source of Funds: General University Building Repairs \$244,000.00

The Physical Plant Department was selected as inspection supervisor.

The board was also requested to ratify selection of Shive-Hattery & Associates, Iowa City, Iowa, to provide full-range engineering services on this project on an hourly rate basis to a maximum of \$24,400. This figure amounts to 12.3 percent of the construction budget of \$198,000. This fee is in line, according to the Board Office, as it does include contract administration and construction observation services during the project construction.

Macbride Hall--Remodel/Renovate North Wing, Second Floor

Source of Funds: General University Building Repairs \$46,100.00

The Physical Plant Department was selected as engineer and inspection supervisor. The university proposed to accomplish the work through a combination of competitively awarded purchase orders and Physical Plant forces.

Macbride Hall--Phase I--General Remodeling

Source of Funds: General University Building Repairs \$251,900.00

The university noted that this was the first of at least three major projects in Macbride Hall that have the objective of reorganizing and upgrading the space in the Department of Home Economics. The Board Office said it was the university's intent to fund all three projects from non-capital funds.

The Physical Plant Department was selected as inspection supervisor. The board was also requested to ratify selection of McConnell-Steveley-Anderson, P.C., Cedar Rapids, Iowa, for two-phased architectural services. The first phase, now completed, was for a general study of the entire building to provide for the functional needs of the Home Economics Department, code compliance and review, minor cosmetic work, some new mechanical work, and remodeling the area to receive the new Iowa Hall Exhibit Area--all done on

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an hourly rate basis to a maximum of \$6,000. The second phase is to undertake the Phase I project through the construction documents phase. This would be done for a fixed fee of \$12,750. This is 9.1 percent of the estimated construction cost for Phase I of \$140,900.

Chemistry/Botany Building--NMR Facility Remodeling (Nuclear Magnetic Resonator Facility)

Source of Funds: General University Building Repairs \$76,250.00

The Physical Plant Department was selected as inspection supervisor.

The board was also requested to ratify selection of Shive-Hattery & Associates, Iowa City, Iowa, to conduct a preliminary study and analysis of items and methods required to accomplish the task. The engineering study would be done for a lump sum of \$3,000. The Board Office said the university would bring to the board a further agreement for final plans and specifications at a later date.

Engineering Building--Remodel Room 4301

Source of Funds: General University Building Repairs \$234,250.00

According to the Board Office, this project is intended to provide expansion space for the College of Engineering Information Engineering teaching laboratory and involves conversion of an old WSUI studio, a two-story-high space, into a two-level teaching laboratory and office space. The university did not furnish the amount of square footage involved in the project, so the Board Office could not calculate a square foot cost figure at this time.

The Physical Plant Department was selected as inspection supervisor. The board was also requested to ratify selection of R. Neuman and Associates, Iowa City, Iowa, to provide full-range architectural services on this project on an hourly rate basis to a maximum of \$15,750. This fee is 8.3 percent of the estimated construction cost of \$190,000.

Recreation Building--Resurface Main Play Floor

Source of Funds: General University Building Repairs \$110,800.00

The Physical Plant Department was selected as engineer and inspection supervisor.

Oakdale Water Treatment Renovations--Phase III

Source of Funds: Oakdale Building Repairs \$77,500.00

The Physical Plant Department was selected as inspection supervisor. The board was also requested to ratify selection of Shoemaker & Haaland, Coralville, Iowa, for final design services through award of contract. Services would be provided on an hourly rate basis to a maximum of \$8,145. This is 14 percent of the estimated construction cost of \$58,300. The Board Office noted that the rather high fee is evidently due to the complicated nature of this project which is in reality a series of four subprojects.

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

Lower Finkbine Drainage Improvements

Ratify selection of Shive-Hattery & Associates, Iowa City, Iowa, to provide full-range engineering services on an hourly rate basis to a maximum of \$9,300. The board has not approved a project budget to date. This project involves evaluating the drainage impacts on the Lower Finkbine and Siesta Motel drainage structures caused by arena improvements. The project is intended to identify methods for reducing the effects of the drainage system and implement recommended culvert modifications.

Zoology Building--Roof Replacement

Ratify selection of Harvey W. Henry, Coralville, Iowa, to provide full-range architectural services on an hourly rate basis to a maximum cost of \$10,900.

The board approved this project in April at a cost of \$176,000.

West Campus Storm and Sanitary Sewer Replacement

The board was requested to approve use of Shive-Hattery & Associates, Iowa City, Iowa, for additional engineering services on this project beyond the scope of the design agreement. Services would be to locate accurately an existing water line under Riverside Drive. Estimated cost of these additional services is \$900.

Engineering Building--Renovate Rooms 1403-1404

Ratify selection of R. Neuman Associates, Iowa City, Iowa, to provide a preliminary study to establish project design framework and a preliminary budget with project description with services provided on an hourly rate basis to a maximum of \$6,750.

The board was requested to approve the following special matters:

Agreement with Iowa-Illinois Gas and Electric Company

The Board Office reported that the university had negotiated an agreement which provides for the removal and relocation of the electric transmission line that runs from the west side of Riverside Drive just north of the University Theatre across the river to the Iowa City Water Plant. It is necessary to remove and relocate this line in order to provide room for the University Theatre construction.

Initially, this line was installed under a 1955 license agreement. The new agreement provides:

- 1) For Iowa-Illinois to remove its existing facilities.
- 2) For Iowa Illinois to relocate the facilities by installing underground feeders.

- 3) For the university to provide easements over university property for the underground feeders at a later date after a route has been selected. Both the board and the State Executive Council will be requested to approve these easements.
- 4) For the cost of removing and relocating the facilities to be shared 70 percent by the company and 30 percent by the university.
- 5) For the company to complete the relocation by November 30, 1982.
- 6) For the license agreement to be terminated upon completion of the relocation.

The Board Office recommended approval of this agreement.

West Campus Substation Road

In March contracts were awarded for the West Campus Roadway/Hawkins Drive project. Part of that contract included an institutional road project to pave the West Campus Substation Road. Originally, this roadbed had been laid as part of a capital project on electrical renovations.

The institutional road project was included originally in the 1983 Construction Program at a cost of \$10,000. It is now possible, from awards made in March, to accomplish the project for \$7,878.

The board was requested to approve an addendum to the agreement with the Iowa Department of Transportation (IDOT) on the West Campus Access Road which provides for inclusion of the West Campus Substation Road within the overall project with funding to come from the board's portion of the 1982 Institutional Roads Program.

Energy Management Program

The university presented a general plan to expend the \$1,410,000 allocated to the university's energy management program from the November 1981 sale of academic revenue bonds. This is the most significant infusion of funds for this purpose that the university has had, according to the Board Office. Despite the lack of solid funding, the university has made steady progress in becoming more energy efficient.

The general plan for expenditure of the capital dollars is in six categories. The first category of approximately \$400,000 would virtually complete the extension of the central building automation system to all major buildings on the campus. The second and third categories totaling \$500,000 would be to undertake building retrofit projects which have been determined to be cost effective with a two-year or less payback in buildings audited several years ago. Initially, these projects would be small in nature, spread out across the campus. When the payback times are increased, the size of the projects likewise increase. The initial \$500,000 expenditure for this purpose will initiate many projects, but there will need to be substantial future funding for this purpose if the university is to realize its potential for energy conservation.

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The fourth category includes energy conservation opportunities in the utilities area. This includes upgrading insulation on steam and condensate return lines, renewal or replacement of steam trapping, modifications of chilled water distribution systems, and modification of utilities production systems. Initial expenditure for this category would be \$200,000. The fifth category would be to expend up to \$160,000 for lighting and electrical consumption improvements. Again, in these latter two categories, the university will barely get started on what will require major infusion of future funds to complete campus-wide needs.

The Board Office reported that the final category is for miscellaneous energy conservation opportunities and is, in part, a reserve fund to undertake pilot projects and any other unusual projects that are required for maintenance or which appear promising in nature. The initial amount for this category is \$150,000.

The Board Office said additional information on the energy management programs at all three universities would be forthcoming this fall when capital requests are considered.

Communications Facility--Life Cycle Cost Analysis Report

Board of Regents policy on energy management in design of new or remodeled space requires a designer to provide a written report to the board at the completion of design development. This report shall detail how guidelines for energy conservation were followed including alternatives considered and give design recommendations for energy areas such as HVAC systems, lighting systems, and specialty systems.

According to the Board Office, this report is to be put together in accordance with the "Guidelines for Architects and Engineers in Energy Conservation Design of New and Remodeled Space." Those guidelines affirm the importance of energy conservation being given thorough consideration in design of new or remodeled space for institutions under the jurisdiction of the board. One of the requirements is that a life cycle cost analysis be conducted. The goal of the analysis is to minimize the net effect of all first costs and owning and operating costs over the economic life of the building, while meeting the needs of the institution and completing the work within the funded project budget.

The university presented a life cycle analysis for the Communications Facility. This analysis was prepared by the Physical Plant Department in conjunction with the project architect and engineer. The report states, "It is generally felt by all that the Communications Facility presented in this document minimizes the annual energy consumption while meeting the needs of the University."

The report details design considerations in:

- A. Building Siting and Orientation
- B. Anticipated Building Utilization

C. Heating, Ventilating, and Air-Conditioning Systems

D. Lighting Systems

E. Special Purpose Systems

One of the important energy factors built into the design is a separation of the building into 34 thermal zones. This was done so as not to over-design the building's mechanical systems. Zoning identifies areas that require high intensity lighting and other heat producing equipment. Those zones then are provided with separate HVAC systems at a lower energy cost than if the overall system had to account for peaking conditions.

The report indicated that the present worth of energy usage over 25 years would be \$726,900. Another way of measuring that would be to state that the annual marginal energy usage in the building would be approximately 52¢ per gross square foot. Twenty-five years of operating and maintenance costs are estimated to be \$610,000 or 52¢ per year per gross square foot.

The Board Office said it is difficult to put these figures into any type of perspective without knowing what overhead costs are involved in the institutional averages for fuel and purchased electricity and other operating costs. It is also difficult because this is the first building on which a total life cycle analysis has been conducted in the state of Iowa. There will be future reports undertaken on the Theatre Addition and Mechanical Engineering Building at Iowa State University over the next few months.

The Board Office recommended approval of the life cycle cost analysis report for the Communications Facility with the understanding that the process is evolutionary and subject to further consideration and changes in future design. The Board Office commended the University of Iowa for its pioneering efforts in this area.

Mr. McMurray added that this life cycle cost analysis report emphasizes the board's leadership position in terms of energy management. He said determining the cost of opening buildings previously had been less than scientific. These reports should be of great benefit in analyzing costs.

