

The State Board of Regents met on Wednesday, May 25, 1988, at Iowa State University. The following were in attendance:

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Members of State Board of Regents

Mr. Pomerantz, President	All sessions
Mr. Duchon	All sessions
Mr. Fitzgibbon	All sessions
Mr. Greig	All sessions
Dr. Harris	All sessions
Mr. Tyler	All sessions
Miss VanEkeren	All sessions
Mr. VanGilst	All sessions
Mrs. Williams	All sessions

Office of the State Board of Regents

Executive Secretary Richey	All sessions
Director Barak	All sessions
Director True	All sessions
Director Wright	All sessions
Associate Director Dickinson	All sessions
Minutes Secretary Briggie	All sessions

State University of Iowa

President Remington	Excused
Vice President Hubbard	Excused at 5:12 p.m.
Vice President Phillips	Excused at 5:12 p.m.
Associate Vice President Moll	Excused at 5:12 p.m.
Associate Vice President Small	Excused at 5:12 p.m.
Assistant to President Mears	Excused at 5:12 p.m.
Assistant Vice President Rhodes	Excused at 5:12 p.m.
Director Cooper	Excused at 5:12 p.m.

Iowa State University

President Eaton	Excused
Exec. Vice President McCandless	Excused at 5:48 p.m.
Vice President Madden	Excused at 5:48 p.m.
Assistant to President Bradley	Excused at 5:48 p.m.
Director Lendt	Excused at 5:48 p.m.
Assistant to Vice President Pickett	Excused at 5:48 p.m.

University of Northern Iowa

President Curris	All sessions
Provost Martin	All sessions
Vice President Conner	All sessions
Vice President Follon	All sessions
Exec. Ass't. to Pres. Stinchfield	All sessions
Director Chilcott	All sessions

Iowa School for the Deaf

Superintendent Johnson	Excused at 4:41 p.m.
Business Manager Kuehnhold	Excused at 4:41 p.m.

Iowa Braille and Sight Saving School

Superintendent Thurman	Excused at 4:36 p.m.
Director Hauser	Excused at 4:36 p.m.

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The following business pertaining to general or miscellaneous business was transacted on Wednesday, May 25, 1988.

President Pomerantz announced that President Remington was not in attendance at this meeting due to an illness in the family.

President Pomerantz announced that President Eaton also was not in attendance at this meeting because he was in the University of Iowa Hospital recuperating from surgery performed the day before. He said the Board wished him well.

APPROVAL OF MINUTES OF BOARD MEETINGS, APRIL 20-21, MAY 11, AND MAY 12-13, 1988.

President Pomerantz asked for corrections, if any, to the Minutes.

ACTION: President Pomerantz declared the Minutes of the April 20-21, May 11, and May 12-13, 1988, meetings approved by general consent.

CONSENT ITEMS. The items on the consent docket appear in the appropriate sections of these Minutes and were approved by general consent of the Board.

REPORT OF MEETING OF IOWA COORDINATING COUNCIL FOR POST-HIGH SCHOOL EDUCATION. The Board Office recommended the Board receive the report on the May meeting of the Iowa Coordinating Council for Post-High School Education.

The May meeting of the Iowa Coordinating Council for Post-High School Education took place at Central College in Pella. The following summarizes the major actions taken by the council.

Proposed Rules on Nursing Education. Drew Allbritten, Executive Director of the Iowa Association of Community College Trustees, gave a report indicating that proposed rules by the Iowa Board of Nursing may create problems for postsecondary educational institutions. The rules require that all new faculty in nursing programs have a master's degree by 1993. Mr. Allbritten indicated that there are several potential problems in meeting this new requirement including a shortage of nurses. During the discussion it was also pointed out that compensation levels for nurses and other health-related

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personnel as well as other new opportunities for women are exacerbating the problem.

The Coordinating Council adopted a resolution to be sent to the Administrative Rules Committee and the State Board of Nursing that in effect requests a delay in implementation of the proposed standards by one year to allow time for an adequate study of the possible implications of the proposed rule.

Regent Harris asked about the cost factor involved.

Regent Williams stated the committee members did not discuss the cost factor. She said that what they discussed was that the BA degree nurse has no training in education and there is a shortage of MA degree nurses.

Regent Harris stated that what nurses will be paid determines whether they will go into that field.

Vice President Small stated the University of Iowa Hospitals and Clinics do not pay nurses salary based on their degree. She said the potential for future advancement is greater for those with an MA degree.

New Officers for Next Year. Regent VanGilst, chair of the nominating committee, gave a report on the Coordinating Council officers nominated to serve for 1988-89. Michael Ferrari, President of Drake University, was nominated for the chair position and David Buettner, Superintendent of Northern Iowa Community College, was nominated as vice chair. The permanent members of the Executive Committee, including Dr. Barak, were also nominated. The nominations were unanimously adopted by the Coordinating Council.

Statewide Higher Education Issues. Under the leadership of President Remington, the Council continued its discussion from last month regarding the proposed legislative studies of higher education. The Council discussed the need for the Coordinating Council to remain informed of what was transpiring with respect to governance studies of higher education in Iowa and to provide assistance as is needed. It was noted that the Coordinating Council should specifically provide input in the selection of persons to serve on the legislative study committee. The Council agreed that the officers of the Council should monitor the situation and call a meeting of the Council this summer, if needed.

Enrollment Analysis Project. Dr. Barak requested the support of the Council in revising an enrollment projection model to provide a statewide enrollment projection for all sectors of postsecondary education in Iowa. The model was originally adopted from a Ford Foundation Grant to the Board of Regents several years ago for the purpose of developing a methodology for projecting enrollments for all sectors of postsecondary education in Iowa. Previous

models that were used by the state of Iowa to project enrollments for all sectors had been found seriously wanting.

The Coordinating Council agreed to provide \$500 and its endorsement of the project. The enrollment projections could also be used by the proposed legislative higher education study committee and by Peat, Marwick & Main in the Organizational Audit being conducted for the Board of Regents.

Regent Harris asked what Dr. Barak had in mind concerning an enrollment analysis project. Director Barak responded that since the mid-1950s enrollment projections have been done by many groups. He said the model developed with a Ford Foundation Grant was agreed to by all sectors as the one that best represents the approach toward making enrollment projections. He said they wish to revise that model and bring it up to date.

Regent Fitzgibbon asked if there was a possibility of funding the update of the enrollment projection with a Ford Foundation grant. Director Barak responded that it would not be likely that the Ford Foundation would fund the project. He anticipated there would not be great costs involved in the update effort.

Review of New Programs. The Coordinating Council agreed to have the executive committee of the Coordinating Council review the procedures for the review of new programs. The intent was to provide a mechanism for the Council to express a negative judgment on a proposed program.

President Pomerantz noted that President Remington has served as chair of the Coordinating Council for the last year. He expressed his appreciation to President Remington for the fine leadership he has demonstrated. He said the Board is very appreciative of his efforts.

ACTION: President Pomerantz stated the Board received the report on the May meeting of the Iowa Coordinating Council for Post-High School Education by general consent.

REPORT OF INTERINSTITUTIONAL COMMITTEE ON EDUCATIONAL COORDINATION. (a)
Priority Issue: Tenure Policy. The Board Office recommended the Board approve the seven recommendations contained in the Interinstitutional Committee's report.

This report was prepared by the Interinstitutional Committee in response to the Priority Issue on Tenure Policy. The goal of this priority issue was "To establish a policy for faculty tenure which will provide a dynamic and highly-skilled faculty with leadership in their fields, and that will continue to protect and nurture academic freedom." It is related to the pending elimination of mandatory retirement at age 70.

The recommendations of the committee are:

- a. That the Board of Regents reaffirm its commitment to the concept of tenure.
- b. That the institution, in cooperation with the Board staff, conduct an analysis of past and projected retirement patterns of tenured faculty to assess the potential impact of the elimination of mandatory retirement.
- c. That litigation on the issue of tenure in relation to mandatory retirement be monitored to ensure compliance by the Regents universities and to allow intelligent planning for policy changes.
- d. That the Regents universities retain employment flexibility for non-tenure-track appointments.
- e. That early retirement incentives be retained as a means of maintaining institutional vitality.
- f. That institutions should continue to make rigorous tenure decisions to protect and enhance the quality of faculty which is the principal determinant of institutional excellence.
- g. That each university, following appropriate institutional procedures, should have a systematic evaluation policy for all tenured faculty.

The Board Office recommended that the committee's recommendations for a study of retirement patterns and systematic evaluation of tenured faculty be completed by a report to the Board of Regents in Spring 1989.

Vice President Martin addressed the current legal situation with respect to the relationship between tenure and the elimination of mandatory retirement in 1994. He said the expectation is that there is bound to be litigation. He hoped that it would not happen in Iowa. He noted that in instances where a governing board has been in litigation with a faculty member the results run overwhelmingly in favor of the faculty member.

Regent Harris asked if the committee discussed the possibility of renewable long-term contracts rather than tenure, whether they see it as a possibility for some time in the future, and if the committee has any statistics in terms of the percentage of faculty presently tenured who are non-productive.

Vice President Martin responded that the committee did not consider renewable long-term contracts as a serious option. He noted, however, that they did discuss that and that was one of their recommendations. In terms of tenured faculty competency he said the Regent universities have procedures to address that issue. He said that most people who hold tenure who are not productive leave the institution by means of a letter of resignation. In most instances

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of dismissal the dismissals are negotiated. He said that on the University of Northern Iowa campus they can initiate dismissal proceedings and can retreat from that at any time to allow a faculty member the option of resigning.

Regent Fitzgibbon asked if a performance review process would address that.

Vice President Martin stated the committee was recommending that each campus have a review procedure for faculty that will address effectiveness.

Regent Fitzgibbon stated effectiveness would be addressed if they have an effective performance review process.

Vice President Moll stated the three Regent universities conduct a very systematic review of all faculty and professors. He felt those reviews must be coupled with other things such as a true merit pay schedule and reviewing each year the salaries of every faculty member. The committee did not consider any kind of personnel system other than tenure. He said one reason the committee didn't give great consideration to other systems was because the purpose of tenure was not job security but academic freedom. He added that 5 to 6 years ago the Board adopted phased and early retirement systems which in themselves have helped to address these issues.

Vice President Martin stated that all the universities evaluate each tenured faculty member every year for the purpose of merit salary increase. Every 5 years there is an assessment of the particular performance regarding students. He noted that in some departments tenured faculty are evaluated annually. University of Northern Iowa officials evaluate all tenured faculty every 5 years plus annually for the purpose of merit salary increases.

Vice President Moll stated that at the University of Iowa all probationary, tenure-track faculty are reviewed annually. Every three years there is a systematic review of those faculty based on peer review. Reviews are performed no less than every 7 years for promotion to professor. He noted that for tenured full professors there is no university-wide review system. There is a recommendation in the University of Iowa self-study in which the faculty committee recommended a required performance review policy at the full professor level.

Regent Harris asked what percentage of the present tenured faculty are not living up to the standards of tenured faculty.

Vice President Martin responded that there is no one on the University of Northern Iowa campus that they consider so unsatisfactory that they are considering termination. There are a couple of faculty on early retirement and a few who are on phased retirement.

President Pomerantz stated it was his impression that they recognize the importance of tenure from the perspective that it is a vital feature in attracting and retaining faculty. He said that from the Board's perspective the concept of tenure is not so much a problem if they believe the standards for tenure are significantly high and rigorously enforced. He said the question is not whether there should be tenure, but rather the administration of that tenure.

Vice President McCandless stated that the increased emphasis on merit pay increases sends a very strong message. He said he could demonstrate that there have been changes in the faculty because of it. This spring, Iowa State University officials invited Richard Chase to speak. His topic was how to do the best job possible in evaluating faculty. There was a great turnout of the university's administrators. In some departments at Iowa State University they do it very well and in some departments less well. He said another thing he felt very important for the quality of faculty is to provide faculty members who are not performing up to standard with professional development opportunities to help them do better.

MOTION: Regent Williams moved to approve the seven recommendations contained in the Interinstitutional Committee's report. Regent Harris seconded the motion, and it carried unanimously.

(b) Report on State Extension and Continuing Education Council, 1986-87. The Board Office recommended the Board receive the report of the State Extension and Continuing Education Council.

The annual report of the State Extension and Continuing Education Council primarily reviews extension/continuing education activities which are common to the three universities. The final section contains institutional highlights.

Combined registration in credit and non-credit courses increased by 5.2 percent and 52 percent, respectively. Registration for credit courses in Agriculture, Health, and Public Affairs and Protective Services declined, while registration for non-credit courses in these areas increased dramatically.

Registration at the Quad-Cities Graduate Study Center increased overall by 11 percent. Registration at the Center by Iowa Regent universities decreased by 9 percent.

Admission requirements for students transferring into the Bachelor of Liberal Studies program at the University of Iowa were increased in the summer of 1987. New students who do not have an associate degree now need a grade point of 2.25, rather than 2.0, for admission to the BLS program.

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A priority of the Western Iowa Center during 1986-87 was to increase the use of electronic delivery modes in conjunction with Iowa Western Community College and the Iowa State University Area Extension Office at Atlantic.

The State Extension Council recommended that increased funding be provided for advising services for off-campus students, for additional support of the Telebridge System, for subsidization of courses in sparsely-populated portions of the state, for publicizing of BLS courses offerings, and for Iowa's contribution to the Quad-Cities Graduate Study Center.

Vice President Moll referred to a table showing contributions to the Quad Cities Graduate Study Center. He said University of Iowa officials would like to make some increase in their funding because they recognize that their costs do go up. It was noted that one of the problems in providing increased funding is that these funds are budgeted in the category of "supplies and services", a category for which there has been no budgetary increase for a number of years. After discussions with the center director, the university will shift some of these budgeted funds in the 1988-89 budget from "supplies and services" into "salaries", so that any salary increase amounts will be applied to that portion of the budgeted amount in future years. He said the three universities have discussed looking at this matter to see if something more can be done.

Regent Williams said she was glad to hear that because the flat funding for the past three years certainly sends a message to the graduate center.

Mr. Richey stated it was his understanding that was done three years go.

ACTION: President Pomerantz stated the Board received the report of the State Extension and Continuing Education Council by general consent.

ACCREDITATION REPORTS. (a) College of Medicine - State University of Iowa. The Board Office recommended the Board receive the report on accreditation of the College of Medicine at the University of Iowa.

The University of Iowa was notified by the Liaison Committee on Medical Education (LCME) that the College of Medicine was granted full accreditation for a seven-year term. This is the full term of accreditation granted by the Liaison Committee, representing the American Medical Association and the Association of American Medical Colleges.

This accreditation was awarded on the basis of a self-study prepared by the university and a survey team report. A copy of the report is on file in the Board Office.

The Board Office staff noted that the university and the College of Medicine should be congratulated for achieving this important accreditation. It is evident from the report of the accrediting organization that the University of Iowa's College of Medicine has been recognized by its peers for having a

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strong program. This is evidenced in part by the recommendation for full accreditation without interim report, an unusual recommendation.

Regent Harris congratulated the dean, the faculty and staff for the report.

Regent Harris referred to the question raised by the review team addressing the issue of family practitioners continuing to use Mercy Hospital for the bulk of their inpatient hospitalizations and their discomfort with the difficulties experienced with use of University Hospital beds. He asked if persons at the University Hospitals were trying to resolve this?

Vice President Moll responded that the trend is toward less in-patient days and greater usage of ambulatory care facilities. He said beds are available so the patients can be placed in University Hospital if in-patient care is needed. He added that some of the faculty think the use of the community-based hospital is alright and some do not.

Regent Duchen expressed concern that the school of medicine is only reviewed for accreditation every 7 to 10 years. He said that was a long period of time, and asked if there is danger because so many years go by and so much can happen.

Vice President Moll responded that all accreditation groups require at least annual reports. He said that any accrediting group at any time can immediately ask for a review if they see anything questionable in an annual report.

President Pomerantz congratulated the faculty and staff from the entire Board.

ACTION: President Pomerantz stated the Board received the report on accreditation of the College of Medicine at the University of Iowa by general consent.

(b.) Counseling - Psychology Degree - State University of Iowa. The Board Office recommended the Board receive the report by the American Psychological Association on the doctoral program in Counseling Psychology at the University of Iowa.

The University of Iowa was notified by the American Psychological Association that the association's Committee on Accreditation awarded full accreditation for a five-year period to the doctoral program in Counseling Psychology at the University of Iowa.

The committee's decision was based on its review of the program self-study report submitted during academic year 1986-87, the report of the team that

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site visited the program on November 12-13, 1987, and the January 1988 letters responsive to the site visit report, submitted by the university. A copy of the report is on file in the Board Office.

The Board Office staff noted the university and the program faculty in Counseling Psychology should be congratulated for having achieved this accreditation. The next accreditation visit is scheduled during academic year 1992-93.

Regent Harris asked whether the college has done anything in the recruitment of ethnic minority faculty effort.

Vice President Hubbard stated that effort is conducted in the university counseling program that reports to him. This year they have brought in two very fine well-qualified candidates -- a Latino and a Black woman. He noted that recruitment has been difficult because the salaries the university is able to offer are not competitive.

ACTION:

President Pomerantz stated the Board received the report by the American Psychological Association on the doctoral program in Counseling Psychology at the University of Iowa by general consent.

(c.) Review by Three Organizations Including North Central Association of Colleges and Schools (NCA) - Iowa School for the Deaf. The Board Office recommended the Board (1) receive the reports from the North Central Association, the Conference of Educational Administrators Serving the Deaf, and the Iowa Department of Education, and (2) request that a follow-up report be prepared in November that addresses the recommendations contained in the reports on this review.

In March, the Iowa School for the Deaf was the subject of a triple accreditation/compliance review jointly conducted by the North Central Association of Colleges and Schools, the Conference of Educational Administrators Serving the Deaf, and the Iowa Department of Education. This joint review effort of the three organizations resulted in favorable actions by all three organizations and generally positive reports by the three organizations.

Iowa School for the Deaf was notified that the Commission on Schools of the North Central Association of Colleges and Schools voted to accredit the school for the 1987-88 school year. This review was based on the school's report and supplementary information. A copy of the report is on file in the Board Office.

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The CEASD report by the site visiting team contained a number of commendations and recommendations. A copy of the report is on file in the Board Office.

The Iowa Department of Education, Special Education Division, conducts a compliance review of the two special schools every year (there may not be a site visit every year however). This year, the department conducted an on-site review. A copy of the report is on file in the Board Office.

The Board Office staff noted the Iowa School for the Deaf should be congratulated for having achieved a successful review of its programs by these three organizations. The general reports and the resulting actions attest to the fine quality of the Iowa School for the Deaf. The Board Office suggested the Board of Regents should request that the school follow up on the various comments and recommendations and provide a report to the Board of Regents following a review and discussion by the Iowa School for the Deaf Advisory Committee.

Superintendent Johnson stated that Iowa School for the Deaf officials were pleased with the reports.

President Pomerantz stated the Iowa School for the Deaf is being recognized for the fine institution it is. He congratulated Superintendent Johnson and his staff for accomplishing this. He told the superintendent that the Board continues to be very supportive of his efforts.

Regent Williams referred to the recommendation that total communication skills be used. She said she was glad for the recommendation because Superintendent Johnson had been saying that was needed since he came to the school.

Superintendent Johnson stated that school officials will have resolutions for all the recommendations by this fall.

Regent Tyler pointed out that 95 percent of the graduating class are going on to higher education. Superintendent Johnson stated he was very proud of that record.

MOTION:

Regent Tyler moved to (1) receive the reports from the North Central Association, the Conference of Educational Administrators Serving the Deaf, and the Iowa Department of Education, and (2) request that a follow-up report be prepared in November that addresses the recommendations contained in the reports on this review. Regent Harris seconded the motion, and it carried unanimously.

(d.) North Central Association of Colleges and Schools (NCA) - Iowa Braille and Sight Saving School. The Board Office recommended the Board receive the report on accreditation from the North Central Association.

Each year, the North Central Association of Colleges and Schools, the regional accrediting association for schools and colleges in this part of the country, reviews the accreditation status of each elementary and secondary level special school. This year's accreditation action at Iowa Braille and Sight Saving School is based only on a review of the school's report and supplementary information. No site visit was conducted this year. On the basis of this review, the North Central Association has granted accreditation for the 1987-88 school year. A copy of the report is on file in the Board Office.

President Pomerantz congratulated Superintendent Thurman on the report and said the Board members appreciated his efforts and are proud of the work he is doing.

ACTION:

President Pomerantz stated the Board received the report on accreditation from the North Central Association by general consent.

REPORT ON MEETING OF IOWA COLLEGE AID COMMISSION. The Board Office recommended the Board receive the report.

The Iowa College Aid Commission held its monthly meeting at Central University in Pella on May 3. The first item on the agenda included a joint meeting with the Iowa Coordinating Council for Post High School Education. During that portion of the meeting nursing education was discussed.

A report on actions taken during the 1988 legislative session was made. A change in the definition of a qualified student for eligibility for the Iowa Tuition Grant Program was made.

Regent Tyler referred to the Iowa College Aid Commission Legislative Update report concerning the Iowa Tuition Grants legislation language that alters the definition of "qualified student" to include part-time students who enroll for at least three semester hours or the trimester equivalent. He asked if the Regents had any input into that change in definition.

Mr. Richey responded that he had not.

Regent Tyler asked why no additional funding was provided for the Science and Mathematics Payment Program this legislative session.

Mr. Richey responded that students in the Science and Mathematics Payment Program have enrolled into the general enlarged state scholarship program that places greater emphasis on those kinds of programs. It was believed that fund will achieve more for the science and math students than the Science and Mathematics Payment Program because of the utilization of the program.

ACTION: President Pomerantz stated the Board received the report as a consent item.

REPORT ON STRATEGIC PLANNING. The Board Office recommended the Board hear the oral report by President Pomerantz.

President Pomerantz stated that Governor Terry Branstad requested a meeting with President Pomerantz, Chairman Karen Goodenow and Commissioner William Lepley of the Department of Education, Chairman Robert Phipps and Executive Director Gary Nichols of the Iowa College Aid Commission, and Mr. Richey to discuss a joint effort for strategic planning for post-secondary education in Iowa. The meeting was held on May 20. The effort focuses on coordinating resources in secondary and higher education for the entire state. At the meeting they emphasized the need to evaluate and study post-secondary education on a state-wide basis. The Governor expressed his interest in coordinating and reducing duplication where possible as well as setting goals of excellence for the entire state. A common thread exists between all sectors in terms of funding. He said the Governor was attempting to provide the leadership in bringing the pieces together to discuss areas of common interest and to continue along the line of the Regents' organizational audit. He noted that the meeting was received well by each component part. In summary, President Pomerantz stated there was a strong feeling of cooperation and recognition of some competitive areas while still recognizing some common areas. He anticipated that there will be a joint meeting of all the Boards to discuss the effort on a more macro basis.

Regent Williams asked if the Governor has a time frame for the joint meeting of all the boards.

Mr. Richey responded that it will be held during the first half of July. He said the proposal for the joint study will be completed by June 15. As a follow up to this meeting, a meeting was held with Doug Gross, Dr. Lepley, Iowa College Aid Commission officials and Mr. Richey. He said the Governor expects each sector to put its own house in order, using the Board's organizational audit as the bench mark for the other studies to come forth. The over-arching review would be performed where the segments touch each other for the development of statewide policy directives.

President Pomerantz stated the intention is to maintain a decentralized system that would recognize each sector. Where there are areas of benefit they are encouraged to become as efficient as they can be. He said this is

the first time an effort has been made to bring the segments of higher education together.

Regent Fitzgibbon stated the Interinstitutional Committee is closely associated with that type of effort.

President Pomerantz said the committee will be brought into that effort. He noted that there will be a steering committee.

ACTION: President Pomerantz stated the Board received the report by general consent.

REPORT ON PRIORITY ISSUES. The Board Office recommended the Board receive the status report on Priority Issues and approve additions and changes.

There has been activity in nearly all of the 36 Priority Issues. In the last couple of months the Board has received reports on several of the issues. This month, the Board received a report on tenure developed by the Interinstitutional Committee on Educational Coordination. This particular issue is typical of many issues in which the initial study raises questions or concerns that result in the need for further study. Others are issues that require continuing study.

Four new issues were added this month and several issues were modified. The issues added include studies of the state extension and continuing education, student health programs, employee health insurance, and student financial assistance. These items appear as numbers 37-40 in the list of priority issues.

Continuing and extension education is an area that has rarely been studied by the Board. Recent reductions in federal funding and conflict with other postsecondary institutions over off-campus course offerings makes this an issue that needs to be examined.

The issue on student health programs and financing is related to the fee structure and the financing of student health activities. The employee health insurance issue is a long-time concern of the Board in providing effective and financially affordable health care to Regent employees. The specific agendas for these two issues will be developed by Board members with the assistance of the Board Office.

The student financial assistance item will be undertaken in cooperation with the Iowa Department of Education (Area Schools) and the Iowa College Aid Commission. The central issue is the adequacy of student financial aid programs in providing needed access to postsecondary educational institutions in Iowa.

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The issue on admissions (#17) has been expanded to include articulation regarding admissions with high schools and other postsecondary educational institutions. The priority issue on executive management and financial performance (#6) has been modified to make the point that such measures could be used for the purpose of evaluating institutional officials and to add educational outcome assessment as an area to be explored.

Next month, the Board should receive reports on articulation (#17) and cooperation with special education agencies (#4).

President Pomerantz stated that as they work through the system of priority issues some issues will be removed from the priority issues system and some will be added.

Regent Williams asked if the issue concerning a study of the state extension and continuing education area includes the Quad Cities Graduate Center. Mr. Richey responded that it does.

Regent Harris asked that the institutions put their best minds into studying the issue of employee health insurance and student health programs. He cautioned that those issues are going to overwhelm the Regents if they don't deal with them. He suggested they might receive the help of the legislature.

ACTION: President Pomerantz stated the Board received the status report on Priority Issues and approved additions and changes by general consent.

LEGISLATIVE REPORT, 1988. The Board Office recommended the Board receive the report on legislative activities and authorize the Board Office in consultation with the institutions to develop responses to the legislative requirements for consideration by the Board in June.

The second session of the 72nd General Assembly adjourned on Sunday, April 17. The following summarizes the legislation affecting the Regents which requires subsequent action by the Board or the institutions. The Board Office requested approval to consult with the institutions and develop recommendations to be presented to the Board for its consideration in June.

Senate File 2164 requires the president, or the president's designee, of one of the universities be designated by the Board of Regents to serve on the Iowa Economic Development Board on a rotating basis as ex officio nonvoting members.

Senate File 2193 directs the Board of Educational Examiners to adopt rules relating to approved teacher education programs. An advisory committee is established to make recommendations regarding the certification to the Board

of Educational Examiners. One member of the advisory committee is to be from the teacher education faculty at one of the Regent universities. The bill also requires the Board of Regents to establish a program encouraging experienced teachers to serve as cooperating teachers for student teachers enrolled at the universities.

Senate File 2295 related to the development of programs for the identification methods, education methods, and staff qualifications for educating at-risk children. The Board of Regents is required to establish a center for early development education in a laboratory school setting to serve as a model for early childhood education. The teacher education programs at all three state universities shall cooperate in developing the center and its programs.

Senate File 2312, Section 52.1a requires as a condition of the appropriation to the office of the State Board of Regents there is established a consortium consisting of the universities to establish and use a process for exchange and integration of knowledge.

Senate File 2312, Section 59 requires the Board Office to conduct a study of the child care needs of faculty members, other staff and students at each of the universities. This report is to be presented to the General Assembly no later than November 30, 1988.

Senate File 2312, Section 64 requires the Board to establish a hall of fame for its distinguished graduates of the Iowa Braille and Sight Saving School and the Iowa School for the Deaf.

Senate File 2328 appropriates funds from the Lottery. The Board of Regents is required to establish consortiums to maximize and promote the economic benefit of research. The Board is required to enter into agreement with the Department of Economic Development to coordinate and facilitate the consortiums.

House File 529 prohibits state agencies, including Regent universities, from engaging in activities which compete with private enterprise. Specific Regent activities which are exempted include: residence halls, transportation, souvenirs and goods, products or professional services sold as part of the schools' missions. Regents may, by rule, exempt a number of activities. If a state agency seeks to exempt activities from this statute the state agency must document that the goods or services can be provided at a competitive price.