MOTION:

Dr. Harris moved that the board approve the Register of Capital Improvement Business Transactions for May 1982; ratify award of construction contracts made by the executive secretary; approve the revised and amended project budgets; ratify and approve the contract change orders over \$25,000; approve the new projects; ratify the consultant contracts; approve the agreement with Iowa-Illinois; approve the agreement with the Iowa Department of Transportation; approve the life cycle cost analysis report; and authorize the executive secretary to sign all necessary documents. Mr. McDonald seconded the motion and it passed unanimously.

PRELIMINARY OPERATING BUDGET PROPOSALS 1982-83. It was recommended:

1. That the preliminary budget proposals for the education and general operations of the university be approved with the following budget ceilings established:

Organizational Unit	1981-82 Revised Budget	1982-83 Proposed Budget
(000s omitted)		
General University	\$140,618	\$158,692
University Hospitals & Clinics	112,831	124,800
Psychiatric Hospital	7,047	7,860
Hospital School	3,901	4,396
Hygienic Laboratory	2,560	2,817
Oakdale Campus	2,315	2,584
Total	\$269,272	\$301,149

2. (Note: a recommendation that \$199,000 be reallocated to fuel and purchased electricity from other budget categories within the General University was withdrawn by the Board Office.)
3. That \$20,000 be added from supplemental appropriations for fuel and purchased electricity appropriated to the Board of Regents for the Oakdale Campus.
4. That a 9.0 percent rate increase be approved for the University Hospitals and Clinics, the Psychiatric Hospital, and the University Hospital School.
5. That an 11.3 percent reduction in indigent patient quota allocations be approved.

During the 1981-82 the General University, the Hospitals and Clinics, the State Hygienic Laboratory, and the Oakdale Campus will have received \$7.7 million in budget ceiling increases, according to the Board Office. All increases are from institutional income. The Board Office noted that, effective July 1, providing preliminary actions requested were approved, there would be an additional \$31.9 million in new funding and balances carried forward from 1981-82. Appropriations carried forward from 1981-82 amount to \$204,000 and are for fuel and purchased electricity.

The Board Office said that the proposed increases for 1982-83 from both appropriations and institutional income for all education and general operations amount to 11.8 percent. Institutional income accounts for 4.6 percent of the increase while appropriations account for 7.2 percent of the increase.

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The Board Office reported that actual fall enrollment headcount for 1981 was 26,464 or 1,470 headcount more than the estimate used in the biennial budget development process. The university is estimating 26,706 students for the fall of 1982 for purposes of estimating tuition income, a 1 percent increase over fall 1981 actual. Full-time equivalent students are forecast to increase at approximately the same rate.

The General University proposed to budget an additional \$18.1 million over the revised 1981-82 budget. The following table summarizes the income sources as appropriations and institutional income rounded to the nearest thousand.

<u>New Income Sources</u>	1982-83 <u>Change</u>
<u>Description</u>	(000s omitted)
<u>Appropriations</u>	
Salary & Fringe Benefit Adjustments	\$8,561
Restoration of 4.6% Cut in 1980-81	4,383
College of Medicine Stabilization	1,000
Supplemental Fuel & Purchased Electricity	481
Opening of New Buildings	320
Sewer Rate Adjustment	195
Fuel Carry Forward from 1981-82	204
<u>Institutional Income</u>	
Increased Tuition and New Enrollment	3,478
<u>Other Income</u>	<u>(550)</u>
<u>Total</u>	<u>\$18,072</u>

The Board Office noted that state salary adjustment funding was appropriated at the level of 8 percent for salaries plus additional amounts for fringe benefits including health insurance adjustments and social security cost changes to the employer.

Appropriations initially reduced in 1980-81 amounting to \$4.4 million have been restored. This has become the primary source for the General University's effort to meet price inflation in 1982-83.

The Board Office recommended allocation of a share of the \$1.3 million supplemental appropriation to the Board of Regents for fuel and purchased electricity (see discussion of this item on pages 623-625).

Essential program adjustments to cover costs of opening new buildings and to meet mandated sewer rate adjustments were previously appropriated for the 1982-83 fiscal year. The university received for 1982-83 supplemental appropriations to assist in the stabilization process of the College of Medicine funding.

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Based on an estimated 1 percent enrollment increase and a tuition rate change averaging 11 percent for 1982-83, approximately \$3.5 million in new tuition revenue is available for allocation, according to institutional projections. Other institutional income is forecast to decline approximately 5.5 percent in 1982-83 compared to 1981-82. This is based on expected declines in the receipt of indirect cost reimbursement from federal grants and contracts and reduced yields on investments attributable to the general fund. The Board Office said it is anticipated that the institutional estimate of income will turn out to be conservative.

The university supplied detailed analysis of operating program changes. The Board Office noted these highlights: all expenditure categories received substantial increases in proposed funding for 1982-83 with the exception of building repairs. Building repairs received substantial non-recurring funding in 1981-82 which has subsequently been reallocated to other expenditure categories or eliminated through the income reduction noted above.

The following table summarizes changes in planned expenditures:

1982-83 Planned Expenditures

<u>Expenditure Category</u>	<u>1981-82 Revised Budget</u>	<u>1982-83 Proposed Budget</u>	<u>Percent Change</u>
	(000s omitted)		
Salary & Fringe Benefits	\$112,959	\$127,754	13.1%
Fuel & Purchased Electricity	8,027	9,173	14.3
Supplies & Services	13,434	15,702	16.9
Equipment	1,234	1,393	12.9
Library Acquisitions	2,830	3,230	14.1
Building Repairs	2,134	1,440	(32.5)
<u>Total</u>	<u>\$140,618</u>	<u>\$158,692</u>	<u>12.9%</u>

In accordance with board policy, student aid support associated with the new tuition increase for 1982-83 has been established at \$493,000. Additional graduate student support in the amount of \$31,000 has been allocated.

University Hospitals and Clinics. The Board Office recommended that the Regents approve a 9.0 percent rate increase for the University Hospitals and Clinics, the Psychiatric Hospital, and the University Hospital School. In addition, the Board Office recommended that the Regents approve an 11.3 percent reduction in the indigent patient county quota allocations for 1982-83. The latter is in addition to the quota reductions in place this year. The university had supplied information supporting the need for these rate and quota changes.

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Overall, the University Hospitals and Clinics, in addition to the \$5.3 million budget ceiling change during 1981-82, seeks approval to expend an additional \$12 million in 1982-83. This would take the Hospitals and Clinics' budget from \$112.8 million in 1981-82 to \$124.8 million in 1982-83. This amounts to a 10.6 percent increase unadjusted for either patient load or price inflation. The Hospitals and Clinics reports that this increase is well within the goals established by the National Voluntary Cost Containment Effort of the American Hospital Association and the American Medical Association.

Restoration of the 4.6 percent indigent patient care appropriation cut of 1980-81 has improved the University Hospitals and Clinics' capability to service indigent patient hospital care.

The Board Office noted that the University Hospitals and Clinics has a long standing budget procedure that prorates the share of cost between indigent patient appropriations and paying patient income. The proportions for FY 1982-83 are 22 percent indigent patients and 78 percent paying patients. The funding proportions, however, are based on the 1981-82 Regent-approved budget and show 20.7 percent appropriation costs and 79.3 percent paying patient costs. The net result is that the indigent patient cost share from appropriations is under budgeted in the amount of \$590,000. Converting the appropriation shortfall to county quota patients requires an 11.3 percent reduction on a base quota of \$5,735. This would be a reduction of 638 patients. In reviewing actual utilization of quotas, it is estimated that 179 would need to be converted to excess quota patients with charges payable from the counties. This works out to be a 3.1 percent effective county quota reduction. This is approximately comparable to the excess county quota this year although the funding circumstances are somewhat altered.

The proposed expenditure pattern for the University Hospitals and Clinics for 1982-83 is shown below and compared to the revised 1981-82 budget. Percentage changes are also shown.

1982-83 Planned Expenditures

<u>Expenditure Category</u>	<u>1981-82 Revised Budget</u>	<u>1982-83 Proposed Budget</u>	<u>Percent Change</u>
	(000s omitted)		
Salaries & Fringe Benefits	\$ 76,652	\$ 84,356	10.1%
Fuel & Purchased Electricity	1,748	2,087	19.4
Supplies & Services	33,592	37,125	10.5
Equipment	544	799	46.9
Library Acquisitions	---	---	----
Building Repairs	294	433	47.3
<u>Total</u>	<u>\$112,830</u>	<u>\$124,800</u>	<u>10.6</u>

The Board Office noted that the unusual increases for equipment and building repairs represent a substantial restoration of the levels of support that existed prior to the 4.6 percent appropriation cut in 1980-81 plus additional support for price inflation.

A major program adjustment at the University Hospitals and Clinics includes the augmentation of the nursing services staff and other diagnostic therapeutic services staff in a number of hospital departments. Costs of this augmentation are estimated at \$1,012,000 with 48 full-time equivalent positions added.

In summary, the Board Office noted that the restoration of the 4.6 percent appropriation cut, appropriations for the opening of new buildings, a supplemental appropriation for indigent patient care, and a proposed rate increase and county quota reduction will allow the University Hospitals and Clinics to begin FY 1982-83 with matching revenues and expenditures. Some improvement in staffing ratios would be implemented. Other expenditure lines have been increased to accommodate projected workload and to provide for price inflation.

Psychiatric Hospital. The Board Office recommended that rates for paying patients be increased by 9.0 percent. This rate change is reported to be necessary to meet planned workload funded from hospital income.

There were no budget ceiling changes requested in 1981-82. With the proposed rate change and additional indirect cost reimbursement, the Psychiatric Hospital estimates an additional \$231,000 in hospital revenue. Along with state salary fund adjustments, supplemental appropriations for fuel and purchased electricity and the restoration of 4.6 percent in appropriations cut in 1980-81, a budget of \$7,859,627 is proposed for 1982-83. This compares to a budget of \$7,046,656 in 1981-82 with an overall increase reported at 11.5 percent.

Approximately 80 percent of the restored appropriations has been used to reestablish previous staffing patterns. The remainder has gone to rebuild other operating expense needs. The supplies and services budget, other than restoration, would be increased 9 percent over the 1981-82 budget. Supplies and services account for 88 percent of all nonpersonnel expenditures at the Psychiatric Hospital.

University Hygienic Laboratory. The Board Office reported that there were no rate changes proposed at this time.

The University Hygienic Laboratory received approval for a budget ceiling change in 1981-82 of \$64,600. This was laboratory income and was allocated totally to supplies and services. In 1982-83 the laboratory will have restored \$82,000 in appropriations initially cut in 1980-81. State salary adjustment fund new income amounts to \$140,000. Additionally, the laboratory estimated \$36,000 in increased sales and services. In total the proposed preliminary operating budget for the laboratory in 1982-83 is \$2,816,863, compared to a revised 1981-82 budget of \$2,559,617. The overall increase proposed is 10.1 percent.

Planned expenditures for the Hygienic Laboratory for 1982-83 include \$2,330,000 for salary and fringe benefits, for an increase of 11.3 percent over 1981-82; and \$487,000 for other expenses, an increase of 4.3 percent.

Oakdale Campus. The Board Office noted that the Oakdale Campus had requested a budget ceiling change of \$65,000 for 1981-82. In 1982-83, the Oakdale Campus will restore \$85,000 in appropriations reduced in 1980-81 and added supplemental appropriations for fuel and purchased electricity of \$49,660. Additional cafeteria business is forecast to add \$30,000 to the campus's income. In total, the Oakdale Campus proposes an operating budget in 1982-83 of \$2,583,599. This would be 11.6 percent greater than a revised 1981-82 budget of \$2,314,629.

The Oakdale Campus proposes to use all restored appropriations for non-personnel expense categories. Expenditure allocations are as follows for 1982-83: salaries and fringe benefits, \$1,505,000, an increase of 7.4 percent over 1981-82; and other expense, \$1,079,000, an increase of 18.1 percent over 1981-82.

The Board Office recommended adding an additional \$20,000 to the initial \$29,660 supplemental fuel allocation recommendation (see pages 623-627).

Vice President Bezanson said the university had tried to address four areas of need in the 1982-83 budget. These were: salaries for faculty and staff, additional faculty because of increased and shifting enrollment, inflationary pressures in non-salary areas (particularly library acquisitions), and needs in the College of Medicine.

Vice President Bezanson also commented on the rate increase for the University Hospitals and Clinics. He noted that the increase was modest in terms of inflation. The hospital has been very effective in terms of cost containment, particularly when considering the level of care required by most patients.

In answer to a question from Regent Anderson about the effect of the cut in indigent patient quota allocations, Vice President Bezanson said actual numbers of patients affected were difficult to determine. He thought the hospital would feel this reduction particularly at the end of the fiscal year when the counties wouldn't be able to pick up expenses.

In commenting on the reason for the additional \$31,000 allocation for graduate student stipends in addition to the 8 percent increase overall, Vice President Bezanson said this was to cover the additional cost of the tuition that graduate students must pay.

Regent Anderson asked about the addition of 48 full-time positions at University Hospitals and Clinics. She noted that there had not been a comparable increase in the number of patients. Vice President Bezanson explained that staffing levels are now exceedingly low. The hospital feels it is important to increase the level of particularly the nursing

staff. Even with the proposed increase, hospital staffing will be relatively low compared to other teaching hospitals. The hospital has been making these increases by modest increments for the last two years and plans to add additional staff for the next 4 or 5 years. Even though the patient census does not show an increase, there is increased activity as well as increased complexity involved in patient care. Such things as certain new operating techniques require more intensive support staff.

MOTION:

Mr. Wenstrand moved (1) that the preliminary budget proposals for the education and general operations of the university be approved with a budget ceiling of \$301,149,000; (2) that \$20,000 be added from supplemental appropriations for fuel and purchased electricity appropriated to the Board of Regents to the Oakdale Campus; (3) That a 9.0 percent rate increase be approved for the University Hospitals and Clinics, the Psychiatric Hospital, and the University Hospital School; and (4) that an 11.3 percent reduction in indigent patient quota allocations be approved. Mrs. Murphy seconded the motion and it passed unanimously.

ALLOCATION OF STUDENT ACTIVITY AND BUILDING FEES 1982-83. It was recommended that the schedule of student activity and building fees (shown on the next page) totaling \$46.03 for each semester during 1982-83 be approved.

In its supporting information, the Board Office noted that the board had approved a schedule of student activity and building fee allocations totaling \$44.82 for FY 1981-82. This included fixed building fees of \$24.36, student service fees for the Cambus/Bionic Bus and student health services at \$11.13, and student activity fees for a range of activities of \$9.33.

Fee increases for the current year 1981-82 included increased support for the arena-recreation project, a new student health fee, increased support for the Cambus/Bionic Bus system but no increased support for other student activities. Initially the board approved an increase in 1981-82 of \$1.21 for the latter activities. Subsequent to the initial approval of student activity and building fees for 1981-82, students agreed to support the University Library and student financial aid budgets in lieu of an increase for student activities. Therefore, the increase in 1982-83 is really the 1981-82 rate previously approved but deferred one year.

The Board Office said the net effect of this reimplementing of the previously approved student activities fee increase would be to add at least \$60,000 to the student activity budget. The Board Office recommended approval.

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ALLOCATION OF STUDENT ACTIVITY FEES

	<u>Per Semester</u>	
	<u>1981-82</u>	<u>1982-83</u>
<u>Student Activities</u>		
SPI Board, Inc.	\$ 2.65	\$ 2.83
Lecture Committee	.35	.50
Recreation Services	.55	.59
UICAC	2.83	2.83
UISAS	2.82	2.82
UISA Office	.07	.16
Contingency	.06	.06
UISA Commissions (KRUI)	.00	.75
	<u>\$ 9.33</u>	<u>\$10.54</u>
<u>Student Services</u>		
Cambus/Bionic Bus	\$ 7.13	\$ 7.13
Student Health	4.00	4.00
	<u>\$11.13</u>	<u>\$11.13</u>
<u>Building Fees</u>		
Recreation Building	\$ 3.50	\$ 3.50
Hancher Auditorium	8.00	8.00
Arena/Recreation Project	12.86	12.86
	<u>\$24.36</u>	<u>\$24.36</u>
Total Fees - Semester	\$44.82	\$46.03

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MOTION:

Mrs. Anderson moved that the board approve the schedule of student activity and building fees totaling \$46.03 for each semester during 1982-83. Mrs. Murphy seconded the motion and it passed unanimously.

BUDGET CEILING INCREASE 1981-82 AT OAKDALE CAMPUS. It was recommended that the Oakdale Campus operating budget for FY 1981-82 be increased from \$2,249,629 to \$2,314,629 or an increase of \$65,000.

Following board policy on budget ceiling changes, the university requested a budget ceiling increase of \$65,000 for 1981-82. This proposed budget ceiling change has been assumed in the preliminary operating budget proposal for FY 1982-83 for the Oakdale Campus.

The Board Office said the proposed increase is from increased revenue from cafeteria sales in the amount of \$25,000 and in increased recoveries of indirect cost reimbursement from federal grants and contracts of \$40,000.

The university proposed to use the increased revenue for building repairs. Phase III of the Oakdale water supply plan calls for the replacement of deteriorated water distribution lines. These funds would be used toward that goal.

Based on the appropriateness of the use of the increased income and the continued tight funding situation for the Oakdale Campus, the Board Office recommended approval of this budget ceiling increase.

MOTION:

Mr. Nolting moved that the board approve the budget ceiling increase for the Oakdale Campus for FY 1981-82 from \$2,249,629 to \$2,314,629, an increase of \$65,000. Mr. Neu seconded the motion and it passed unanimously.

ACADEMIC BUILDING REVENUE BONDS. It was recommended that the board adopt a "Resolution directing the advertisement for sale of \$12,970,000 Academic Building Revenue Bonds, Series S.U.I. 1982."

The 1981 Legislature in Senate Concurrent Resolution 35 authorized the sale by the Board of Regents of \$58 million in academic building revenue bonds. Bonds issued the first year of the biennium (FY 1981-82) totaled \$30 million. Authorized issuance during FY 1982-83 totals \$28 million and would be divided as follows:

University of Iowa	\$12,970,000
Iowa State University	15,030,000

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The Board Office reported that the use of bond proceeds for the University of Iowa would fund the following projects:

Fire Safety Deficiencies	\$ 250,000
Communication Facility--Construction	6,675,000
University Theatre Addition-- Construction	5,985,000
Bond Issuance Costs	<u>60,000</u>
TOTAL	<u>\$12,970,000</u>

Bids on the Communications Facility are expected to be received on June 24. Bids on the University Theatre Addition project are expected to be received sometime next fall.

The Resolution directing the advertisement and sale of \$12,970,000 Academic Building Revenue Bonds, Series S.U.I. 1982, authorizes and directs the executive secretary to fix the date for the sale of these bonds during calendar year 1982, provided that such bonds shall be issued, i.e., delivered to the purchasers thereof on or after July 1982, and to cause notice of the sale of these bonds to be published in the customary form and in the manner required by Chapter 262A of the Code.

MOTION:

The board took up for consideration the matter of providing for the advertisement and sale of \$12,970,000 Academic Building Revenue Bonds, Series S.U.I. 1982.

Whereupon Mrs. Anderson introduced and caused to be read a resolution entitled "Resolution directing the advertisement for sale of \$12,970,000 Academic Building Revenue Bonds, Series S.U.I. 1982," and moved that said resolution be adopted.

Dr. Harris seconded the motion, and after due consideration the president put the question on the motion and, the roll being called, the following voted:

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

NAY: None

ABSENT: None

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

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

IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Wednesday, May 19, 1982.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for April 1982 were ratified by general consent of the board.

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

Lt. Col. Robert J. Devens to the position of chair of the Department of Military Science and of his promotion to the rank of professor, effective June 1, 1982, through June 30, 1983.

MOTION: Mr. McDonald moved that the board approve the appointment of Lt. Col. Devens. Mr. Nolting seconded the motion and it passed unanimously.

PRELIMINARY BUDGETS FOR 1982-83. It was recommended:

1. That the preliminary budgets as proposed by Iowa State University for 1982-83 be approved as follows:

General University	\$132,913,767
Experiment Station	13,505,713
Cooperative Extension Services	15,640,427

2. That a uniform interinstitutional extension and workshop fee of \$50 be approved.

General University. The Board Office reported that total resources for 1982-83 are estimated to be \$132.9 million which consist of appropriations (\$97.4 million) and institutional income (\$35.5 million). Total resources are estimated to be 16.4 percent above the original budget for 1981-82, 14.8 percent above the revised budget for 1981-82, and 13.5 percent above the revised budget for 1981-82 as adjusted for the change to accrual accounting for student fee income.

The appropriations include restoration of the 4.6 percent cut and 1.2 percent for program expansion to operate the library addition and the renovated Quadrangle and to add instructional classes.