The Board Office will consult with institutional personnel to review this legislation and make recommendations to the Board regarding any needed rulemaking.

House File 2447 appropriates monies to the Department of Human Services. Section 40 requires the Board of Regents to submit a report to the Legislative Council by December 1, 1988, regarding the professional training required to ensure sufficient number of qualified staff to deliver case management services for mental health.

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The following list includes other bills which have impact on the Regents:

Senate File 370 creates a new section, the Museum Property Act. This concerns disposition of loaned or undocumented property in the possession of a museum and provides statutes of limitation for actions against museums.

Senate File 394 concerns care of animals in commercial establishments; it requires registration of research facilities. All of the university research facilities involving animals will be required annually to register with the Secretary of Agriculture.

Senate File 2017 relates to handicapped parking and use. The law establishes requirements for the display of handicapped parking signs and increases the scheduled fine from \$15 to \$25.

Senate File 2039 allows the issuance of collegiate registration plates designed for the three state universities. A special collegiate registration fee of \$25 will be collected and credited to the respective universities in the amount collected for the plates designed for that university. The credited monies shall be used for student scholarships.

Senate File 2086 requires the Board of Regents, Department of General Services, Department of Transportation and Commission for the Blind to purchase, whenever the price is competitive and the quality intended, starch-based plastics and soybean-based inks. There is an established schedule for annual increases in the percentage purchased.

Senate File 2192 establishes a child development coordinating council for the promotion of child development services to certain at-risk children. Included on the council will be head of the Department of Pediatrics at the University of Iowa, the Dean of the College of Family and Consumer Sciences at Iowa State University and the Dean of the College of Education at the University of Northern Iowa. The council is required to submit annual reports on the need for investment in child development services in the state.

Senate File 2225 establishes a family development and self-sufficiency council. The council includes the following: the Dean of the College of Family and Consumer Sciences at Iowa State University, the Director of the Public Policy Center at the University of Iowa, and the Dean of the College

of Home Economics at the University of Northern Iowa. The council is required to identify factors and make recommendations concerning families at risk of long-term dependency upon welfare.

Senate File 2233 provides that voter registration shall be done at institutions of the State Board of Regents and county extension offices.

Public offices where voter registration is required must provide monthly reports to the State Commissioner of elections.

Senate File 2244 establishes the council for Iowa's Economic Future. The mission of the council is to develop strategies and recommend actions to strengthen the state's economy. Members are to include representatives of the Regent universities.

Senate File 2284 relates to the disclosure of mental health information. This clarifies the definition of administrative information under the disclosure of mental health information chapter.

Senate File 2310 relates to the appropriations for human rights agencies. The following appropriations are made to the University of Iowa Hospitals and Clinics:

Mobile and Regional Child Health Specialty Clinics	\$308,000
Muscular Dystrophy and Related Genetic Diseases Program	\$125,000
Statewide Perinatal Program	\$ 67,000

Senate File 2311 appropriates funds to state government agencies. A requirement of the Department of General Services Central Printing is the annual publication of all state employee salaries.

Senate File 2312 is the Education appropriation bill. This bill contained the following provisions affecting the Board of Regents, in addition to appropriations.

- * As a condition of the appropriation to the state library the Director of Cultural Affairs is to establish a blue ribbon task force to examine the potential for cooperation among various library and media centers in this state. The members of the blue ribbon task force would include representatives from university and college libraries.
- * As a condition of the appropriation to the Department of Education, the Department of Education shall cooperate with the College Aid Commission and survey individuals graduating from high school to determine why high school graduates are choosing not to pursue further education or technical training and identify the unmet needs for post-secondary education.

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- * The Department of Education has appropriated \$750,000 for special programs and projects. A portion of the funds will be used to provide funds to be used in conjunction with the University of Northern Iowa to develop a networking system that translates effective teaching methods through the use of computer conferencing system.
- * State Board of Regents shall establish and maintain at the University of Iowa the National Center for Talented and Gifted Education. The Center will be funded from interest earned on the permanent school fund (approximately \$70,000 annually).
- * As a condition of the appropriation to the University of Iowa and Iowa State University, \$500,000 shall be expended for teaching excellence awards to teaching and faculty members and teaching assistants. The University of Northern Iowa is required to expend \$250,000 for this purpose.
- * The University of Iowa shall expend money for salaries and support of the Labor Center.
- * As a condition of the appropriation to the University of Iowa Hospitals and Clinics there is to be provided to the General Assembly financial information concerning revenue and expenditures for the University Hospitals.
- * As a condition of the appropriation to the University of Northern Iowa no moneys appropriated to the General University shall be expended for the power plant addition.
- * The funds appropriated to the Board of Regents shall not be subject to reversion if the goods or services have not been received prior to September 15 of the following fiscal year. The State Board of Regents is to submit to the Department of Management a list of all obligations which have been incurred for goods and services that have not been received or rendered as of that date.
- * As a condition of the appropriation to the General Universities, interest earned on moneys accumulated by campus organizations not used by those organizations shall be allocated to campus improvement or to work study programs.
- * As a condition of the appropriation to the General Universities, sales by the universities of computer equipment to students and faculty are retail sales for the purposes of sales tax.
- * The State Board of Regents shall finance projects that result in energy cost savings in an amount that will cause the State Board to recover the costs of those projects within an average of six years. (ITEM VETO)

- * There is established a citizens post-secondary education task force to study and make recommendations regarding the goals and the legislation necessary to meet the goals of the state's post-secondary education system in the future.

The Legislative Council has approved three meetings for the task force. The task force is to include four members of the General Assembly and seven citizens. The organizational plan and research design for a 20 year strategic plan to strengthen and guide Iowa's post-secondary educational system are to be reported to the Legislative Council by September 1988. The final report is due July 1990.

- * The Iowa School for the Deaf and Iowa Braille and Sight Saving School faculty bargaining units may be accreted to the University of Northern Iowa faculty bargaining unit or any other approved classroom bargaining unit. (ITEM VETO)
- * The issuance of self-liquidating bonding is limited to specific projects. (ITEM VETO)

Senate File 2318 requires the registration of construction contractors with the State Labor Commissioner. A contractor who is not registered shall not be awarded a contract to perform work for a state agency.

Senate File 2321 establishes the compensation and benefits for public officials and employees. The Executive Secretary of the State Board of Regents is placed into the top pay range.

Senate File 2322 appropriates salary adjustment funds to the state agencies. This bill appropriates \$24,903,705 to the Regent institutions and \$30,520 to the Board Office for salary adjustment.

Senate File 2323 appropriates federal funds available from federal block grants. The appropriation for maternal and child health services contains approximately \$2.15 million for the University of Iowa Hospitals and Clinics Mobile and Regional Child Health Specialty Clinics.

Senate File 2328 appropriates Lottery funds. The following funds were appropriated which impact the Regents:

Economic Research and Development
(\$7,000,000 appropriated to this fund)

- \$4,250,000 Iowa State University Biotech Research--of which \$200,000 is for swine research
- \$ 250,000 University of Northern Iowa Decision Making Institute

\$ 150,000 Iowa State University Water Resource Research Institute
\$ 100,000 Department of Economic Development for Economic Development
Training at the University of Northern Iowa School of Business
\$ 105,000 Regent universities for support of consortiums
\$ 255,000 Department of Economic Development for support of consortiums at
the Regent universities
\$ 40,000 State Library for Patent Depository Library
\$1,000,000 Applied Research--\$150,000 for subsoil research
\$6,150,000 Earmarked
=====

Jobs Now Capital

\$ 825,000 Iowa State University for Small Business Development Centers

Jobs Now Account

\$ 12,000 Secretary of State for the Iowa Constitution Restoration

House File 2046 requires that one of the members of the State Board of Regents be a student at the time of appointment. The appointed term is six years.

House File 2107 provides for the registration of athlete agents and specifies their conduct. Student athletes and their families are prohibited from soliciting or accepting money.

House File 2294 provides for confidentiality in testing and record keeping concerning human immunodeficiency virus testing and provides exceptions for disclosure. The bill prohibits the imposition of a requirement of testing as a condition of employment.

House File 2344 provides that the provisions of the Civil Rights Act relating to persons with a disability include persons with a condition related to acquired immune deficiency syndrome. The bill prohibits the testing of an employee for the antibody to the human immunodeficiency virus.

House File 2346 creates a rural development coordinating committee and the office of rural resources coordinator. The coordinating committee would include a person appointed by the president of Iowa State University.

House File 2377 provides that the Regents may issue up to \$19 million in zero-coupon bonds in denominations so that parents can buy them to pay for college costs of their children. The bill directs the College Aid Commission to prepare an educational program and marketing strategy to parents about the need for early saving for college cost.

House File 2387 expands the extent to which a telegraph or telephone may be constructed so that they can be constructed under or through lands belonging to the State or private individuals rather than just over such land.

House File 2406 specifies that the Citizen Aide has access to agency records and proceedings even though they are declared to be confidential.

House File 2415 provides for programs of early retirement incentives for state and local employees similar to the programs enacted in 1986. Employees who will be 62 by July 1, 1988 may choose to retire and be eligible for a lump sum payment or continue enrollment in health, life and dental insurance programs until reaching age 65.

In Senate File 2322 there is appropriated \$480,000 to the Department of Management to be used for the costs of implementing the early retirement incentives. The Department of Management has indicated that they currently do not anticipate funding any of the Board of Regents costs with the \$480,000 appropriated.

House File 2437 requires the State Board of Regents and the Department of Transportation to implement practical and economical energy conservation measures identified through required engineering analysis of their respective facilities. The bill establishes a requirement that the Department of Natural Resources develop a plan for the development, management, and efficient utilization of all energy resources in the state.

House File 2447 appropriates monies to the Department of Human Services. Section 26.13 provides that the Department of Human Services shall expend \$30,000 for university research into programs and initiatives involving family-centered services and foster care.

House File 2469 appropriates monies from the petroleum overcharge account. The bill funding includes to Iowa State University \$70,000 for the Energy Extension Service Program and \$500,000 for the energy-related activities of the amorphous semiconductor project.

Mr. Richey stated that if there were no objections the Board Office will continue working on the legislation as outlined.

Regent Tyler referred to HF 529 which prohibits state agencies, including Regent universities, from engaging in activities which compete with private

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enterprise. He said the legislation provides that the Regents may exempt a number of activities, and asked who would determine which activities to exempt.

Mr. Richey responded that the Board Office will work with the institutions to determine those activities.

Regent Tyler asked if those would be submitted to the Board first.

Mr. Richey responded that they would. He noted that the Board will actually have to approve them twice in a formal rulemaking process.

ACTION: President Pomerantz stated the Board, by general consent, received the report on legislative activities.

LOTTERY RESEARCH AND DEVELOPMENT FUNDS FY 1988. The Board Office recommended the Board authorize the following projects to be submitted to the Department of Economic Development for funding in the priority order listed.

<u>Univ.</u>	<u>Project</u>	<u>Recommendation</u>	<u>Cumulative Recommendation</u>
SUI	Research and Development Program in Biochemical Engineering	\$ 325,000	
SUI	Development of the Three-Dimensional Dynamic-Morphology System Machine	\$ 528,982	\$ 853,982
ISU	Production of Lean American Beef for the Manufacturing Industry	\$ 49,950	\$ 903,932
ISU	Development and Application of Ultrasonics to Measure Yield and Quality Grades of Beef Cattle and Their Carcasses	\$ 57,812	\$ 961,744
SUI	Capital Markets Institute	\$ 225,000	\$1,186,744
SUI	Regional Tissue Culture and Hybridoma Facility	\$ 230,000	\$1,416,744
UNI	Endowed Chair in Metal Casting	\$ 500,000	\$1,916,744
ISU	Water Treatment Requirements in Intensive Closed System Walleye Aquaculture	<u>\$ 77,560</u>	\$1,994,304

Appropriations of \$7 million were made to the Lottery Research and Development account for fiscal year 1988. \$5 million of that appropriation was earmarked by the General Assembly with \$4.75 million to Iowa State University and \$250,000 to the University of Northern Iowa.

The universities have submitted several proposals for Lottery Research and Development grant funds totaling \$2.7 million. The requests are as follows:

University of Iowa	\$1,935,982
Iowa State University	271,104
University of Northern Iowa	500,000

The Department of Economic Development expects that between \$1.4 million and \$1.7 million of the fiscal year 1988 appropriation balance will be available for competitive award.

The Board Office recommendation was for projects to be submitted to the Department of Economic Development approximately equal to the \$2 million appropriated balance as follows:

University of Iowa	\$1,308,982
Iowa State University	185,322
University of Northern Iowa	500,000

The Board Office recommendation for these competitive funds and the legislatively-earmarked allocations of Lottery funds would result in the following distribution for fiscal year 1988:

University of Iowa	\$1,308,982
Iowa State University	4,857,762
University of Northern Iowa	750,000

Regent Tyler asked who had determined the priority order.

Mr. Richey stated the universities submitted the proposals, and the Board Office reviewed and ranked them according to their best judgment for the Board's final determination.

Regent Tyler asked what the deadline was for submission. Director True responded that it was the end of June.

President Pomerantz suggested the Board could defer action on this for a month to allow an opportunity for further study.

Regent Fitzgibbon stated the Board members needed more information in the meantime.

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Regent Williams asked if institutional personnel had comments on the priority listing.

Vice President Zaffarano commented on the three agriculture-related projects submitted by Iowa State University. The first project concerns the production of lean American beef for the manufacturing industry. He said a young bull will produce meat 30 percent less in fat and with a better muscle to fat ratio. Also, one way to get tender beef is to get it when it is young. He said they need to quantify all this and make sure it is economic. University officials proposed a three-year project to grow a herd of young bulls and sacrifice them. They will repeat that process the second year and the third year will analyze the results. The second project concerns the development and application of ultrasonics to measure yield in quality grades of beef cattle and their carcasses. They would like to measure in a packing house what the fat ratio is. This procedure is utilized in pork production and university officials would like to extend it to beef. The third proposal concerns water treatment requirements in intensive closed system walleye aquaculture. He said there is a market for walleye in this region and there is not enough being sold to satisfy this market. This would provide an alternative for farmers. University officials propose to use the huge concrete vats used in sewage disposal plants in the state to grow walleye.