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Appropriations for 1981-82 and appropriation adjustments for 1982-83 are as follows:

Appropriations for 1981-82	\$ 83,793,632
Adjustments for 1982-83	
Restore 4.6% cut	3,597,782
Open Buildings(Library & Quadrangle)	357,903
Salary Adjustments	7,959,164
Supplemental Essential Prog. Adj.	833,000
Supplemental Fuel Allocation	509,031
Fuel Carry Forward	<u>336,255</u>
Total Appropriations - 1982-83	\$ <u>97,386,767</u>

The supplemental fuel allocation and the fuel carry forward amounts are discussed on pages 623-625.

Institutional incomes as originally budgeted for 1981-82 and as adjusted for 1981-82 and 1982-83 are as follows:

Student Fees	
Budget for 1981-82	\$ 27,350,000
Additional Income - 1981-82	500,000
Rate Change - 1982-83	2,842,000
Enrollment Increase (48 students)	63,500
Change to accrual accounting	1,374,500
Subtotal - Student Fees	<u>32,130,000</u>
Federal Funds (no changes)	<u>247,000</u>
Sales and Services	
Budget for 1981-82	1,200,000
Additional Income - 1981-82	412,770
Reduced sales of farm products - 1982-83	(112,770)
Subtotal - Sales and Services	<u>1,500,000</u>
Other Income (Indirect Cost Reimbursement and Interest on Investments)	
Budget for 1981-82	1,600,000
Additional Income - 1981-82	600,000
Reduced Indirect Cost Re- imbursement - 1982-83	(550,000)
Subtotal - Other Income	<u>1,650,000</u>
Total - Institutional Income - 1982-83	\$ <u>35,527,000</u>

The Board Office recommended that the institutional estimate of resources be approved.

The Board Office said the institution proposed to budget \$9.0 million for salary increases. The funding increase includes an average base salary increase of 8 percent which is based on merit for faculty, merit for an amount of 3 percent above the minimum of 5 percent for professional and scientific personnel and a mandatory adjustment of 8 percent for the Regents Merit System employees. The funding increase includes an increase of about 20 percent for fringe benefits. The institution proposed to provide an increase in funding of 0.2 percent for faculty promotions, which would grant increases of \$700, \$950, and \$1,200 to assistant professors, associate professors, and full professors respectively.

The institution has encouraged college deans "to maximize to the greatest extent possible salary increases for faculty."

The institution proposed to spend \$3.4 million for expanded program activity including \$2.5 million for additional faculty and institutional officials' positions. The funds include \$833,000 from the supplemental appropriation for instructional staff, \$75,000 for opening new buildings, and the remainder from the restoration of the 4.6 percent appropriation cut. About 38 percent of the funds are proposed for Engineering and Sciences and Humanities. Temporary teaching (\$420,000) and reserve for pay and position adjustments on filled positions (\$600,000) account for about 37 percent. The remainder of the \$3.4 million is allocated to critical positions throughout the remainder of the university.

The institution proposed to increase expenditures for supplies and services by an amount of 29 percent over the revised 1981-82 budget. An increase of 17 percent is attributed to inflation and the remainder to support program change. The remainder of the budget is allocated to other non-salaried expenditure categories to provide an increase in each of 11.5 to 12 percent.

The Board Office concluded that the General University budget proposal is balanced with appropriate emphasis on resolving the most critical problems. Additional funds are provided to add teaching positions, increase salaries as much as feasible, correct the supplies and services budget in so far as practical, and otherwise provide funds to offset recent inflation. Accordingly, approval was recommended.

Agriculture and Home Economics Experiment Station. The institution proposed a budget of \$13,505,713 for 1982-83 for the Iowa State Agricultural and Home Economics Experiment Station. The budget proposal represented an increase of about 11.7 percent over the original 1981-82 budget and 9.8 percent over the revised 1981-82 budget.

The Board Office reported that the proposed budget would be supported by \$10.2 million of appropriation and \$3.3 million of institutional income. The institutional income consists of \$3.1 million of federal funds and \$127,000 of sales and services. The federal funding is expected to remain about the same for federal fiscal year 1983 based on recommendations by

the President and continued support for agricultural research by the appropriations committee in both the House and Senate. The appropriations consist of restoration of the 4.6 percent cut and funds for salary increases as discussed above.

The institution continues to express the concern of the federal government that each state maintain its share of agricultural research support. Iowa complies fully with the requirement that the state match federal funds.

Regarding nonsalary items, the institution proposed to increase the expenditures for "Supplies and Services" by about 8 percent and double the funding for equipment over the original budget for 1981-82. However, the funding for equipment is proposed to be about two-thirds the level of the revised budget for 1981-82 which resulted from additional federal funds. No change is proposed for building repairs.

The institution has developed a research plan in cooperation with the State Agricultural Experiment Station System and the United States Department of Agriculture. Considering that the proposed budget is designed to implement the research plan, the Board Office recommended that the preliminary budget of \$13,505,713 be approved.

Cooperative Extension Service in Agriculture and Home Economics. The institution proposed a preliminary budget of \$15,640,427, which amounts to an increase of 13.4 percent over the budget for 1981-82. No budget adjustments were requested during 1981-82.

The Board Office said the proposed preliminary budget would be supported by \$9.8 million of appropriations and \$5.8 million of institutional income. The appropriations include restoration of the 4.6 percent cut and the funding for salary increases. The institution expects a 14.5 percent increase in federal funds for 1982-83 based on present considerations in Congress.

Regarding expenditures, the Board Office said staff salary policies were proposed to follow the pattern discussed for the General University.

Other budgeted expenditures relate to a trend to reduce travel costs and substitute more use of computers, electronic communication, and mail. Accordingly, it was proposed to add a systems analyst to the salary category, an 18.5 percent increase in "Supplies and Services" to cover additional communication costs and computer training, and a 131 percent increase in the equipment budget to expand communications and computer equipment systems and to purchase postage meters.

In view of the effort to improve services in the several critical areas important to activities throughout the state, it was recommended by the Board Office that the proposed preliminary Cooperative Extension Service budget of \$15,640,427 be approved.

Miscellaneous Fees. An extension and workshop fee of \$88 was submitted previously for approval inadvertently. The Board Office said it should be revised to a uniform interinstitutional fee of \$50.

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President Parks commented that Iowa State University had emphasized people in the preparation of this budget. It recognizes that it needs to do whatever possible to keep qualified personnel available, particularly in such high-demand areas as computer science, engineering, and business administration.

MOTION:

Mr. Nolting moved (1) that the preliminary budgets as proposed by Iowa State University for 1982-83 be approved as follows: General University, \$132,913,767; Experiment Station, \$13,505,713; and Cooperative Extension Services, \$15,640,427; and (2) that a uniform interinstitutional extension and workshop fee of \$50 be approved. Mrs. Jorgensen seconded the motion and it passed unanimously.

ACADEMIC BUILDING REVENUE BONDS, SERIES I.S.U. 1982A. It was recommended that the board adopt a "Resolution directing the advertisement for sale of \$15,030,000 Academic Building Revenue Bonds, Series I.S.U. 1982A."

The 1981 Legislature in Senate Concurrent Resolution 35 authorized the sale by the Board of Regents of \$58 million in academic building revenue bonds. Bonds issued the first year of the biennium (FY 1981-82) totaled \$30 million. Authorized issuance during FY 1982-83 totals \$28 million and would be divided as follows:

University of Iowa	\$12,970,000
Iowa State University	15,030,000

The use of bond proceeds for Iowa State University would fund the following projects:

Fire Safety Deficiencies	\$ 815,000
Mechanical Engineering, Engineering Science & Mechanics Building-- Construction	13,600,000
Mechanical Engineering Building-- Utilities	460,000
Mechanical Engineering Building-- Equipment--Phase I	40,000
Bond Issuance Costs	<u>115,000</u>
TOTAL	<u>\$15,030,000</u>

The Board Office noted that bond issuance costs needs are approximately \$60,000 if all bonds are sold in one sale. The additional \$55,000 gives the flexibility to finance this issue through more than one sale. Any unused bond issuance costs would be utilized for Mechanical Engineering Building equipment, where there is an unmet need of approximately \$2 million. Any savings in the Mechanical Engineering Building construction or utilities should also be utilized to offset that unmet need, which will be the subject of a net request to the next legislative session.

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The Resolution directing the advertisement and sale of \$15,030,000 Academic Building Revenue Bonds, Series I.S.U. 1982A, authorizes and directs the executive secretary to fix the date for the sale of these bonds during calendar year 1982, provided that such bonds shall be issued, i.e., delivered to the purchasers thereof on or after July 1982, and to cause notice of the sale of these bonds to be published in the customary form and in the manner required by Chapter 262A of the Code.

The Board Office said it was currently working through several alternatives relative to issuance of FY 1983 bonding. It is likely that the sale for the University of Iowa would occur prior to that for Iowa State University, because the projects funded in the University of Iowa issue are closer to bidding. One of those alternatives would have the bond sale for the University of Iowa bonds occurring at the June 17 board meeting with fund delivery to occur after July 1, 1982, and the sale for Iowa State University bonds tentatively occurring in September, according to Mr. Richey.

MOTION:

The board took up for consideration the matter of providing for the advertisement and sale of \$15,030,000 Academic Building Revenue Bonds, Series I.S.U. 1982A. Whereupon Mr. McDonald introduced and caused to be read a resolution entitled "Resolution directing the advertisement for sale of \$15,030,000 Academic Building Revenue Bonds, Series I.S.U. 1982A," and moved that said resolution be adopted. Dr. Harris seconded the motion, and after due consideration the president put the question on the motion and, the roll being called, the following voted:

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

NAY: None

ABSENT: None

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

TRANSIT SYSTEM - CITY AND UNIVERSITY (ORAL REPORT). Vice President Moore explained that the transit system for the university and the city is a joint effort of the university, students, and city; financed by student activity fees and property taxes. The transit system has just completed a highly successful first year of operation. It has been cited by the federal government as one of the fastest-growing systems in the United States.

The transit board intends to apply for federal funds to finance in part a garage to house buses. While searching for a site, the transit board considered costs of purchase and operating costs of various locations. This search has resulted in a favorable recommendation of a site on the Iowa

State University campus near the heating plant, just east of the cooling towers. The transit board voted (with Vice President Moore abstaining) to negotiate with the university to see if it would be possible to locate a bus barn on that site.

Vice President Moore said the purpose of this oral report was to inform the Regents that the university might be bringing this matter to the board for official action. He said such a recommendation was not without precedent; he noted that most parks in the city of Ames are university property which are leased for park purposes. And, within the last five years, the university had leased land for an ice skating rink which is used by both city and university. However, the terms of the proposed bus barn might not be similar to these previous transactions.

Vice President Moore said that, since university and city are jointly involved in financing, it is important that a fair arrangement be worked out. He was not prepared to say at this time what a fair arrangement would be. According to the conditions of the federal grant, it would be simplest if the city had complete title to the property. The university was not prepared to make that recommendation. Vice President Moore thought some type of long-term lease would be preferable. He said the university would keep the board fully informed of further negotiations concerning this matter.

President Brownlee reminded the board and university that the most important thing to consider is the possible long-term effects. They must keep in mind the possible expansion of the heating and cooling plant which might require the land now being considered for the bus garage. President Parks agreed and said this would be studied thoroughly. The advantages in terms of the future of the university would be very carefully considered.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office said the Register of Capital Improvement Business Transactions for the period of April 23 through May 20, 1982, had been received, was in order, and was recommended for approval with the following exception: it was recommended that approval of Synchronon--Remodel for Geotechnical Research Laboratory be withheld pending further discussion.

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

Physics Hall--First Floor Partial Renovation

Award to: Webster Construction Co., Fort Dodge, Iowa \$117,550.00

The university also submitted an amended project budget reflecting the contract award. The amount of budget is the same (\$175,000) as approved earlier.

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

Utilities--Heating Plant--Replace Economizers Boilers 3 & 4

In July 1981 the board approved a project with an estimated cost of \$300,000 to replace the economizers in steam boilers 3 and 4 due to extensive erosion of economizer tube bends caused by improperly directed flue gases. At that time the university indicated it was pursuing a claim against the contractor in cooperation with the attorney general's office.

The university had now listed some reasons why the project was not carried out last year, as planned, and also indicated that the budget now needed to be increased to \$500,000. Also, the project last year was funded by Overhead Reimbursement by Use of Facilities--now the university indicated the source of funds to be Fuel Savings.

The Board Office said the university should bring a report directly to the board when settlement is reached with the contractor. The university should also pursue this project as quickly as possible, as steam boilers 3 and 4 are an important and integral part of the university's ability to meet emission control standards of the state of Iowa. When those boilers are out of service, it is very doubtful whether the university can maintain the integrity of emission controls, according to the Department of Environmental Quality.

Mr. McMurray added that these boilers must be in working condition by the end of the summer, not only because of DEQ constraints, but because it is important that they be in prime condition for the winter heating season.

Roof Replacements--1982

The board earlier had approved roof replacements for four buildings at a cost of \$410,000. The university now wishes to add four additional buildings-- Science Addition, Heating Plant, Dairy Industry, and Botany Hall--which will bring the revised budget estimate to \$700,000. Source of funds would be Building Repairs for \$525,000 and the Dormitory System Surplus Fund for \$175,000.

The Board Office noted that the board might wish to question the continued use of Botany Hall, which the university had indicated for quite some time an intent to demolish. The functions previously housed in Botany Hall have been moved to new or remodeled space. The university had now decided to use the hall as a "surge" building for the temporary housing of functions displaced to accommodate new construction, renovation, or remodeling projects. While the concept of a "surge" building is a good one, the Board Office questioned whether the university should spend \$70,000 to replace the roof on a building which has a limited life span. The replacement of the roof and its continued use for new functions might lead to other more expensive and extensive renovations. Part of the justification for new or remodeled space has always been the demolition of ancient space. Continued use of this justification becomes somewhat uncertain when the university continues to use such buildings for other functions, according to the Board Office.

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Vice President Moore said the university was also concerned. The intent is to make this building livable at the least possible expense so it can be used during construction of the Mechanical Engineering Building. In answer to a question from President Brownlee, Vice President Moore said it could not be patched up more cheaply; the Physical Plant had determined that \$70,000 was the minimum amount necessary to repair the roof.

Vice President Moore added that all involved in studying this problem had decided there was no other place on the campus to house this overflow. The university would be using 20,000 to 30,000 square feet out of the 52,000 square feet the building contains. Vice President Moore said the university has issued a directive to all concerned that this building is not to be used for new programs or expansion of programs. It is to be used as only the most temporary type of space. The university agreed with the Board Office that demolition is the proper long-range solution.

Mr. Richey noted that, if the building is used for three years as a "surge" space, the cost of the roof would be \$1.20 per square foot per year. He felt this was a reasonable amount. Vice President Moore added that the university still has hopes for a new Agronomy Building, and Botany Hall could be used as an overflow area for that project also, in which case this expense would be well amortized.

The board was requested to approve the following new projects:

Dairy Industry--Ground Floor Partial Remodeling
Source of Funds: Building Repairs \$60,000.00

This project remodels 925 square feet in the Dairy Industry Building for use by the Department of Agricultural Engineering. The purpose is to vacate space now occupied in the Armory to allow for the relocation of the Naval Science Department. The remodeling cost is approximately \$65 per square foot.

Student Services Building--Second Floor Partial Remodeling
Source of Funds: Health Service Fees \$80,000.00

This project remodels 2,100 square feet in the patient wing of the Student Health Service to provide for six examining rooms and three private offices. The cost is approximately \$39 per square foot.

Iowa State Center--Resurface Parking Lots
Source of Funds: Iowa State Center Support Fund \$360,000.00

Carver Hall--Exterior Joint Repair
Source of Funds: Building Repairs \$61,000.00

Brayton Memorial Forest--Storage Shed
Source of Funds: College of Agriculture--Special Research
and Development \$ 1,200.00

Construction on this project would be accomplished by university forces.

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McNay Research Center--New Livestock Shed and Demolition of Silo
Source of Funds: College of Agriculture--Special Research
and Development \$ 3,500.00

The Board Office noted that construction would be provided by university forces.

Curtiss Hall--North and South Stairwells and Remodeling
Source of Funds: Academic Revenue Bonds--Fire
Safety Improvements \$231,500
Academic Revenue Bonds--
Utilities--Campus
Improvements 48,500
Building Repairs 70,000

TOTAL \$350,000.00

The fire safety portion of the project involves construction of interior stairwells and associated remodeling of approximately 12,000 square feet. The Building Repair funds will be used to refinish corridor and stair walls plus additional office and classroom remodeling of approximately 4,000 square feet. The projects are being put together in this manner so there will be the least possible disruption to the functions in the building.

According to the Board Office, the university intends to undertake the following three projects from fuel savings:

Utilities--Heating Plant Energy Conservation Improvements \$98,000.00

Utilities--Heating Plant--Ash Silo Access Platforms and Weather Protection \$24,200.00

Utilities--Heating Plant--Guillotine Dampers \$141,000.00

On each of these projects, the university requested the board to ratify contracts for design services with Brown Engineering Co., West Des Moines, Iowa. All three contracts are on an hourly rate basis to a fixed maximum. In the case of the first project, the fixed maximum is \$19,000; for the second project, \$19,000; and the third project, \$9,000.

ISU Stadium--Paint Exposed Steel
Source of Funds: Athletic Council \$60,000.00

Utilities--Campus Improvements--Steam Tunnel Piping Improvements

According to the university, this project is a subproject of Utilities--Campus Improvements which was first approved by the board in 1979. The Board Office was unable to find a project by this title in the list of improvements, nor had the university made available the amount of this subproject.

The Board Office said the university should at an early date provide an amended or revised project budget for the overall Utilities--Campus Improvements project which would show contracts awarded to date and the amount available for future contracts.

Some clarification is needed on this subproject, particularly title and cost, before it can be recommended for approval by the Board Office.

The university also requested the board to ratify the selection of Brown Engineering Co., West Des Moines, Iowa, to furnish engineering services for the project on an hourly rate basis to a maximum of \$24,000.

Synchrotron--Remodel for Geotechnical Research Laboratory

The Engineering Research Institute's Geotechnical Research Laboratory is currently housed in Building B. This structure contains 3,429 net square feet or 4,078 gross square feet. Building B is scheduled for razing to allow for the construction of the Mechanical Engineering, Engineering Science and Mechanics Building.

The university proposes to remodel approximately 8,000 square feet in the Synchrotron, a building which contains 8,253 gross or 4,917 net square feet, as a permanent location for this laboratory. Estimated cost of remodeling is \$230,000.

The Board Office reported that the university had indicated that the funding of both the relocation and the total remodeling costs would be the bond funds for the construction of the new Mechanical Engineering Building. The University indicated that the internal program for the Mechanical Engineering Building contained a \$200,000 amount for relocation of functions displaced by the site selection for the new Mechanical Engineering Building. Those functions include the Research Laboratory in Building B and the Naval ROTC now housed in the Naval Armory.

The Board Office questioned both the legality and the wisdom of using bond funds to pay for remodeling programs. The funds are given on a line-item basis and that line says "Mechanical Engineering--Construction, Utilities, and Equipment." While it may be appropriate to charge that budget for moving costs of programs displaced during construction, it may be inappropriate to remodel space and charge these costs to the budget. The integrity of the budget should be maintained, insofar as possible, for the primary purpose for which funds were provided--that is, construction of a new building. The university has indicated its intent to build a new structure of 95,450 gross square feet or 57,155 net assignable square feet at a cost per square foot, not including equipment, of \$147.30. Some \$13,600,000 was provided for construction; an additional \$460,000 was provided for Utility Distribution Improvements; and \$40,000 of a total need of \$2,040,000 in state-funded equipment will be provided next year in a bond sale(s) for Iowa State University. Any funds not utilized for construction of a building as originally planned should be used to reduce future demand upon the state

for equipment needs for this building. In the view of the Board Office, such funds should not be used to either expand the building beyond the planned or requested structure or to pay for items such as remodeling laboratories for displaced functions.

The university had indicated a need to begin remodeling the new space, because the research institute had recently received a sizable contract.

Mr. McMurray said the solution worked out by the Board Office and the university was to recast the university's use of the \$200,000 allocated for relocation in the Mechanical Engineering Building budget. This amount would now be the maximum allowed for all relocations and direct remodeling costs. In that way, the university would not be making inappropriate use of bond funds.

The Board Office said the university would submit a budget on this project that would allocate the share of the \$200,000 to this project and show other funding for the remainder of the project. Since this seemed to resolve this concern, the Board Office recommended that the board approve the project.

The cost of the remodeling project in the Armory to relocate the Naval ROTC is tentatively listed at \$750,000. The board has not received a project budget allocating costs to date. It would be appropriate to use the remainder of the \$200,000 relocation funding on this project.

Regent Wenstrand said he was concerned with the cost of this project. He knew that buildings like the Armory were difficult to work with, but he noted that this was a substantial sum of money. Vice President Moore said the university had consulted an outside architect, and the opinion was that the work could not be done for less. When selecting the site for the new Mechanical Engineering Building, many options had been considered. It was decided to give the building the best possible site even though the university knew it was facing considerable expense.

Vice President Moore mentioned the various uses of the Armory. Present usage would be continued in addition to the Navy. He said the space had not been efficiently arranged originally, and changes necessary to accommodate the Navy would not be easy to make. In addition, he explained that, when an old building is remodeled, the first requirement is to bring it up to Code standards. Mr. Richey noted that this was expensive and sometimes left very little money for anything else.