Vice President Moll stated a group on the University of Iowa campus reviewed and prioritized proposals submitted. He said that if more information was needed university officials would be glad to provide that. He noted that the funding originally totaled \$7 million. The amount now available is \$2 million because the rest has already been earmarked for Iowa State University and University of Northern Iowa projects.

Regent Greig asked whether there would still be time to submit proposals if the Board tables this item until its next meeting. Mr. Richey said there would.

Vice President Madden stated that Iowa State University officials requested that the Board consider revisions to its agreement with the Department of Economic Development regarding the \$500,000 Food Crops Processing Center grant approved by the Board last year. He said they have now received \$6.1 million in federal funding which created a need to revise the agreement with the Department of Economic Development. University officials requested the Board authorize them to request revisions to the agreement to permit the \$500,000 to be used to meet project operating expenses.

Mr. Richey stated that he had not seen the details of the proposed revisions.

MOTION:

Regent Fitzgibbon moved to authorize Iowa State University to request revisions to its agreement with the Department of Economic Development regarding the \$500,000 Food

Crops Processing Center grant approved by the Board last year. Regent VanEkeren seconded the motion, and it carried unanimously.

President Pomerantz stated that university officials will work with the Board Office and specific Regents on the proposals submitted and report back to the Board next month for action. They will then move quickly to accommodate the time frame for submission.

PROFESSIONAL AND SCIENTIFIC PAY PLANS, 1988-89. The Board Office recommended the Board (1) Adopt the following policy for the distribution of salary increases for Professional and Scientific staff:

All increases will be based on performance. Each staff member will receive a minimum increase of 2.5 percent for satisfactory service. Increases in pay over that amount will be based on meritorious performance.

and

(2) Approve revised pay schedules for Professional and Scientific staff as shown in the exhibits:

- Exhibit A - University of Iowa
- Exhibit B - Iowa State University
- Exhibit C - University of Northern Iowa
- Exhibit D - Iowa School for the Deaf and Iowa Braille and Sight Saving School
- Exhibit E - Board Office

Based on legislative appropriations and institutional allocations, salary increases averaging 7.5 percent are provided for institutional Professional and Scientific staff. The recommended actions would (1) establish a minimum increase of 2.5 percent for satisfactory performance with increases over that amount allocated on the basis of meritorious performance, and (2) approve pay schedules proposed by the institutions for Professional and Scientific staff for FY'89 which incorporate increases of 2 to 5 percent in current pay grade minimums and 5 to 10 percent in current pay grade maximums.

MOTION:

Regent Williams moved to (1) Adopt the policy for the distribution of salary increases for Professional and Scientific staff as presented, and (2) Approve revised pay schedules for Professional and Scientific staff as shown in the exhibits. Regent Harris seconded the motion, and it carried unanimously.

PRELIMINARY BUDGETS, FY 1989. The Board Office recommended the Board (1) Receive the report on preliminary budgets and budget policies for fiscal year 1989; (2) Approve the preliminary distribution of salary adjustment appropriations; (3) Defer action on distribution of tuition replacement appropriation until further analysis is done on the issuance of capital appreciation bonds; and (4) Approve the preliminary budgets for the following special purpose appropriations:

Livestock Disease Research	\$300,000
Water Resources Research Institute (Groundwater and Lottery)	250,000
Fire Service Education	389,456
Rural Concern Hotline	90,000
Small Business Development Centers	825,000
SCHS: Mobile and Regional Clinics	2,723,207

This budget includes changes in fiscal year 1988 institution budgets as well as preliminary action on expenditure and revenue budgets proposed by the institutions for fiscal year 1989. The fiscal year 1989 budgets are the institutions' proposals for application of new state appropriations, tuition rate increase revenues, and income from various other sources. Policies adopted by the Board during its consideration of preliminary budgets are incorporated by the institutions in the development of their final, detailed budgets. Final budgets are expected to be reviewed by the Board at its June meeting.

This general budget item covers policy issues and overall budgets including faculty salaries, appropriations made to the Board of Regents for allocations to the institutions and special purpose appropriations. The two appropriations which are made to the Board for allocation to the institutions are for salary adjustments and for tuition replacements. The Board Office recommended deferring action on the tuition replacement appropriation.

The tuition replacement appropriation is made to reimburse the universities for tuition revenues used to pay debt service on outstanding academic building revenue bonds. With the passage of House File 2377, which allows the Regents to issue capital appreciation bonds, an accurate estimate of tuition replacement needs at each university cannot be made at this time. The first draw on tuition replacement for fiscal year 1989 is not until December, allowing time to make a more accurate distribution.

A variety of special purpose appropriations are made by the General Assembly. They are characterized by a specific appropriation and the narrow scope of program. Each are treated separately from the General University budgets.

The individual institution budget dockets focus on the budget units within each institution and the budget policies proposed by the institution. The

University of Iowa has eight budget units; Iowa State University has three budget units; and the University of Northern Iowa, Iowa School for the Deaf and the Iowa Braille and Sight Saving School are each one budget unit. Besides the general university, the University of Iowa budget units are University Hospitals and Clinics, Psychiatric Hospital, Hospital School, Oakdale Campus, Hygienic Laboratory, Family Medical Practice, and Specialized Child Health Services. Besides the General University, Iowa State University has a budget unit for the Cooperative Extension Service and a budget unit for the Agriculture and Home Economics Experiment Station.

Salary Policy

Over 70 percent of the general fund budget is expended for salaries. Senate File 2322 appropriated \$24.9 million for salary increases for employees of the State Board of Regents. This differs from the past years when the salary adjustment appropriation for all state employees was made in a lump sum to the Department of Management. In past years the Office of Management would allocate from the salary adjustment fund a distribution to the institutions based upon the Board's recommendation.

Faculty and institutional officials, professional and scientific staff, and general services staff are the three employee groups. This distribution was derived by calculating the state funding needed to arrive at a 10 percent faculty salary increase after considering the increases in tuition revenue available for faculty salaries. The remaining funds were then divided proportionately to professional and scientific staff and general services staff. All budget units were treated in an equal manner.

The faculty salary policy at each university is to provide an average increase of 10 percent to continuing faculty. The two special schools propose to achieve a 7 percent average faculty salary increase.

State salary appropriation increases provide a 6.2 percent budget increase for all units except the University of Northern Iowa where appropriations were provided for a 7.1 percent faculty salary budget increase. The University of Northern Iowa received an additional \$247,000 of salary equity funds in accordance with Board policy. Increase in tuition revenue and internal reallocations comprise the balance of faculty salary funding at the universities.

The percentage increase which was generated for professional and scientific staff and general service staff was 6.3 percent. Iowa State University has proposed a different distribution of the salary adjustment fund appropriations among the individual budget units within the university. This distribution is discussed in the university budget docket.

Faculty

The Regents top priority last year and again this year was faculty salaries. The current tuition income projections submitted by the institutions and the state salary adjustment income yield an approximate 10 percent increase in faculty salaries.

The University of Iowa and Iowa State University both report that they should achieve a 10 percent average faculty salary increase. The faculty salary increases at the University of Iowa and Iowa State University are to be given strictly on merit considerations.

At the University of Northern Iowa the faculty compensation is bargained collectively. An agreement has been reached with the United Faculty Union at the University of Northern Iowa for the distribution of the additional salary money. As reported to the Board, the overall increase will be 10 percent with 4.67 percent being distributed on merit.

The relative positions of faculty compensation at all three universities were in need of substantial improvement when the Board acted in November to earmark tuition revenue increases for faculty salaries. The Board Office will provide additional analysis of the Regent university faculties and faculties at comparable universities.

Professional and Scientific Staff

The proposed professional and scientific staff salaries at the University of Northern Iowa and the University of Iowa are budgeted for an average 7.5 percent increase. Iowa State University has budgeted a 7 percent average increase for professional and scientific staff salaries.

General Services Staff

Employees in this group will receive increased benefits in accordance with collective bargaining agreements. General Service staff are eligible for a 4 percent increase at the beginning of fiscal year 1989 and merit steps when due based upon satisfactory performance.

Health Insurance

Health insurance costs for the institutions are expected to increase dramatically for fiscal year 1989. It is now known with certainty what the percentage increase will be. If the institutions pay all of the health insurance cost increase, as was bargained by the state for general service staff, the employers contribution could rise 30 percent. Recent developments have indicated the employers contribution for general services staff could be substantially reduced through the use of excess terminal liability reserves.

Non-salary expenditures:

Due to the top priority of salary increases at the institutions, the non-salary expenditures have decreased from 24 percent of budgeted expenditures in fiscal year 1987 to a budgeted 21 percent of total expenditures for fiscal year 1989. Over 85 percent of the expenditures on non-salary items are in the utilities or supplies and service categories.

With the increase appropriated by the legislature for library books there is an overall 8.2 percent increase in that category for all budget units. Equipment budgets and supplies and services budgets have also been increased by 8.2 percent Regent-wide for fiscal year 1989 as compared to the revised fiscal year 1988 budgets.

Appropriations, fiscal year 1988:

Over 50 percent of the total Regent institution general fund operating budget revenues are from state appropriations. Among the various budget units this portion varies substantially, from 98 percent at the Iowa School for the Deaf to 13 percent for the University of Iowa Hospitals and Clinics. For fiscal year 1988, the Board requested \$450 million in state appropriations. Final legislative action appropriated \$425 million to the institutions and to the Board Office. Although legislative action was substantially under the Board's request, it was almost identical to the Governor's recommendation. Most of the increases in the appropriation were for general university budgets.

The University of Iowa general university fiscal year 1989 state funding is \$148,789,598. Of this amount, the General Assembly requires that \$500,000 be expended for teaching excellence awards to teaching faculty members and teaching assistants. In addition, the University of Iowa is required to commit \$114,000 for the salaries and support of the Labor Center.

The University of Iowa received two other separate appropriations; \$59,940 for the Agricultural Health and Safety Service Pilot Programs and \$341,250 for the acquisition of library materials.

Iowa State University general university fiscal year 1989 state funding is \$124,287,166. As a requirement of this appropriation the university is to expend \$2 million for the construction of livestock units for cattle and swine research and \$1 million for the purchase of Agronomy Building equipment. In addition, the university is required to expend \$500,000 for teaching excellence awards to teaching faculty members and teaching assistants. The university received as a separate appropriation \$234,400 for the acquisition of library materials.

The University of Northern Iowa proposed total fiscal year 1989 state funding is \$48,207,738. The General Assembly requires that \$250,000 be expended for

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teaching excellence awards and specified that \$460,000 of the appropriation constitutes an equity adjustment to maintain and support the university's academic programs.

As a condition on the appropriation, no moneys appropriated shall be expended for the power plant addition at the University of Northern Iowa. The legislature made a separate appropriation of \$60,850 to the University of Northern Iowa for the acquisition of library materials.

The University of Northern Iowa is to receive \$11.1 million for the construction of a power plant addition if the ending fund balance is greater than \$61,700,000 at the end of fiscal year 1988. If there is not adequate ending fund balance, then there is appropriated the remaining portion in fiscal year 1989. It will likely be June 30 before anything definite is known with regard to the availability of this appropriation from the fiscal year 1988 ending balance.

Non-appropriation revenues:

Over 45 percent of institutional general fund revenue is from non-appropriated funds. Sales and services income at the University of Iowa Hospitals and Clinics is almost 50 percent of all non-appropriated revenue with projected fiscal year 1989 sales and service receipts of \$171,752,000. Tuition income at all three universities is expected to be \$143,565,000 and is approximately 40 percent of all non-appropriated revenue.

The remainder of non-appropriated income is principally from unrestricted federal funds, interest income, and indirect cost recoveries. The Iowa State University Cooperative Extension Service and Agriculture and Home Economics Experiment Station are the principal recipients of unrestricted federal funds. For fiscal year 1989 they are budgeted for \$11.4 million in unrestricted federal funding.

The Hospital School and the Psychiatric Hospital at the University of Iowa are proposing general rate increases for fiscal year 1988. The request is for a 7 percent increase which would generate the sales and service increases budgeted at these units of over \$500,000.

Program Directions

The Board Office requested information on specific programmatic directions from each of the institutions for use in the Board's review of the fiscal year 1989 budget requests. General educational fund expense budgets by department level for fiscal year 1987, 1988 and proposed 1989 were requested. This information will provide Board members with a chance to review significant shifts in funding at the department level. The institutions indicated that this information could not be provided in time for the Board's

preliminary budgets. It will be provided to Board members as soon as it is available and certainly prior to consideration of final budgets in June.

In its preliminary budget each of the institutions has been asked to note important program or functional changes related to new funds and reallocations at the department level. Additionally, each of the institutions has been requested to provide an oral report to the Board on reallocations and overall program emphasis.

Information of varied specificity was provided by the institutions on program changes proposed in the preliminary budget. The University of Iowa is continuing its phased reallocation plan. The university anticipates requiring academic units to revert 3 percent of their budgets for internal reallocation, with this funding allowing new programmatic initiatives to be undertaken. Iowa State University's new programmatic allocations included funding of the Pioneer Chair in Agronomy, expansion of laboratory animal care resources, creation of the Administrative Services Office approved by the Regents, and creation of a reserve to assist colleges in funding replacements or faculty improvement leaves. The University of Northern Iowa indicates allocations of faculty positions to implement a new general education program, to meet pressing enrollment demands and to initiate the legislatively-authorized Center for Early Childhood Development Education.

Special Purpose Appropriations:

Board of Regents institutions receive a number of special purpose appropriations. Preliminary approval was recommended for the appropriations for budgets of the following programs:

1. Fire Service Institute \$389,456

The 1986 session of the legislature approved the establishment of the Fire Service Institute at Iowa State University. The Institute provides educational programs for volunteer and paid fire departments throughout the state.

2. Small Business Development Centers \$825,000

Funding for the Small Business Development Centers is allocated from lottery revenues. The program is administered through the College of Business at Iowa State University. Both state and federal funds are used to support a number of programs and centers to assist small businesses throughout the state.

3. Rural Concern Hotline \$90,000

The Rural Concern Hotline provides a toll free statewide telephone counseling and referral service for persons affected by the problems

of the current farm economy. The hot line operates through the Cooperative Extension Service at Iowa State University.

4. Livestock Disease Research \$300,000

The Livestock Disease Research fund is a standing appropriation administered through the College of Veterinary Medicine for the purpose of carrying out specific research projects as directed by the Iowa Livestock Health Advisory Counsel.

5. Water Resources Research Institute \$250,000

The Water Resources Research Institute is jointly funded by state and federal governments to carry out basic research on water resources. State appropriations provide a required match of federal dollars. This year \$100,000 of funding is being provided through groundwater funds and \$150,000 is being provided through lottery funds. In past years the Institute has received a state general fund appropriation which was used to match federal funds. The Institute is not receiving a state general fund appropriation for fiscal year 1989 and Iowa State University has been required to meet the federal match through increased contributed faculty and indirect cost. The university states that in fiscal year 1990 the increased cost sharing requirements of the federal funding will require some additional state funds.

6. Specialized Child Health Services Mobile and Regional Clinics \$2,723,207

The Mobile and Regional Clinics program is operated by the Specialized Child Health Services (SCHS) at the University of Iowa Hospitals and Clinics. A major portion of support for the Mobile and Regional Clinics is provided by allocation of federal block grant funds through the Department of Public Health. Additional state funds are also received through the Department of Public Health. Other SCHS programs, including those for childhood cancer, hemophilia, and high-risk infants, are supported through appropriations directly to the Regents and are included within an institutional budget unit. With its total range of programs SCHS attempts to coordinate health care programs to provide outreach services to children, support to doctors practicing in communities of Iowa and tertiary care at the University of Iowa Hospitals.

Director True noted that individual institutional appropriations growth is as follows: University of Iowa and Iowa State University at 8.2 percent; University of Iowa Hospitals and Clinics at less than 1 percent; University of Northern Iowa at 8.6 percent; Iowa School for the Deaf at 4.6 percent; and Iowa Braille and Sight Saving School at 3 percent.

Regent Tyler noted that state appropriations account for only 13 percent of the operating budget revenues of University of Iowa Hospitals and Clinics.

President Pomerantz added that the University of Iowa Hospitals and Clinics budget is nearly \$300 million, of which \$25 million is in state appropriations. He said the proportion of state funds are relatively small. It has been his belief that the people of Iowa get one of the best values for the quality of services and the total service. He said the Regents stand strong in support of the hospital.

Regent Harris stated he felt that the majority of Iowans realize the importance and quality of University Hospitals and that it is one of the best bargains in the state. He wished that the Board would emphasize the good things about the hospital and inform those who feel otherwise what a good institution it is.

Regent Fitzgibbon stated he felt that rural Iowans don't know about the University of Iowa Hospitals and Clinics. He said they need a good marketing push -- someone has to tell the story.

Regent Harris suggested that those who have doubt should talk with persons who have intimate contact with the University of Iowa Hospitals, such as directors of county relief programs. He said that when you have something good you can't say enough about it.

Regent VanGilst stated his community is only 90 miles from Iowa City yet no one seems to know about the University Hospitals. He said University of Iowa Hospitals and Clinics serve 385,000 patients per year. He said it is the Regents' responsibility to tell the story.

Regent Williams stated that as individuals the Regents could do something about this. She recently had the opportunity to take two legislators from her area to visit University Hospitals. They spent some time with John Colloton and toured the hospital. She felt that visit did a great deal to acquaint those persons with the operations of the hospital. She said the Regents can easily do things of that nature to improve attitudes toward the hospital.

Regent Fitzgibbon suggested a few people could sit down and talk with Mr. Colloton about how to market University Hospitals.

President Pomerantz stated they could take this matter up with the new University of Iowa president.

Regent Williams asked about the funding for the Quad Cities Graduate Center.

Vice President Moll stated the vice presidents of the three Regent universities are reviewing that to see if it can be accommodated.

Mr. Richey stated the Board Office will report on that to the Board in June.

President Pomerantz stated the critical budget issues to be addressed by the Board prior to institutional development of final budgets are as follows:

- * Salary policy
 - Faculty -- including teacher excellence funding
 - Professional and Scientific
 - General Service
- * Distribution of state salary adjustment fund -- \$24.9 million
- * Health insurance services and cost control as a priority issue
- * Institution reallocation initiatives
- * Deferral of the distribution of \$17 million tuition replacement appropriation
- * Seven percent rate increases for Psychiatric Hospital and Hospital School
- * Special purpose appropriations such as the Fire Service Education at Iowa State University and the Specialized Child Health Services at the University of Iowa.

MOTION:

Regent Harris moved to (1) Receive the report on preliminary budgets and budget policies for fiscal year 1989; (2) Approve the preliminary distribution of salary adjustment appropriations; (3) Defer action on distribution of tuition replacement appropriation until further analysis is done on the issuance of capital appreciation bonds; and (4) Approve the preliminary budgets for special purpose appropriations, as presented. Regent Williams seconded the motion, and it carried unanimously.

REPORT OF CAPITAL DEVELOPMENT AND OVERSIGHT PROCEDURES WORKGROUP. The Board Office recommended the Board receive the report and approve additional recommendations of the workgroup.

In April this workgroup recommended a variety of changes in the Board's capital procedures and those recommendations were adopted by the Board. Regent Tyler, chair of the workgroup, told the Board in April that three additional areas required further discussion and recommendations would be available at the May meeting. Regent Tyler's workgroup met prior to the

Board meeting, reviewed proposed changes in these three areas, and established recommendations for Board consideration. He recommended the following approaches be adopted by the Board of Regents:

1. A revised Board policy was recommended for the approval of non-Iowa architectural and engineering firms. The Board approves the selection of all architectural and engineering contracts for projects of \$200,000 or more. For projects of under \$200,000 the following policy was proposed:

f. For projects under \$200,000 the selection of a non-Iowa architectural or engineering firm must be approved by the Board if the cumulative work with that firm on projects of under \$200,000 during any fiscal year exceeds \$25,000. An institution may seek Board authorization of a threshold in excess of \$25,000 for particular non-Iowa firms if good reason can be shown. (This provision shall be reconsidered by the Board following receipt and review of the next Semi-Annual Report on the Status of Capital Projects.)

9.05A

4. The semi-annual report on the status of capital projects provided to the Board shall include a listing of all architects and engineers employed by the institutions during the reporting period and the amount of work contracted during the reporting period. Architectural and engineering firms neither based in Iowa nor with a permanent office in Iowa shall be designated in the report.
2. Clarify the existing capital procedures that the chief business officer of the institution is authorized to award individual construction contracts on projects under \$200,000. Two wording changes were proposed which accomplish this clarification.
3. Provisions were recommended in the capital procedures which would permit the Board Office to participate in final inspections of construction contract work and which describe the process whereby the Board could conduct an independent inspection of construction contract work that had previously been inspected and approved by the institution.
3. Upon request, the executive secretary shall be provided ten days advance notification of the scheduled inspection of any contract and may have a representative participate with the institution in the inspection of the contract prior to considering contract acceptance.
4. Upon completion of the final inspection the institution shall inform the executive secretary of the date upon which any contract of \$1,000,000 or more is to be accepted. The final acceptance date shall be no earlier than ten days after notification of the executive secretary. The executive secretary is authorized to notify the chief

business officer that authorization to accept contract work as complete is withheld pending Board review. The Board may direct that an independent consultant be employed to review the adequacy of contract performance, review the results of the institution inspection and recommend any remedial action. The contract performance bond shall provide coverage for at least one year following contract acceptance by the institution and permit the Board recourse to remedy contractor deficiencies without prejudice due to prior acceptance of the contract by the institution.

MOTION: Regent Tyler moved to receive the report and approve the additional recommendations of the workgroup. Regent Fitzgibbon seconded the motion, and it carried unanimously.

REPORT OF REGENTS BANKING COMMITTEE. The Board Office recommended the Board receive the report and approve actions recommended by the Committee.

Regent Fitzgibbon stated the Banking Committee members received a report from the Iowa State University Achievement Foundation on cash management.

The committee received the recommendation of Vice President Phillips for the appointment of Doug True as Treasurer of the University of Iowa, effective June 24, 1988. Regent Fitzgibbon stated the committee approved that request and recommended full Board approval.

MOTION: Regent Fitzgibbon moved to approve the appointment of Doug True as Treasurer of the University of Iowa, effective June 24, 1988. Regent Tyler seconded the motion, and it carried unanimously.

President Pomerantz congratulated Director True on his appointment. He said the Board members were delighted that he was moving to the university where he will be very valuable. He said the Board members would miss him at the Board Office and that they appreciated his hard work.

Regent Fitzgibbon added that the Banking Committee and Board members had been aware for some time of the possible appointment. He said he appreciated the way it had been handled by the university and the Board Office.

The Banking Committee received the quarterly investment reports of the Regent institutions. Regent Fitzgibbon stated the committee will respond to the remaining Peat Marwick Main recommendations on investment and cash management at a later time.

Director True reported to the committee on the master financial lease proposals received. The Board Office will review the four finalists and make a recommendation to the committee in June.

Regent Fitzgibbon stated the committee received a report on future bond sales which includes the issuance of capital appreciation bonds. Under that plan the University of Iowa and Iowa State University will move forward in preparing for such bond sales in order to take advantage of the very favorable rates.

Regent Fitzgibbon reported that the Banking Committee took action to approve a resolution for bond replacement and recommended the full Board approve that resolution.

MOTION:

Regent Fitzgibbon moved to approve the resolution for bond replacement. Regent Williams seconded the motion, and upon the roll being called, the following voted:
AYE: Duchen, Fitzgibbon, Greig, Harris, Pomerantz, Tyler, VanEkeren, VanGilst, Williams.
NAY: None.
ABSENT: None.

Regent Fitzgibbon stated the committee authorized the Board Office to solicit bids for risk management services and requested that the 1989 legislative program renew the Board's request for changes in risk management authority. The final action taken by the committee was to approve a resolution for manual or facsimile signature for the Iowa School for the Deaf.

MOTION:

Regent Fitzgibbon moved to approve a resolution for manual or facsimile signature for the Iowa School for the Deaf. Regent Tyler seconded the motion, and it carried unanimously.

APPEAL BY VENDOR: HEARING OFFICER'S RECOMMENDATION - IOWA COAL MINING COMPANY. The Board Office recommended that the Board receive the recommended decision and order of the hearing officer in this matter and consider the recommendations with its counsel.

ACTION:

President Pomerantz stated the Board deferred action on this item.

PROPOSED ADMINISTRATIVE RULES. (a) Iowa Fair Information Practices Act and (b) Regent Merit System Rule on Merit Increases. The Board Office recommended that the Board adopt two administrative rules as follows: (a)

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Iowa Fair Information Practices Act, a new rule, and (b) Regent Merit System Rule on Merit Increases, Eligible Date, a revision of an existing rule.

These rules have been before the Board for Notice in the past several months. In each case the rules have been through the hearing process and were ready for final adoption.

Because of the necessity of implementing the rule pertaining to the Iowa Fair Information Practices Act by July 1, it had to be adopted on an emergency basis, with hearing.

There were no suggestions either at the hearing or in writing for changes in the Merit System rule. The Attorney General's Office revised its recommendations on the Iowa Fair Information Practices Act and those changes were incorporated. No comments were received at the hearing on this rule.

MOTION: Regent Williams moved to adopt two administrative rules as follows: (a) Iowa Fair Information Practices Act, a new rule, and (b) Regent Merit System Rule on Merit Increases, Eligible Date, a revision of an existing rule. Regent VanEkeren seconded the motion, and it carried unanimously.

PAY PLANS FOR SUPPLEMENTAL ACTIVITIES - SPECIAL SCHOOLS. The Board Office recommended that the Board approve the supplemental pay plans for staff engaged in supplemental activities at the special schools.

The pay provided to staff who serve as sponsors of activities such as student council, certain clubs and classes and the pay provided for coaching activities is determined on a supplemental pay schedule similar to those in most school districts in the state. Superintendent Johnson reviewed the supplemental pay schedule with the school's senate and compared it to surrounding school districts. He concluded that the schedule should be increased by ten percent.

Superintendent Thurman recommended to the Board this past year Iowa Braille and Sight Saving School's first supplemental schedule. In reviewing that schedule with surrounding school districts Superintendent Thurman determined that the supplemental salaries were too low for the service rendered. He recommended that the supplemental schedule be increased by twenty percent.

Each institution indicated that it can allocate funds for this purpose in its budget for 1988-89.

MOTION: Regent Tyler moved to approve the supplemental pay plans for staff engaged in supplemental activities at the special

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schools. Regent Fitzgibbon seconded the motion.

Regent Williams asked if the differential between coaching pay for boys and girls activities under the schedule for coaches at Iowa School for the Deaf was because the season is longer.

Superintendent Thurman responded that cheerleading is more a club activity than a sport. He noted that cheerleading extends across the seasons.

Regent Williams asked why there is a differential in time commitment between the boys and girls activities when the Regents want to offer equal opportunities to all students.

Superintendent Johnson stated that school officials intend to sit down over the next four months to discuss how many hours are spent on each activity and to compare that with public schools around their area.

VOTE ON THE MOTION: The motion carried unanimously.

PRELIMINARY BUDGET, BOARD OFFICE, FY 1989. The Board Office recommended the Board approve the preliminary budget for the Board Office in the amount of \$996,043 for fiscal year 1989, as requested.

The Board Office budget is on the Central Accounting System of the State government. The payroll for the office is processed through the state Central Payroll. The state payroll year ends on June 9 for fiscal year 1988. Fiscal year 1989 has 27 pay periods and the fiscal year, for pay purposes, starts on June 10, 1988. Funds for the 27th pay period to be paid in fiscal year 1989 are held centrally by the Department of Management, and were not included in the budget proposed.

The recommended budget for fiscal year 1989 amounts to \$996,043. This represents a 15.6 percent increase, of which \$60,000 is due to the previously-approved position of Associate Director for Academic Affairs. This position was approved last winter and is expected to be filled shortly. After deducting the cost of the added position, the proposed increase amounts to 8.7 percent.