The board was requested to approve the following consultant contract:

Utilities--North Campus Storm Addition

The university requested approval to pay \$2,540 additional to Rieke Carroll Muller Associates, Inc., for additional services performed outside of the design contract. Those services were requested by the university.

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MOTION:

Mr. Wenstrand moved that the board approve the Register of Capital Improvement Business Transactions for the period of April 23 through May 20, 1982; ratify award of construction contracts made by the executive secretary; approve the revised or amended project budgets; approve the new projects; ratify and approve the consultant contracts; and authorize the executive secretary to sign all necessary documents. Mrs. Murphy seconded the motion and it passed unanimously.

President Parks mentioned that Vice President Christensen was absent from the meeting. He had been honored by being chosen as a Scholar/Diplomat by the State Department and was attending a seminar in Washington, D.C.

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

UNIVERSITY OF NORTHERN IOWA

The following business pertaining to the University of Northern Iowa was transacted on Wednesday, May 19, 1982

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

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

Appointment:

Dr. Thomas H. Thompson, from Professor and Acting Dean to Professor and Dean of the College of Humanities and Fine Arts, effective May 18, 1982. Salary: \$52,000 (1982-83 salary).

Reappointments:

James Bailey, Associate Director of Business Services, as University Treasurer for the 1982-83 fiscal year.

Gary Shontz, Controller, as University Secretary for the 1982-83 fiscal year.

President Kamerick said Dean Thompson was the first dean of the College of Humanities and Fine Arts to come from within the university. He was appointed at the end of a long search. He is an able person and it was a pleasure for the university to recommend his appointment. President Brownlee said the board would look forward to working with Dean Thompson.

MOTION:

Mrs. Murphy moved that the board approve the appointment of Dean Thompson and the reappointments of Mr. Bailey and Mr. Shontz. Mr. Nolting seconded the motion and it passed unanimously.

CURRICULUM ITEMS. It was recommended that the proposed curriculum items be referred to the Interinstitutional Committee on Educational Coordination and the Board Office for review.

The Board Office explained that each year the University of Northern Iowa submits a list of curriculum changes by collegiate organizational units. These curricular changes include: (1) a statement of curricular trends by

the deans of each of the colleges, (2) a list of proposed new programs and programs to be dropped, and (3) proposed additions and deletions of courses. This year's curriculum items include only one proposed program: the Master of Arts Degree - Major in Health Education. Part of the material submitted by the university provided responses to the Regents' program approval questions for this new program, as provided in Section 6.05 of the Regents Procedural Guide.

The proposed curriculum items were referred to the Interinstitutional Committee on Educational Coordination and the Board Office by general consent of the board.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office reported that the Register of Capital Improvement Business Transactions for the period of April 10 through May 7, 1982, had been received, was in order, and was recommended for approval.

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

Residence System--Compliance with Fire Safety Report--Bartlett Hall Improvements (Fire Detection System)

Award to: Paulson Electric Co., Waterloo, Iowa \$27,688.00

Steam Distribution System Improvements--1981--Replacement of Condensate Piping

Award to: Baker Mechanical Inc., Des Moines, Iowa \$208,300.00

The university also submitted a revised project description and amended project budget. The amount of budget, \$915,000, remains the same; funded by Academic Revenue Bonds. A subproject was added entitled Russell Hall Steam Line intended to replace the underground deteriorated steam piping for Russell Hall. This subproject has an estimated cost of \$39,000. There are savings anticipated in the condensate line subproject adequate to fund this additional project. The Board Office said it is anticipated that some funds will remain in this account until the Legislature provides a supplemental amount, estimated to be \$400,000, to allow installation of Steam Loop #3 from the Physical Education Center to Towers Dormitory.

Library--Reroof East Wing (Partial)

Award to: D. C. Taylor Co., Cedar Rapids, Iowa \$24,935.00

The university also submitted a revised project budget reducing the scope of this project from \$100,000 to \$30,000 funded by Building Repairs. The original scope of work for the Library included reroofing of the entire east half roof. During design, it became apparent that only one-third of that area was leaking and had saturated roofing insulation. Therefore, only

that portion was bid this summer. The university believes that with proper routine maintenance and repair the remaining portion of the east half roof may be extended from three to five years without replacement.

The board was requested to award the following construction contracts:

Gilchrist Hall--Electrical and HVAC Systems Repairs

Award recommended to: Young Plumbing and Heating Co.,
Waterloo, Iowa \$68,800.00

This contract was referred to the board because the contract could not be awarded within the board-approved project budget. The university submitted a revised project budget totaling \$90,000 funded by Building Repairs, compared to the \$80,000 approved at the March meeting. The university indicated that the reason for the increase was an estimating error.

Seerley Hall--Sloped Roof Improvements

The board in March approved a \$77,000 project. Bids were taken on May 4. A single bid was received which exceeded the approved project budget by 69 percent. The Board Office had originally recommended that this single bid be rejected, but after further consultation with the university, it was decided that this bid would be retained for the remainder of the bid-holding time for the purpose of further analysis. In answer to a question from President Brownlee, Mr. McMurray said the bid would be held in abeyance for the time being. A recommendation on action would be made at the June meeting.

Science Building--West Wing Roof

The university had advertised for receipt of bids on May 4 for this project. This is a \$93,000 project. No bids were received. Alternatives for obtaining bids are under consideration.

Residence System--1982 Building and Roof Improvements

Award recommended to: Northern Cedar Service Co., Inc.,
Mason City, Iowa \$70,394.00

This award was submitted to the board because the contract could not be awarded within the project budget approved by the board. The university submitted a revised project budget and description. The original project budget was \$64,000. A windstorm recently damaged a portion of Noehren Hall roof. The plans and specifications for 1982 Building and Roof Improvements did include the repair of the damaged roofing at Noehren Hall at an estimated cost of \$18,000. The revised project budget totals \$90,000 funded from Residence System Improvement Funds and includes the additional scope of work plus the reflection of actual bids received.

The Board Office noted that the apparent low bidder failed to submit specified EEO information with the bid. After contact, the bidder did submit that information, and it was in the hands of the university prior to contract award.

The board was requested to approve the following contract change order:

Automated Centralized Control System

Section 9.09 of the Procedural Guide states:

Contract change orders requiring an increase in the project budget or which are \$25,000 or over shall not be approved by the chief business officer until the change order increase has been approved by the State Board of Regents.

The university presented for approval a contract change order with MCC Powers on this project totaling \$150,564. These change orders were anticipated at the start of the project when MCC Powers was selected as the contractor for the energy conservation control computer. The contract change orders are for follow-on expansion to connect buildings into the central control system. The university noted that the contractor had added only about 3 percent inflation over prices bid a year ago.

The Board Office noted that Final Reports were submitted on four projects. All were in order and recommended for approval.

The board was asked to approve the following new projects:

Seerley Hall--Renovations for Faculty Offices and Graduate Assistants' Work Spaces

Source of Funds: Building Repairs \$50,000.00

This project provides for expansion of office space for the School of Business.

Parking Lot Maintenance--1982

Source of Funds: Reserved Parking Funds	\$151,000	
Building Repairs	<u>25,000</u>	
TOTAL		<u>\$176,000.00</u>

Building Repair funds are to be used to resurface with asphalt a deteriorated transportation bay south of the Plant Services Building.

UNI-Dome--Roof Inflation/Heating Improvements

Source of Funds: Energy Management Program		
Bond Funds	\$72,000	
UNI-Dome Surplus Funds	<u>95,000</u>	
TOTAL		<u>\$167,000.00</u>

The Board Office said the energy management aspect of this project is to replace two 125-horsepower fans with two 30-horsepower fans. This realizes an annual heat savings for the building of \$34,340 which produces a payback of 1.9 years. The fan replacement can be accomplished because of new heating equipment intended to enhance the roof's snow melting system.

The university also requested ratification of selection of Geiger Berger Associates, P.C., New York, New York, for detailed design of this improvement. The estimated design agreement costs will be \$11,500. The university will refer a contract to the board for ratification once it has been negotiated.

Geiger Berger Associates most recently prepared a schematic design for improvements in the UNI-Dome, including the aforementioned roof inflation and heating improvements project. The board was requested to ratify selection of this firm for work done on an hourly rate basis to a maximum of \$8,568.10.

West Gym--Interior Improvements--Phase II

Source of Funds: Building Repairs \$35,000.00

Sidewalk System Improvements, 1982--Phase II

Source of Funds: Building Repairs \$43,000.00

Noehren Hall--Elevator Modifications

Source of Funds: Residence System Improvement Funds \$66,000.00

The Board Office said this project modifies the existing freight elevator so that it can function as both a passenger and freight elevator. Usage can then be made of the elevator by the physically handicapped, making the majority of this four-story residence building accessible to and usable by physically handicapped people.

The board was also requested to ratify selection of Stenson-Warm-Grimes-Port, Architects, Waterloo, Iowa, to provide professional services on this project. The fee would be based on hourly rates per the general contract approved in March, up to a maximum of \$3,800.

The board was requested to approve the following consultant contract:

Turbine Generator, Plant #2, 7500 KW

Approve payment of \$11,964.46 to Brown Engineering Co., Des Moines, Iowa, for additional services beyond the scope of the design agreement.

MOTION:

Mr. Nolting moved that the board approve the Register of Capital Improvement Business Transactions for the period of April 10 through May 7, 1982; ratify executive secretary award of construction contracts; award construction contracts; approve the revised and amended project budgets; approve the contract change order; approve the final reports; approve the new projects; ratify and approve the consultant contracts; and authorize the executive secretary to sign all necessary documents. Mr. Neu seconded the motion and it passed unanimously.

PROPERTY RENTALS: 1981-82 MONTHLY RATES. It was recommended that the board approve the proposed monthly rental rates for garages and residential units for FY 1982-83 with the new rates commencing July 1, 1982.

The Board Office reported that the structures covered by this increase are located on the edge of the campus. The university's long-range plans call for the removal of the structures and the use of the land for purposes related to the mission of the university.

The percent of increase that was recommended by the university for each of these properties was determined by considering the condition of the property, the fair market rental value of the property, and the percent of increase in residence hall rates (7.9 percent) approved by the board. An exception to these factors is property called the Rownd farmhouse, for which a 375 percent increase was recommended. If the Rownd farmhouse is rented at all it will require repairs and renovation. The previous tenant accepted the property with its severe limitations and agreed to make necessary repairs in exchange for the nominal rental rate. The university had not determined whether it should raze the vacant structure or make the necessary repairs. If the repairs were made and their cost amortized, the new rental rate would have to be an increase of 375 percent above the last rental rate for the property.