The appropriation for the Board Office was increased by \$35,022. This amount will not cover mandated salary increases averaging 7 percent and the annualization cost of salaries authorized under state and Board policy during fiscal year 1988. The shortfall occurred because of a legislative reduction in the base appropriation of \$26,800. This amount and the \$60,000 for the previously-approved position in Academic Affairs account for most of the increase in funding from non-appropriation sources.

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The proposed budget would require institutional reimbursements of \$442,751. This represents an increase of \$106,304. It includes \$60,000 for the position in Academic Affairs and \$26,800 to offset the reduction in the appropriation base. Except for these two items the increase in institutional reimbursements would have been 5.8 percent in the recommended budget.

Salaries for the professional staff are projected to increase by an average of 6 percent in fiscal year 1989. The salary of the executive secretary will be set by the Governor for the new fiscal year. Salaries for the Merit System staff are as provided in the new pay plan and state policy. The amount for terminal leave pay is increased by \$6,500 because of a known increase in that category because of the departure of the Director of Business and Finance.

The non-personnel portion of the proposed Board Office budget was increased modestly. An amount of \$1,500 is included for the cost of bargaining at the University of Northern Iowa during fiscal year 1989. This amount will be reimbursed directly by the University of Northern Iowa. An amount of \$1,000 was included for the new Academic Affairs position, which includes the cost of both in-state and out-of-state travel. Also included is \$900 for communications. The budget for office equipment was included at the customary \$2,000 level. It will be augmented by any savings accruing in other budget categories, if the need arises.

The per diem for the Board of Regents is included at \$13,000. This amount is about \$1,100 above the current year. Currently, two members of the Board do not claim per diem nor do they claim any expenses in connection with their Regental duties. Any savings will be utilized in the other budget categories.

The Board Office has been delayed in recruiting for the additional position in Academic Affairs because of problems with adequate office space. It is clear now that they will not be allocated any additional space for the position. Therefore, they must use the small conference room for an office and try to find space for intraoffice meetings in other areas of the Lucas State Office Building. The situation with respect to space for the office is quite unsatisfactory and hampers the efficiency of operations. The Director of General Services is checking to see if there is any space in this building that might be allocated for occasional use for staff meetings. Since the office is now semi-private, space must be found for certain private meetings with respect to collective bargaining, legal issues, and personnel matters. Additional attention will need to be given to this problem in the coming months. The Board will be kept apprised of the progress, or the lack of it, toward a solution.

The proposed budget for fiscal year 1989 assumes approximately the same level of activity as for fiscal year 1988 except for a major additional effort in strategic planning. The major effort in fiscal year 1989 will be to achieve

successful results in the organizational audit studies, to complete the studies involved in the priority issues already identified, and to add other issues as appropriate, and to make substantial progress in the development of a strategic plan. The latter goal will require cooperation with both the Executive and Legislative branches as they undertake their reviews of post-secondary education in Iowa.

Mr. Richey stated the Board Office budget is based on the state salary policies. He said the budget takes into consideration the base cut of \$26,800 by the General Assembly in the legislative process. Otherwise, there were no changes in the program other than those to reflect the Governor's recommendation.

Regent VanGilst referred to the limit of 19.63 full-time equivalent employees. He questioned whether this was not costing the state more by doing that.

Mr. Richey stated it is costing the state more.

Regent VanGilst asked if it would mean that in some areas there could be an increase in salaries because of extra hours put in.

Mr. Richey stated that the Professional and Scientific employees do not receive overtime compensation.

Regent VanGilst stated there were some people in the Board Office who were overworked. He questioned whether, because of the limitation, the Board Office has to pay more to have people who will work more hours.

Mr. Richey stated one of the problems experienced by Board Office staff is the time frame in which they have to do things.

Regent VanGilst asked that Mr. Richey look into the future to have this statute removed if they know this is costing the state money.

Mr. Richey stated the Board Office would review that in terms of the budget in question.

President Pomerantz noted that the organizational audit will review that question, also.

MOTION:

Regent Duchon moved to approve the preliminary budget for the Board Office in the amount of \$996,043 for fiscal year 1989, as requested. Regent Williams seconded the motion, and it carried unanimously.

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BOARD OFFICE PERSONNEL REGISTER. The Board Office recommended that the Board approve the register for April, May, and June 1988.

The register contained the following actions:

Resignations

Michael Chebuhar, Associate Director, Business and Finance, effective April 28, 1988.

Douglas K. True, Director, Business and Finance, effective June 24, 1988.

Merit Increases

Christine Schnell, Account Specialist, Grade 512 - from \$18,137.60 to \$18,969.60, effective May 1, 1988.

Barbara Briggle, Secretary IV, Grade 512 - from \$19,947.20 to \$20,425.60, effective April 15, 1988.

AC

MOTION:

President Pomerantz stated the Board Office Personnel Register for April, May and June 1988 was approved as a consent item.

NEXT MEETINGS SCHEDULE. The Board Office recommended the Board review the next meetings schedule.

June 22-23	Hilton Hotel	Sioux City
July 15	Village East	Okoboji
August	NO MEETING	
September 14-15	University of Northern Iowa	Cedar Falls
October 19-20	(To be Designated)	Dubuque
November 16-17	Iowa State University	Ames
December 14-15	Marriott Hotel	Des Moines
January 18-19, 1989	Iowa State University	Ames
February 15-16	Marriott Hotel	Des Moines
March 15-16	(To be Designated)	Atlantic
April 12	University of Iowa	Iowa City
April 13	Iowa Braille and Sight Saving School	Vinton
May 24-25	Iowa School for the Deaf	Council Bluffs

Regent Tyler asked that late next Spring be left open for discussion of changing the meeting place.

Regent Fitzgibbon asked that the Board consider holding a meeting in the northeast part of the state.

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Regent VanGilst asked that the Board consider holding a meeting in the southeast part of the state.

Vice President Madden expressed concern about of holding the October meeting in Dubuque since the Board would be discussing tuition that month.

President Pomerantz stated the tuition rates would be decided during the month of November.

Vice President Madden asked that that be made clear to the students.

ACTION: President Pomerantz stated the meetings schedule was received by general consent.

President Pomerantz then asked Board members and institutional executives if there were additional general or miscellaneous items for discussion. There were none.

STATE UNIVERSITY OF IOWA

The following business pertaining to the State University of Iowa was transacted on Wednesday, May 25, 1988.

REGISTER OF PERSONNEL CHANGES. The Board Office recommended that the Board defer action on the Register for the month of April 1988.

The Register of Personnel Changes was not received in the Board Office by the time the docket was prepared. It will be reviewed upon receipt and presented for ratification by the Board with next month's docket.

APPOINTMENTS. The Board Office requested that the Board approve the appointment of (1) CATHERINE ALTER as director of the School of Social Work, College of Liberal Arts, effective July 1, 1988, for a term of one year, salary as budgeted; (2) GEORGE CHAMBERS as Chair of the Division of Educational Administration, College of Education, effective July 1, 1988, for a term of three years, salary as budgeted; (3) WOLFGANG ERTL as Chair of the Department of German, College of Liberal Arts, effective July 1, 1988, for a term of three years, salary as budgeted; (4) ALAN FRANK as Chair of the Division of Special Education, College of Education, effective July 1, 1988, for a term of three years, salary as budgeted; (5) PAUL R. GREENOUGH as Director of the Center for International and Comparative Studies, effective July 1, 1988, for a term of three years, salary as budgeted; (6) BRUCE GRONBECK as Chair of the Department of Communication Studies, College of Liberal Arts, effective August 29, 1988, for a term of one year, salary as budgeted; (7) WILLIAM GREEN as Director of the Office of the State Archaeologist, effective immediately and serving at the pleasure of the university president, at a fiscal-year salary of \$37,500; (8) GEORGE J. LOPOS as Acting Director of the Center for Conferences and Institutes, effective June 1, 1988 and continuing until a Director is designated, at a fiscal-year salary of \$49,000; and (9) DOUGLAS TRUE as Treasurer of the State University of Iowa, effective June 24, 1988, and including the 1988-89 fiscal year, at a salary of \$71,000.

MOTION:

Regent VanEkeren moved to approve the requested appointments. Regent Williams seconded the motion, and it carried unanimously.

TERMINATION OF UNDERGRADUATE MAJORS IN EDUCATION. The Board Office recommended the Board refer the request to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

The University of Iowa requested the termination of undergraduate majors in Early Childhood Education, Elementary Mental Retardation, and Secondary Mental Retardation effective when all current students in the major have completed their programs. If approved, admission of new students to these programs would be suspended effective for Fall semester 1988.

ACTION: President Pomerantz stated the Board referred the request to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation by general consent.

POST-AUDIT REPORT OF B.S. DEGREE PROGRAM IN BOTANY. The Board Office recommended the Board refer the report to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

The University of Iowa submitted a post-audit review of the B.S. Degree in Botany five years after the initial approval of this program by the Board of Regents.

ACTION: President Pomerantz stated the Board referred the report to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation by general consent.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office recommended the Board approve the Register of Capital Improvement Business Transactions.

PROJECT DESCRIPTIONS AND BUDGETS

The university submitted two new projects for approval by the Board.

Bowen Science Building--Remodel 3-700 Core \$639,000
Source of Funds: General University Building Repairs
or Treasurer's Temporary Investments

The university proposed the extensive remodeling of 1,800 net square feet in the Bowen Science Building for use as laboratory space by a recently-appointed holder of an endowed chair in biocatalysis. This endowed chair was financed through competitive Lottery Research and Development awards. The project also involves reconfiguring 4,200 net square feet of teaching laboratories surrounding the area where the biocatalysis laboratory will be located and the remodeling of 457 net square feet as office space. The university reported the project will include a new handicapped-accessible entrance to the building and installation of power door openers on several

doors in the immediate areas of the laboratory. Casework and laboratory utilities are being installed for handicapped accessibility as well.

The university reported the selection of William Nowysz and Associates as project architect with an agreement to provide for a fixed fee of \$43,775 and \$3,500 in reimbursables. The project budget is as follows:

Design, Inspection and Administration	\$ 79,500
General Construction	490,000
Physical Plant Construction	19,500
Contingency	<u>50,000</u>
TOTAL	\$639,000

Source of Funds: General University Building Repairs or
 Treasurer's Temporary Income

Recreation Building--Resurface Floor \$436,000
 Source of Funds: Men's Athletic Department Revenues

The university reported previously the need to resurface the 60,600 net square foot recreational deck due to the deterioration of the floor and the damage that resulted during the reconstruction of the roof. The flooring material will be a thick sheet of synthetic flooring material. It will accommodate six tennis courts and a 200 meter, six lane running track.

The university reported the selection of Shoemaker and Haaland as project architects, with a fee not to exceed \$23,383 plus \$1,200 for reimbursables. The project budget is as follows:

Design, Inspection and Administration	\$ 29,000
Construction	370,000
Contingency	<u>37,000</u>
TOTAL	\$436,000

Source of Funds: Men's Athletic Department Revenues

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The university presented revised budgets on the following projects.

Oakdale--Waste Incinerator Original Budget \$1,484,500
Revised Budget \$1,675,800

Source of Funds: Treasurer's Temporary Investments or
 General University Building Repairs and
 Exxon Oil Overcharge Funds

The university reported a proposed increase of \$85,000 in the design, inspection and administration of the project and a proposed increase of \$100,000 for construction and contingency. The university reported the original budget inaccurately reflected the cost of engineering and testing as well as the preparation of the building to accept an incinerator. The planned facility as it is now designed is expected to be more efficient for use by personnel than the original design. The university was awarded \$210,000 in competitive oil overcharge funds to install heat recovery equipment in the incinerator.

Engineering Research Facility

Original Budget \$2,190,000
Revised Budget \$2,445,355

Source of Funds: General University Building Repairs and
Treasurer's Temporary Investments

The university requested a budget increase of \$255,000. The increased budget would accommodate the installation of environmental clean rooms during the construction project. The university's proposed budget increases the fixed equipment category by \$444,000 and reduces the contingency in the construction budget to provide a net increase of \$255,000. The additional source of revenues is university equipment funds.

In a related item on the register the university requested approval of the acceptance of add alternates to the construction award on this project, subject to the Board's approval of this budget revision.

Oakdale Hall--Remodel Rooms H-11 and H-16

Original Budget \$103,165
Revised Budget \$119,150

Source of Funds: University Hygienic Laboratory Organized Activities

Engineering Building Temporary Office

Original Budget \$74,000
Revised Budget \$82,813

Source of Funds: General University Building Repairs

* * * * *

The university presented six new projects with budgets of less than \$250,000 that will be initiated in the coming months. The titles, source of funds and estimated budgets for the projects were listed in the register prepared by the university.

CONSULTANT AGREEMENTS

Approvals Requested:

The university requested approval of the consultant selection and negotiated agreements on five projects:

University Hospitals and Clinics--Psychiatric Pavilion
Replacement Facility--Phase B \$219,420
Hansen Lind Meyer, Inc., Iowa City, Iowa

In October 1987 the Board approved the Psychiatric Pavilion--Phase A architectural agreement with Hansen Lind Meyer, Inc. Phase A constructed shelled clinic space. Phase B of the project is to finish the shelled Psychiatric Clinic and the university requested the approval of an agreement with Hansen Lind Meyer, Inc., to continue as project architect on Phase B. The proposed agreement with Hansen Lind Meyer is a fixed fee of \$219,420, with reimbursables not to exceed \$46,000. The project budget on Phase A and Phase B to complete the clinic portion of the pavilion is projected to be \$7.7 million. The inpatient portion of the pavilion is to be approximately \$9.8 million.

University Hospitals and Clinics--Center for Digestive Diseases
Ambulatory Care Clinic \$120,845
Hansen Lind Meyer, Inc., Iowa City, Iowa

In April the Board approved the selection of Hansen Lind Meyer, Inc., to provide architectural services on the Digestive Diseases Ambulatory Care Clinic. The university has negotiated an agreement and requested Board approval. The agreement calls for basic services to be provided at a fixed rate of \$120,845, with reimbursable expenses not to exceed \$17,000. The Ambulatory Care Clinic project budget is \$2.2 million.

Bowen Science Building--Remodel 3-700 Core \$43,775
William Nowysz and Associates, Iowa City, Iowa

These design services are required for the proposed \$639,000 remodeling project.