A copy of the schedule of monthly rental rates is on file in the Board Office.

MOTION:

Mr. Wenstrand moved that the board approve the proposed monthly rental rates for garages and residential units for FY 1982-83 with the new rates commencing July 1, 1982. Mrs. Anderson seconded the motion. Upon the roll being called, the following voted:
AYE: Anderson, Harris, Jorgensen,
McDonald, Murphy, Neu, Nolting,
Wenstrand, Brownlee
NAY: None
ABSENT: None

PRELIMINARY BUDGET FOR 1982-83. It was recommended:

1. That a 1982-83 preliminary budget in the amount of \$47,015,000 be approved.
2. That the miscellaneous fees effective with the summer session, 1982, be approved as proposed by the institution.

General University Preliminary Budget. The Board Office reported that total resources for 1982-83 are estimated to be \$47,015,000, which consist of appropriations (\$37,371,490) and institutional income (\$9,643,510). Total resources are estimated to be 13.2 percent over the original budget for 1981-82 and 12.5 percent above the revised budget for 1981-82.

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The appropriations include restoration of the 4.6 percent cut and supplemental appropriations of \$167,000 (0.4 percent of total resources) for additional instructional staff.

Appropriations for 1981-82 and appropriation adjustments for 1982-83 are as follows:

Appropriations for 1981-82	\$32,722,958
Adjustments for 1982-83	
Restore 4.6% Cut	1,447,422
Salary Adjustments	2,698,404
Other Adjustments	(4,777)
Supplemental Essential Prog. Adj.	167,000
Supplemental Fuel Allocation	143,290
Fuel Carry Forward	197,193
Total appropriations - 1982-83	<u>\$37,371,490</u>

The supplemental fuel allocation and the fuel carry forward are treated on pages 623-625 of these minutes. A special adjustment of \$20,000 was proposed by the Board Office to offset an estimated 1981-82 University of Iowa-Oakdale Campus deficit. This proposed adjustment reduces the institutional preliminary budget proposal by \$20,000.

Institutional incomes as originally budgeted for 1981-82 and as adjusted for 1981-82 and 1982-83 are as follows:

Student Fees	
Budget for 1981-82	\$ 8,171,042
Additional Income - 1981-82	210,000
Rate Change - 1982-83	781,000
Enrollment Decreases (220 students)	(186,532)
Subtotal - Student Fees	<u>\$ 8,975,510</u>
Other Income (Indirect Cost Reimbursement and Interest on Investments)	
Budget for 1981-82	641,000
Additional Income - 1981-82	40,000
Reduction - 1982-83	(13,000)
Subtotal - Other Income	<u>668,000</u>
Total - Institutional Income - 1982-83	<u>\$ 9,643,510</u>

The Board Office reported that the institution had submitted material explaining how the 4.6 percent appropriations cut had created temporary problems for instruction of students, services and maintenance of supplies, equipment, library books, and physical plant.

The university proposed to reinstate a number of the positions eliminated by the 4.6 percent cut and add faculty supported by supplemental appropriations of \$167,000. The following information was furnished by the institution:

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	<u>Salary Increases</u>	<u>Additional Positions</u>	<u>Reserves</u>	<u>Total</u>
Faculty & I.O.	\$1,426,694	\$ 570,000	\$ 275,000	\$2,271,694
Professional & Scientific Staff	337,393	175,000	142,000	654,393
General Service Staff	706,514	100,000	216,000	1,022,514
Total	<u>\$2,470,601</u>	<u>\$ 845,000</u>	<u>\$ 633,000</u>	<u>\$3,948,601</u>

The \$570,000 for additional faculty positions includes the \$167,000 funded by supplemental appropriations. The university stated that the \$167,000 is to be used for faculty positions in the School of Business, Industrial Technology, Mathematics, and Computer Science.

A salary reserve of \$633,000 is planned in order to provide flexibility for adjusting to enrollment changes.

The Board Office said the university planned to spend \$940,916 more for nonsalaried items other than fuel and purchased electricity than spent during 1981-82. Proposed expenditures are shown in the table below:

	<u>1982-83 Budget</u>	<u>% Increase over 1981-82</u>	<u>1982-83 Request*</u>
Supplies and Services	\$5,982,327	18.7%	\$6,113,000
Equipment	404,882	2.3%	681,000
Library Books	711,000	16.3%	954,000
Building Repairs	420,000	(20.8%)	855,000
Total	<u>\$7,518,209</u>	<u>14.3%</u>	<u>\$8,603,000</u>

The Board Office noted that some adjustment of Equipment and Building Repair budgets may be appropriate either in the final budget or from reserve funds during 1982-83.

In its summary, the Board Office reported that the institution proposed to allocate a significant amount to instructional salaries and to supplies and services in support of instruction. Some adjustment of allocations to nonsalaried items might be considered. It was recommended that the proposed budget of \$47,015,000 be approved with additional allocations to nonsalaried categories in the final 1982-83 line budget to be considered by the institutional administration.

Miscellaneous Fees. Fee increases range from 7.1 percent to 12.5 percent with two exceptions. The fee per credit hour for applied music in a group

of four or more is proposed to be \$25, an increase of 25 percent. The fee for application for admission to the university is to remain unchanged at \$10.

The university proposed two new fees. Writing competency examination for students not registered would have a fee of \$42, which is the same as for credit by examination. Remedial courses carrying zero credit hours would have a fee of \$84, which is the same as the minimum rate of two credit hours for coursework.

The university also proposed a revision of the student withdrawal schedule from six weeks to four weeks. This proposal is consistent with NACUBO guidelines and with practice at the other universities.

The Board Office said the proposed fee schedule is reasonable and recommended that it be approved.

MOTION:

Mrs. Anderson moved that a 1982-83 preliminary budget in the amount of \$47,015,000 be approved; and that the miscellaneous fees be approved as proposed by the institution, effective with the 1982 summer session. Mrs. Murphy seconded the motion and it passed unanimously.

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

IOWA SCHOOL FOR THE DEAF

The following business pertaining to the Iowa School for the Deaf was transacted on Wednesday, May 19, 1982.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the month of April 1982 were ratified by general consent of the board.

INFORMATION ITEMS. It was recommended that the board receive the information reports on various matters from the Iowa School for the Deaf.

The Board Office reported that ISD was bringing to the board's attention several informational items. These items included the report on the science workshop entitled the "Science Career Awareness Workshop for the Hearing Impaired" which was held on the campus of Iowa State University during the week of May 2-7, 1982. This workshop was funded by the Department of Public Instruction and the Iowa School for the Deaf.

ISD also reported on a microcomputer program. Dr. John Wedman, instructor from the University of Northern Iowa Department of Curriculum and Instruction, taught a course, "Program Communication Through Computers," at ISD during the spring semester, 1982. The class dealt with the use of microcomputers in education. Ten students, most of whom were ISD staff members, completed the course.

ISD also reported on a proposed research project at ISD in which Jill Elfenbein, a doctoral candidate at the University of Iowa in the Speech and Hearing Department, will be working with ISD students on reading skill development. The Board Office said it assumed that the policy adopted by the board with respect to research subjects had been fully implemented in this instance.

A fourth report concerned two recent television programs which featured the ISD Elementary Department.

Dr. Giangreco said the school was bringing these items to the board meeting because the Advisory Committee recommended that the institution report its activities to the universities. He added that he was pleased to report that ISD is getting a great deal of assistance from the universities, and he thanked all three presidents for their help.

The report on informational items was received by general consent of the board.

LETTER FROM NORTH CENTRAL ASSOCIATION OF COLLEGES AND SCHOOLS. It was recommended that the board receive the report on accreditation from North Central Association.

The Board Office said that on April 5, 1982, ISD was sent a letter from the North Central Association of Colleges and Schools, noting that the Iowa School for the Deaf has been accredited for the 1981-82 school year by the North Central Association of Colleges and Schools. This action was taken at the business meeting of the association in Chicago on March 31, 1982.

President Brownlee congratulated the school on behalf of the board.

The report on accreditation from North Central Association was received by general consent of the board.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office reported that the Register of Capital Improvement Business Transactions for April 1982 had been received, was in order, and was recommended for approval. The following items were reported by the Board Office:

Energy Management Improvements--1982

The board was requested to approve a project budget totaling \$76,700 funded by Building Repairs.

During 1981, the school had technical energy audits conducted on six major buildings. Results of those energy audits pointed out energy conservation measures totaling \$435,631 in 1981 costs. The energy conservation opportunities could realize as much as a 56 percent reduction in heat requirements of the school. The board requested the 1982 Legislative Session to fund \$125,000 of those energy projects.

The school has indicated the availability of approximately \$55,000 in current year operating funds to utilize for energy conservation projects. The projects selected are in the Vocational Building and the Main Building.

The energy audit pointed out two projects in the Vocational Building. The estimated cost of these two projects was \$30,000. Simple payback of the investment was listed as 4.3 years although there have been significant improvements in all paybacks due to the rapid increase in natural gas rates. The technical energy audit indicated that the base heating demands in the Vocational Building could be reduced by as much as 55 percent with the completion of those two projects. Annual dollar savings were estimated to be \$7,282. The Board Office noted that the projects are in the Vocational Building and not in the new addition.

The Board Office said the project would also include installation of individual condensate steam meters and electric supply submeters in the Vocational Building to more accurately measure energy usage in that building. None of the buildings at Iowa School for the Deaf are individually metered. The Vocational Building now, however, could be used as a case study to measure the accuracy of the technical energy audit information as to actual fuel savings.

The project also continues the program of replacing windows for energy conservation purposes in major buildings. Approximately 156 thermopane windows would be installed in the south elevation of the Main Building.

The final element of the project would be to install a condensate steam meter and electric supply submeter in the Main Building. Individual metering of this major building should allow for more accurate assessment of utility usage across the rest of the campus.

The board was also requested to select the firm of Wilscam-Mullins-Birge, Inc., as architect/engineer on this project. Services would be provided on all but the window portion of the project on an hourly rate basis up to a maximum cost of \$3,200. This firm undertook the technical energy audits for the six buildings in 1981 and has a great deal of familiarity with the campus and the subprojects in the energy management program.

Reconstruction of Institutional Roads Network

The Board Office reported that the Facilities Master Plan for the school dated November 1, 1978, noted under campus review that the present layout of the road system at the school was developed in the early 1930s. The Facilities Master Plan went on to note that a thorough study would have to be made in conjunction with the Iowa Department of Transportation to see if it would be feasible to widen the existing 18-foot wide roads or replace them with up-to-date 24-foot to 26-foot wide roads.

A reconstruction process would begin during calendar year 1983 with a \$95,000 project funded by the State Park and Institutional Roads Fund. The process would continue with a second project in 1985 which has a \$100,000 construction cost. The Facilities Master Plan pointed out additional projects ranging from \$70,000 to \$345,000, depending upon alternatives selected.

The board was requested to approve an agreement with the Iowa Department of Transportation, Highway Division, under which the board would undertake a schematic design study of the entire road network and then design and construct the 1983 project. The schematic design study would include all road, storm drainage, and parking system improvements connected therein. It would encompass an aerial typographic map of the campus; an on-site evaluation of existing roads and drainage systems; on-site observations of current vehicular traffic, storm drainage, and parking patterns; preparation of a preliminary drainage study; review of site improvements and ordering those improvements in accordance with the Facilities Master Plan; preparation of a construction phasing schedule to cover the total reconstruction of the road network; and cost estimates for construction of each phase therein.

It was recommended that the board approve a contract with Wilscam-Mullins-Birge, Inc., to undertake this schematic design study on an hourly rate basis to a maximum of \$5,000. Upon completion of the schematic design study, work would commence on Design of the Phase I project. As part of Phase I

work, a final drainage study and a storm sewer design for the entire reconstruction project would be included so that problems in size and adequate slope are not discovered in later phases of the work. A project budget and description will be brought to the board at a later date after the Phase I project has been identified and costed.

The Board Office said it was also recommended that the board approve selection of Wilscam-Mullins-Birge, Inc., as the architect/engineer on the Phase I project. Full range of engineering services would be provided, including contract administration, on an hourly rate basis to a maximum of \$10,200 including reimbursable expenses. This is 10.7 percent of the currently identified \$95,000 for this 1983 Institutional Roads Project. This firm has provided wide-ranging architectural and engineering services for the school since 1975, including the Facilities Master Plan. Design services for Phase II on the 1985 roads project was not recommended at this time.

MOTION:

Mr. Nolting moved that the board approve the Register of Capital Improvement Business Transactions for April 1982; approve the new project; approve the agreement with the Iowa Department of Transportation; approve the consultant contracts; and authorize the executive secretary to sign all necessary documents. Mrs. Anderson seconded the motion and it passed unanimously.

PRELIMINARY OPERATING BUDGET PROPOSAL - 1982-83. It was recommended that the proposed preliminary operating budget of \$4,739,738 be approved.

The Board Office reported that the proposed preliminary budget of \$4,739,738 represents an increase of \$560,954 over the final 1981-82 operating budget, an increase of 12.9 percent. The increased revenue is composed of the following appropriations:

<u>New Appropriation Sources</u>	<u>Amounts</u>
Salary & fringe benefit appropriations	\$294,726
Restored appropriations from 1980-81 (4.6%)	175,615
Supplemental 1982-83 fuel and purchased electricity appropriations	9,412
Carry forward from 1981-82 fuel and purchased electricity appropriations	61,201
<u>Total additional appropriations</u>	<u>\$540,954</u>

The Board Office noted that the school reported a slight under earning of institutional income in 1981-82. Should institutional income estimates prove to be above collections again in 1982-83, the school will adjust expenditures accordingly.

Turning to planned expenditures, continuing uncertainty related to Title I special education restricted funding has resulted in some additional transfers of positions to the general fund from the Title I program. The general fund will now budget two additional speech teachers and one media aide. These transfers are in accordance with Title I policy of initiating programs with later shifts to general fund support for those program elements deemed worth of continuation.

Reallocations in the professional and scientific staff category will result in one additional position to meet increased workload in administrative services. Reorganization of the infirmary is under consideration and may result in the abolishment of a position. The Board Office said adequate health care would be assured under any reorganization plan.

The restoration of the 4.6 percent appropriation cut initiated in 1980-81 has allowed for needed adjustments throughout the ISD preliminary budget. According to the Board Office, \$49,000 has been allocated to personnel services; supplies have been increased \$27,000; equipment has been increased \$50,000; library books have been increased \$10,000; and the building repairs allocation has increased \$40,000.

MOTION: Mrs. Jorgensen moved that the board approve the proposed preliminary operating budget of \$4,739,738. Mr. Wenstrand seconded the motion and it passed unanimously.

PRELIMINARY 1982-83 TITLE I SPECIAL EDUCATION BUDGET. It was recommended that the board give preliminary approval to the Title I restricted fund budget for 1982-83 in the amount of \$163,464. Final budget approval would be subject to program approval by the State Department of Public Instruction.

According to the Board Office, Title I funding is based on an allotment per child. For ISD Title I purposes, a child count of 254 is used with support set at a rounded \$645 per child. This results in a preliminary allocation of \$163,464 or \$9,704 less than for the current year, a reduction of 5.6 percent.

Title I special education funding now amounts to 3.8 percent of general fund operations. The Board Office believes that loss of these funds would seriously impair the school's ability to experiment with innovative special education programming. Yet, the experimental nature of the program supported should be maintained so that existing education and general operations will not be threatened if federal funding were to be eliminated.

The Board Office noted that in the ISD preliminary operating budget proposal three positions formerly budgeted under Title I are now supported with general funds.

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The program elements covered by the proposed 1982-83 Title I budget are for the most part the same set of program elements supported in 1981-82. The following table summarizes support by program for the current year and that proposed for 1982-83.

<u>Program</u>	<u>1981-82 Budget</u>	<u>1982-83 Proposed</u>
Instruction	\$127,159	\$119,856
Academic Support	14,849	16,500
Student Services	18,333	15,000
Institutional Support	12,827	12,108
<u>Total</u>	<u>\$173,168</u>	<u>\$163,464</u>

MOTION:

Mrs. Jorgensen moved that the board approve the Title I restricted fund budget for 1982-82 in the amount of \$163,464 pending program approval by the State Department of Public Instruction. Mr. Wenstrand seconded the motion and it passed unanimously.

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

IOWA BRAILLE AND SIGHT SAVING SCHOOL

The following business pertaining to the Iowa Braille and Sight Saving School was transacted on Wednesday, May 19, 1982.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for March 21, 1982, to April 17, 1982, were ratified by general consent of the board.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office reported that the Register of Capital Improvement Business Transactions for May 1982 had been received, was in order, and was recommended for approval.

All items in the register involved the project entitled Smokestack and Ash House Removal.

The Board Office reported that bids were taken on May 11 and seven bids were received. The apparent low bid was submitted by Cleveland Wrecking Company, Chicago, Illinois, for \$28,420. The Board Office recommended award of this contract.

The board was also requested to approve a revised project budget totaling \$42,000. A total of \$80,000 had been made available through Executive Council action. Because of the extraordinarily competitive bids, only slightly more than half of that amount will need to be utilized.

In addition to the demolition contract, approximately \$5,000 is budgeted to make repairs to the power plant when the ash house and stack are moved. That work will be done through purchase order.

The board was requested to ratify selection of Shive-Hattery & Associates, Cedar Rapids, Iowa, for full engineering services on this project with fees being on an hourly rate basis to a maximum of \$6,300.

Mr. McMurray commented that it was a great pleasure to bring this recommendation to the board. He hoped the actual demolition went as well as the bid letting. The board concurred.

MOTION:

Dr. Harris moved that the board approve the Register of Capital Improvement Business Transactions for May 1982; approve the contract award; approve the revised project budget; ratify the consultant contract; and authorize the executive secretary to sign all necessary documents. Mrs. Jorgensen seconded the motion and it passed unanimously.

PRELIMINARY BUDGET FOR 1982-83. It was recommended that the preliminary budget in the amount of \$2,550,361 for 1982-83 be approved as proposed by the institution.

The institution was to present two budgets for approval by the Board of Regents: General Program and Title I.

General Program. The Board Office reported that total resources for 1982-83 are estimated to be \$2,550,361 which consist of appropriations (\$2,453,361) and institutional income (\$97,000). Total resources are estimated to be 13.5 percent above the original budget for 1981-82. There was no adjustment of the budget for Iowa Braille and Sight Saving School during 1981-82, but there were some internal reallocations.

Appropriations for 1981-82 and appropriation adjustments for 1981-82 are as follows:

Appropriations for 1981-82	\$2,159,615
Adjustments for 1981-82	
Restore 4.6% cut	96,569
Fuel - Senate File 552	1,000
Salary Adjustments	145,096
Supplemental Fuel Allocation	51,081
Fuel Carry Forward	---
Total Appropriations	<u>\$2,453,361</u>

The supplemental fuel allocation and the fuel carry forward amounts are discussed on pages 623-625 of these minutes.

Institutional incomes as originally budgeted for 1981-82 and as adjusted for 1981-82 and 1982-83 are as follows:

Federal Funds	
Budget for 1981-82	\$34,000
Additional Funds 1981-82	1,502
Reduction 1982-83	(502)
Subtotal - Federal Funds	<u>\$35,000</u>
Sales and Services	
Budget for 1981-82	\$25,000
Additional Income 1981-82	8,439
Additional Income 1982-83	10,561
Subtotal - Sales and Services	<u>\$44,000</u>
Other Income	
Budget for 1981-82	\$28,000
Reduction 1981-82	(9,941)
Reduction 1982-83	(59)
Subtotal Other Income	<u>\$18,000</u>
Total Institutional Income 1982-83	<u>\$97,000</u>

The institution proposes to spend \$2.0 million for salaries for faculty and institutional officials, professional and scientific staff, and general service staff during 1982-83. The budget includes \$145,905 for salary increases according to statute and the Regents Merit System. The budget includes \$24,873 for a new position of administrative assistant for programs. The number of FTE positions remains at 108 because the new position replaces a deleted position.

The institution proposed modest increases in budgets for supplies and services and library books, but much larger increases for equipment and building repairs. The large increase in the equipment budget is to purchase a bus to meet state regulations and two replacement station wagons to transport students to activities and University Hospital appointments for a total cost of about \$48,000.

The Board Office stated that in view of the fact that the institution is holding the number of salary positions constant and budgeting non-salaried items to meet mandatory requirements, it recommended that the proposed preliminary budget be approved.

Title I Program. The institution had not been able to develop a Title I budget for 1982-83 due to uncertainty of the total budget amount. The Board Office said it was anticipated that a Title I budget would be presented at the June meeting.

MOTION:

Mr. Wenstrand moved that the board approve the proposed preliminary budget for 1982-83 of \$2,550,361. Mr. Neu seconded the motion and it passed unanimously.

President Brownlee then asked board members and institutional executives if there were additional matters to be raised for discussion pertaining to the Iowa Braille and Sight Saving School. There were none.

ADJOURNMENT. The meeting of the State Board of Regents adjourned at 12:47 p.m. on Wednesday, May 19, 1982.


R. Wayne Richey, Executive Secretary