Recreation Building--Resurface Floor \$12,383.50
Shoemaker and Haaland, Engineers, Coralville, Iowa

The design services on this project are required for completion of the projected \$436,000 surface replacement project. The new surface will be thick, synthetic material.

Medical Research Center Laboratory Renovation--Third Floor \$13,500
Design Engineers, P.C., Cedar Rapids, Iowa

Agreements Reported:

<u>President's Residence Renovation--102 Church Street</u>	<u>\$9,350</u>
	<u>\$2,850</u>

The listed amounts are for design services to be provided by The Durrant Group, Inc., of Dubuque, Iowa. These agreements were initially approved by the Executive Secretary as a means of moving this project along to permit occupancy of the residence by fall 1988.

CONSTRUCTION CONTRACTS

Engineering Research Facility

Award of contracts to the low bidders shown below were recommended. The bids include add alternates which would involve installing environmental clean room equipment within the facility during the construction project. The university reported that it is most desirable to have this specialized, fixed equipment installed during the construction phase. Each of the contractors would be involved in some aspect of installing environmental clean rooms.

The bid tabulations indicate the general contractor meets the 6 percent Targeted Small Business requirement, whereas the mechanical and electrical contractors meet the 1 percent Targeted Small Business requirement.

General:

Larson Construction Company, Inc., Independence, Iowa (3 bids received)	<u>\$1,039,085</u>
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Mechanical:

L. A. Fulton & Sons, Inc., Des Moines, Iowa (5 bids received)	<u>\$834,000</u>
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Electrical:

Nikkel & Associates, Ames, Iowa (3 bids received)	<u>\$157,270</u>
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University Hospitals and Clinics--Staff Dining and Patient Solarium Completion
(Rejection of Bid)

The university opened bids on this project on May 4, 1988. Only one bid was received, from the McComas-Lacina Construction Company, Inc. The bid of \$597,976 substantially exceeded the \$354,000 construction budget for the project. The university recommended that the project be reevaluated and re-bid at a later date.

Awarded:

The following construction contract was awarded by the Executive Secretary:

University Hospitals and Clinics--Patient and
Guest Relations Office Consolidation \$390,200
Award to: Merit Construction Company, Cedar Rapids, Iowa
(3 bids received)

ACCEPTANCE OF COMPLETED CONSTRUCTION CONTRACTS

The university reported acceptance of 12 completed construction contracts. Inspection of the projects by the university found that the contractors complied with the plans and specifications. The university recommended that the work on the projects be accepted as complete.

Parklawn Apartments Renovation and Hawkeye Drive
Piping Replacement--Phase III \$542,555
Quad Cities Insulation, Inc., Davenport, Iowa

University Hospitals and Clinics--Radiation Therapy Expansion \$594,444
Schoff Construction Company, Lisbon, Iowa

University Hospitals and Clinics--Diagnostic Radiology
Completion: \$9,717,000

Phase I--Work Category 1--General Works
McComas-Lacina Construction Company, Iowa City, Iowa

M/E Phase--Work Category 2--Painting and Vinyl
Dvorak Painting and Decorating, Waterloo, Iowa

M/E Phase--Work Category 6--Fire Protection
Blackhawk Automatic Sprinklers, Inc., Waterloo, Iowa

M/E Phase--Work Category 3--Acoustical Ceiling
Allied Construction Services, Davenport, Iowa

Primary Electric Service
Gerard Electric, Inc., Iowa City, Iowa

M/E Phase--Work Category 4--HVAC
R. M. Boggs Company, Inc., Iowa City, Iowa

M/E Phase--Work Category 2--Gypsum Wallboard and Plaster
Allied Construction Services, Davenport, Iowa

M/E Phase--Work Category 7 and 8--Electrical and Communications
Merit Electric, Ltd., Iowa City, Iowa

M/E Phase--Work Category 5--Metal Casework
Kewaunee Scientific Equipment Corporation, Statesville, NC

University Hospitals and Clinics--Colloton Pavilion--Phase B--
Air, Water Balancing and Testing
Precisionaire, Inc., Phoenix, Arizona

MOTION: Regent Harris moved to approve the university's capital register. Regent Williams seconded the motion, and it carried unanimously.

LEASE OF PROPERTY BY THE STATE BOARD OF REGENTS TECHNOLOGY INNOVATION CENTER, OAKDALE, IOWA - APPLIED DESIGNS AND RISING TECH CORPORATION. The Board Office recommended that the Board approve leases with tenants as follows: (a) APPLIED DESIGNS for their use of 264 square feet of office space (Room 119) in the Technology Innovation Center (TIC) at the Oakdale Campus for a period of six months commencing June 1, 1988 and ending November 30, 1988, at a rent of \$792 for the period (renewal); and (b) RISING TECH CORPORATION for their use of approximately 807 square feet of office space (Rooms No. 9 and 204) in the Technology Innovation Center (TIC) at the Oakdale Campus for a period of one year commencing June 1, 1988, and ending May 31, 1989, at a rent of \$3,859.56 for the period (new).

Essential terms and conditions of the leases are as follows:

BOARD'S STATUS: Landlord

LOCATION: APPLIED DESIGNS -- Room 119, Technology Innovation Center, Oakdale.
RISING TECH CORP. -- Rooms 9 & 204, Technology Innovation Center, Oakdale.

PERIOD: APPLIED DESIGNS -- Six months, commencing June 1, 1988.
RISING TECH CORP. -- One year, commencing June 1, 1988.

RATE: APPLIED DESIGNS -- \$6.00 per square foot per year.
RISING TECH CORP. -- \$6.00 per square foot per year for Room 204;
\$4.50 per square foot per year for Room 9.

USE OF SPACE: APPLIED DESIGNS -- offices, applied research, product development, and new business marketing for electronic and imaging devices in the medical market.

RISING TECH CORP. -- offices, applied research, product development, and marketing, specifically assisting Asian firms to reach U.S. markets.

LIABILITY: Tenant is responsible for contents; landlord is responsible for building.

HOLD HARMLESS: None

UTILITIES: Furnished by landlord

SERVICES: Furnished by landlord

PARKING: Available on first come, first served basis

COMPARABLES: Same as for other tenants in this quality of space in the TIC.

MOTION: Regent Williams moved to approve leases with tenants as follows: (a) APPLIED DESIGNS for their use of 264 square feet of office space (Room 119) in the Technology Innovation Center (TIC) at the Oakdale Campus for a period of six months commencing June 1, 1988 and ending November 30, 1988, at a rent of \$792 for the period (renewal); and (b) RISING TECH CORPORATION for their use of approximately 807 square feet of office space (Rooms No. 9 and 204) in the Technology Innovation Center (TIC) at the Oakdale Campus for a period of one year commencing June 1, 1988, and ending May 31, 1989, at a rent of \$3,859.56 for the period (new). Regent VanGilst seconded the motion, and upon the roll being called, the following voted:
AYE: Duchen, Fitzgibbon, Greig, Harris, Pomerantz, Tyler, VanEkeren, VanGilst, Williams.
NAY: None.
ABSENT: None.

TENANT PROPERTY RATES. The Board Office recommended that the Board approve the schedule of monthly rental rates for residences, apartments, rooms, preschool, and day-care centers for the period July 1, 1988, through June 30, 1989.

The university rents these units to organizations which meet certain university needs, such as day-care centers and preschools, and to individuals. Some of the properties will be razed in future years to make space for other university facilities.

The university reviewed the rates charged for similar properties in Iowa City and Coralville and recommended that some rates stay the same and some increase by as much as 25 percent (with the exception of one unit for which a 194 percent increase was suggested).

One of the buildings at Oakdale in which the university has previously rented space to employees is being removed from the tenant rental activity. The space will be used for storage. This results in a loss of twenty-nine rental units.

Vice President Phillips said that university officials tried to set the rates in light of competing conditions and conditions of the buildings. Some of the rates are for increases and others are not.

MOTION: Regent Harris moved to approve the schedule of monthly rental rates for residences, apartments, rooms, preschool, and day-care centers for the period July 1, 1988, through June 30, 1989. Regent Williams seconded the motion.

President Pomerantz asked if a process could be developed to assure the Board that these rates are, in fact, market rates.

Vice President Phillips stated university officials would be glad to provide additional reports. She noted that in some instances these are not market rates but reflect a desire on the part of the university to subsidize certain types of activity.

President Pomerantz asked that within the next 1 to 2 months university officials provide a supplementary report on how these rates were determined.

Regent Tyler stated that usually when the Regents receive these types of requests there is a schedule by address of the particulars.

Regent Fitzgibbon noted that this request was the same as he asked some months back of Iowa State University regarding their farm leases.

VOTE ON THE MOTION: Upon the roll being called, the following voted:
AYE: Duchen, Fitzgibbon, Greig, Harris, Pomerantz, Tyler, VanEkeren, VanGilst, Williams.

NAY: None.
ABSENT: None.

EASEMENT - AMERICAN TELEPHONE & TELEGRAPH COMPANY COMMUNICATIONS OF THE MIDWEST, INC. The Board Office recommended the Board approve an easement between the State Board of Regents and the American Telephone and Telegraph Company Communications of the Midwest, Inc. (AT&T) to install a duct bank on the west campus to be used for fiber-optic cables.

The University of Iowa requested approval to grant an easement to AT&T to install a duct bank for fiber-optic cables on the western portion of the campus paralleling Mormon Trek Boulevard. The easement to AT&T follows an agreement between that corporation and Northwestern Bell to share use of one duct bank to be installed and owned by AT&T.

The duct bank will include four conduits, with one being reserved for future use by the University of Iowa. The university will not only benefit from this arrangement anticipating future use of the conduit, but also by limiting the number of utility corridors requested on the west campus. The joint use of the facility by AT&T and Northwestern Bell is helpful to the university, which connects with both companies' lines for long distance and other communications services.

Board Office review of the agreement confirmed appropriate indemnification clauses were included. Approval by the Executive Council will be requested.

MOTION:

Regent Williams moved to approve an easement between the State Board of Regents and the American Telephone and Telegraph Company Communications of the Midwest, Inc. (AT&T) to install a duct bank on the west campus to be used for fiber-optic cables. Regent Harris seconded the motion, and upon the roll being called, the following voted:
AYE: Duchen, Fitzgibbon, Greig,
Harris, Pomerantz, Tyler, VanEkeren,
VanGilst, Williams.
NAY: None.
ABSENT: None.

STUDENT FEES. The Board Office recommended the Board approve the university's proposed activity fee allocations for the fall and spring of FY 1989 and the summer of 1989, as indicated on the following page.

STATE UNIVERSITY OF IOWA
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ACTIVITY AND FEES	1986-87 Fall/Spring	1987-88 Fall/Spring	Proposed 1988-89 Fall/Spring	Difference 1988-89 v. 1987-88
KRUI FM Radio	\$1.06	\$1.16	\$1.30	12.1%
Lecture Committee	2.06	1.90	2.00	5.3%
Recreation Services	2.06	1.42	1.80	26.8%
Student Comm. on Programming & Events	0.00	0.00	0.50	100.0%
Daily Iowan Board	6.44	5.60	6.18	10.4%
Student Legal Services	0.86	1.10	1.22	10.9%
Student Video Productions	0.00	0.84	1.04	23.8%
Collegiate Association Council	7.44	7.80	8.40	7.7%
Student Association Senate	7.44	7.80	7.90	1.3%
Student Association Office	0.30	0.00	0.00	0.0%
United Students of Iowa	1.30	1.34	1.26	-6.0%
Cambus/Bionic Bus	16.54	16.54	18.02	8.9%
Student Health	9.40	9.40	15.22	61.9%
Recreation Building	7.00	7.00	7.00	0.0%
Arena/Recreation Project	25.72	25.72	25.72	0.0%
Iowa Memorial Union	22.92	22.92	22.92	0.0%
Total	\$110.54	\$110.54	\$120.48	9.0%
Undergraduate Resident Tuition	\$1,390.00	\$1,564.00	\$1,706.00	9.1%
Fees As a Percentage of Tuition	8.0%	7.0%	7.1%	0.1%

The University recommended an overall student activity fee increase for the two semesters and summer session of 9.0 percent. The university reported that student government leaders have concurred.

The increase of 9.0 percent is the same as the resident tuition rate increase and is the first overall increase in student activity fees in two years.

Projected activity fee income is \$3.3 million, or approximately a 7.6 percent increase over the previous year. The activity fee proposed rate increase would be partially offset by slightly reduced enrollment projections for the upcoming year.

An additional activity was proposed for support, the Student Committee on Programming and Events (the student concert committee). It is scheduled to receive approximately \$13,000 for 1988-89.

The Student Health Services operation will receive approximately a 60 percent increase in funding, to an estimated \$426,000. The university is establishing an ad hoc committee to study alternatives for Student Health Services support.

The University of Iowa does not have student activity fee support for intercollegiate athletics, as do the University of Northern Iowa and Iowa State University.

Vice President Phillips stated this was not a fee increase. It is an allocation of tuition which would then be made available to support certain student-related activities.

Regent VanEkeren asked the reason for the cut in the allocation to United Students of Iowa.

Scott Brown, Executive Director of United Students of Iowa, stated 65 cents per student is what United Students of Iowa has always asked for. He said they have never gotten 65 cents per students from the University of Northern Iowa or the University of Iowa -- they always paid less. United Students of Iowa would like the fee to be the same at each campus. He said it was his understanding that the university administration determines the fees paid to United Students of Iowa.

Maureen Edwards, University of Iowa Student Government representative, stated the University of Iowa student government association did increase the allocation for United Students of Iowa.

Regent VanEkeren stated she would like to see an agreement between the three Regent universities student governments stating they will pay the same to United Students of Iowa since the students are all getting the same benefits.

Regent Tyler asked if there were any correlation between tuition and student fees in the Big Ten universities.

Vice President Phillips responded that there really is not. The University of Iowa gave no increase last year to the student organizations. She said the students are bearing a good deal of the increased costs this year.

Regent Harris asked if there is a problem with student health services.

Vice President Phillips stated the University of Iowa is recommending a larger increase for student health services. There is an overall 60 percent increase to student health services. She added that student health services has been under funded the last few years and has been running some deficits. She noted that Vice President Hubbard and she were setting up an ad hoc committee to deal with student health costs.

Regent Harris stated he thought that Iowa State University student health services provides services around the clock. He asked if there was anywhere University of Iowa students could go on an emergency basis after hours.

Vice President Hubbard responded that students who need services after the office is closed are referred to emergency rooms at University of Iowa Hospitals and the Student Health Service is billed.

President Pomerantz asked that university officials make sure students have an understanding of what they are buying and paying for with mandatory student fees. He wanted them to understand they are supporting publications. He felt it was also appropriate for the benefactors to know the students are funding them.

Ms. Edwards thanked Vice President Phillips for her assistance in determining the student fee allocations. She said they had all gone through a very detailed process to come up with this request.

MOTION: Regent Harris moved to approve the university's proposed activity fee allocations for the fall and spring of FY 1989 and the summer of 1989. Regent VanGilst seconded the motion, and it carried unanimously.

President Curris responded to an earlier comment by Mr. Brown by stating that the University of Northern Iowa administration does not determine United Students of Iowa fees.

President Pomerantz asked if the administration at Iowa State University determines that.

Vice President Madden responded that university officials have a process where they meet with the students and jointly determine fees. It was his understanding that the student government of Iowa State University determines the amount to allocate to United Students of Iowa.

PRESIDENT'S RESIDENCE RENOVATION. The Board Office recommended the Board approve the project preliminary budget and ratify the selection of The Durrant Group, Inc., Dubuque, Iowa, as project designers.

Last month the Board authorized the university to proceed as rapidly as possible with essential renovation of the President's Residence. Since the last Board meeting the university has been in contact with the Board Office and every effort has been made to move the project forward as quickly as possible. The objective is to accomplish the most essential renovation work so as to permit occupancy this fall.

The work to be accomplished will include repair of the exterior, extensive work on the mechanical and electrical systems and renovation of portions of the interior.

Under an agreement approved by the Executive Secretary, work on the preparation of construction drawings has been authorized and is underway by The Durrant Group, Inc. The project will be advertised as three contracts with bids to be received on June 16, 1988. The university reported that contract awards will be recommended to the Executive Secretary immediately upon receipt.

In April, the university reported to the Board that they expected the project budget to be between \$200,000 and \$300,000. The preliminary budget prepared for Board approval is \$298,850. That budget is shown below.

Design, Inspection and Administration	\$ 35,850
Construction	239,000
Contingency	<u>24,000</u>
TOTAL	\$298,850

Source of Funds: Gifts to the University of Iowa Foundation

The schedule envisioned by the university would permit occupancy of the building by September 1, 1988, although total project completion may require an additional month.

Regent Harris suggested university officials should request the university president's wife to participate in the selection of certain items.

Vice President Phillips stated there are a number of other things that need done before they ever get to that part of the renovation. She said they certainly will be consulting with them on those types of things.

Regent Fitzgibbon suggested university officials go a step further and employ an interior decorator to also work on this project and assistant the president and his wife.

Vice President Phillips stated the university has a staff person with experience in that area.

MOTION:

Regent Harris moved to approve the project preliminary budget and ratify the selection of The Durrant Group, Inc., Dubuque, Iowa, as project designers, with the understanding that university officials will take into consideration the suggestion of Regent Fitzgibbon. Regent Williams seconded the motion, and it carried unanimously.

Regent Duchon stated the public relations aspect of the renovation can be very destructive.

Vice President Phillips stated that when they talked about the renovation at last month's meeting the Board made clear its concerns about the public relations and the timing of the renovation. She said that is exactly what university officials are addressing in the documents before the Board at this meeting. She acknowledged that even though the funds are private it is a university building.

President Pomerantz stated it shouldn't be the business of the Board to be overly concerned about public relations. He said the Board members will do what they need to do and use their professionalism to bring to each and every point they consider. There are going to be hard decisions that are going to be made and that should be made on their merits and not for any other reason.

Vice President Phillips stated the campus planning committee did go through the house and was very much in accord with the kind of changes recommended. She added that the house will not be ready when Mr. Rawlings first arrives at the university.

BUDGET CEILING ADJUSTMENT 1987-88. (a) General Education Fund, (b) Oakdale Campus, and (c) University of Iowa Hospitals and Clinics. The Board Office recommended the Board approve the proposed fiscal year 1988 budget ceiling increases of \$1,100,000 for the General University; \$4,961,700 for the Hospitals and Clinics; \$128,957 for the Psychiatric Hospital; and \$70,006 for the Oakdale Campus.

The University of Iowa requested Board approval of increases in the previously-approved fiscal year 1988 operating revenue and expense budgets for four budget units:

<u>Unit</u>	<u>Amount</u>	<u>Percent Increase</u>
General University	\$1,100,000	.5 percent
University Hospitals and Clinics	4,961,700	2.8 percent
Psychiatric Hospital	128,957	1.3 percent
Oakdale Campus	70,006	3.5 percent

The General University increases are from higher than budgeted indirect cost recoveries from externally-sponsored research and grant programs. The increased income for the General University is being applied to research-related building repairs and research equipment.

Vice President Phillips stated the \$1.1 million increase for the General University is a net number including increases in indirect cost recoveries and decreases in interest earnings. Those are received as the year goes on. She said faculty make up for the cuts in grants and contracts at the federal level by applying for more grants and contracts.

The University Hospitals and Clinics reported that the change in its \$174 million budget reflects an increase in cases utilizing more complex and, therefore, more costly services. The added revenues are being applied to staff salaries and supplies and services categories. Vice President Phillips noted that this was not a rate increase.

The Psychiatric Hospital projects a revenue increase of \$128,957 over its current approved budget of \$9.7 million. The increases are from higher than budgeted indirect cost recoveries from externally-sponsored research and grant programs. The added income is being applied to increased expenses for staff salaries and for supplies and services.

MOTION: Regent VanGilst moved to approve the proposed fiscal year 1988 budget ceiling increases of \$1,100,000 for the General University; \$4,961,700 for the Hospitals and Clinics; \$128,957 for the Psychiatric Hospital; and \$70,006 for the Oakdale Campus. Regent Duchen seconded the motion, and it carried unanimously.

PRELIMINARY BUDGET, FY 1989. The Board Office recommended the Board (1) Approve the fiscal year 1989 preliminary general educational fund budgets for the following budget unit and for the following amounts:

General University	\$229,418,970
University Hospitals and Clinics	199,021,000
Psychiatric Hospital	10,597,400
Hospital School	5,861,200
Oakdale Campus	3,032,112
Hygienic Laboratory	3,788,800
Family Practice	1,620,260
Specialized Child Health Services (Cancer, Hemophilia, High-risk infant)	554,100

(2) Approve the fiscal year 1988 proposed rate increases as follows:

Psychiatric Hospital	7 percent
Hospital School	7 percent

(3) Request that the university and the Board Office further review the level of revenue from indirect cost recoveries and application of that revenue.

(4) Request that the university provide an oral report to the Board on its salary policies, use of additional appropriations income, significant reallocations and overall program emphasis.

The proposed general university operating budget of \$229,418,970 represents an increase of 7.2 percent over the fiscal year 1988 operating budget.

The university anticipates a 10 percent average salary adjustment for faculty. This will be accomplished through a combination of state appropriations, tuition revenue, and internal reallocations.

The state appropriation represents approximately 65 percent of total revenues for the general university.

The proposed preliminary operating budget for the University of Iowa Hospitals and Clinics for fiscal year 1989 is \$199,021,000. This is an increase of 11 percent above the fiscal year 1988 revised budget.

The preliminary operating budget for the Psychiatric Hospital for fiscal year 1989 is \$10,597,400. This is an increase of 7.8 percent over the revised fiscal year 1988 budget. The Psychiatric Hospital requested approval of a 7 percent rate increase.

The preliminary operating budget for the University of Iowa Hospital School for fiscal year 1989 is \$5,861,200. This is an increase of 8.2 percent over the fiscal year 1988 budget. The Hospital School requested approval of a 7 percent rate increase.

The preliminary operating budget for the University of Iowa Oakdale Campus is \$3,032,112. This is an increase of 1.8 percent over the revised fiscal year 1988 budget.

The University of Iowa Hygienic Laboratory preliminary operating budget for fiscal year 1989 is \$3,788,800. This is an increase of 7.5 percent over the fiscal year 1988 budget.

The University of Iowa Family Practice Program preliminary operating budget for fiscal year 1989 is \$1,620,260. This is a increase of 5.8 percent over the fiscal year 1988 budget.

The preliminary operating budget for the Specialized Child Health Services (Cancer, Hemophilia) is \$554,100. This is an increase of 8.4 percent over the revised fiscal year 1988 budget.

Vice President Phillips stated university officials hope to make great progress this year in the areas of faculty salaries, library books and special programs. They proposed flat budgets for utilities, equipment, repairs and renovations, and general expense categories. University officials hope to get some new buildings on campus opened. They are in the process of focusing and intensifying energy conservation efforts on campus.

C O R R E C T E D

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Vice President Moll responded to the Board Office request to provide an oral report on its salary policies, use of additional appropriations income, significant reallocations and overall program emphasis. He said university officials have consistently emphasized the need to base salary increases solely on the basis of merit. As university officials go through the salary review process all salaries are reviewed with an eye toward merit, particularly for females and minorities, salary increase funds specified for excellence in teaching, a component related to teaching as well as scholarship. University officials asked each of the deans to identify particular excellence. He said \$50,000 was set aside to recognize teaching assistants. University officials are setting up an award program. Next year they will give \$1,000 per person for particular performance in teaching excellence. He said another area of additional appropriations was library acquisition. Next year the inflation rate is almost 20 percent due to the rising cost of publications. Vice President Moll stated this was the third year of the reallocation program. \$3.5 million was to be reallocated across the university. For the third year in a row they have funded the Iowa Fellows Program with reallocated funds. A general category of programs funded through reallocation relates to increasing the ethnic diversity of the university, which includes the Opportunity at Iowa program. Special funds are provided for minority faculty. University officials are also putting some base funding into the program of partners in education with Lincoln Elementary School in Waterloo. They have identified some funding to implement the recently-adopted policy that is designed to insure that teaching assistants whose native language is not English have sufficient English language skills to provide effective instruction.

Regent Williams stated she received a letter from an individual in the Quad Cities who was concerned about the growing need in this state for trained social workers. He said there were changes occurring at the University of Iowa School of Social Work. They received the largest cutback of any school in the university. The Quad Cities Graduate Center Program for Social Work is being closed in 1991.

Vice President Moll acknowledged that there had been some reductions in funding of Social Work and that there are going to be great changes in the area of social work. University officials have delayed for one year the national search for a director. He said the final shape that the School of Social Work will take is not certain. There are going to be some major curricular changes in this area.

President Pomerantz stated that when university officials reallocate they are making tough priority choices. He said that as a Board they can't be surprised every time they hear things of this nature. The universities are in a reallocation mode.

Regent Williams stated she agreed with the need for reallocation. She wanted to know what the results are of the reallocation in terms of outcomes and projected outcomes.

Vice President Small spoke to the salary policy for the Professional and Scientific staff. University officials have used appropriated funds plus an additional 7 percent for Professional and Scientific staff salaries. She emphasized the imbalance between the rate of salary increase for faculty versus salary increase for Professional and Scientific staff. With regard to health insurance she said university officials plan for faculty and Professional and Scientific staff rates to increase about 10.5 percent.

MOTION: Regent VanGilst moved to receive the report and to (1) Approve the fiscal year 1989 preliminary general educational fund budgets in the amounts presented; (2) Approve the fiscal year 1988 proposed rate increases; and (3) Request that the university and the Board Office further review the level of revenue from indirect cost recoveries and application of that revenue. Regent Duchon seconded the motion, and it carried unanimously.

President Pomerantz then asked Board members and institutional executives if there were additional items for discussion pertaining to the University of Iowa. There were none.

IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Wednesday, May 25, 1988.

RATIFICATION OF ACTIONS IN REGISTER OF PERSONNEL CHANGES FOR APRIL 1988. The Board Office recommended that the Board approve the Register for the month of April 1988.

ACTION: President Pomerantz stated the Board approved the Register for the month of April 1988 as a consent item.

APPROVAL OF ADMINISTRATIVE APPOINTMENTS AND REAPPOINTMENTS. The Board Office requested that the Board approve the appointment of (1) ALBERT J. RUTLEDGE as chair of the Department of Landscape Architecture, effective July 1, 1988 through June 30, 1994, salary as budgeted; (2) DONALD J. GRAVES as chair of the Department of Biochemistry and Biophysics, effective July 1, 1988 through June 30, 1992, salary as budgeted; (3) ALTON DAVID KLINE as chair of the Department of Philosophy, effective July 1, 1988 through June 30, 1992, salary as budgeted; (4) JAMES S. RUEBEL as chair of the Department of Foreign Languages and Literatures, effective July 1, 1988 through June 30, 1991, salary as budgeted; (5) PILAR A. GARCIA as interim chair of the Department of Food and Nutrition for the period July 1, 1988 through June 30, 1989, salary as budgeted; (6) DAVID W. LYNCH as chair of the Department of Physics, effective July 1, 1988 through June 30, 1990, salary as budgeted; (7) JERELYN B. SCHULTZ as chair of the Department of Family and Consumer Sciences Education, effective July 1, 1988 through June 30, 1990, salary as budgeted; (8) TREVOR G. HOWE as chair of the Department of Industrial Education and Technology, effective July 1, 1988 through June 30, 1989, salary as budgeted; (9) JAMES D. IVERSEN as interim chair of the Department of Aerospace Engineering, effective July 1, 1988 until the department executive officer search is finalized, salary as budgeted; and (10) MARGARET S. PICKETT as Assistant Vice President for Business and Finance, effective July 1, 1988, and serving at the pleasure of the university president, salary as budgeted; And approve corrections in the ending dates of appointment for two professors the length of whose appointments were incorrectly submitted in January 1988 so that their appointments are as follows: (1) JAMES E. BERNARD as professor and chair of the Department of Mechanical Engineering, effective July 1, 1988 through June 30, 1993, salary as budgeted; and (2) BERNARD I. SPINRAD as professor and chair of Nuclear Engineering, effective February 1, 1988 through June 30, 1992, salary as budgeted.

MOTION: Regent VanGilst moved to approve the requested appointments and reappointments.

Regent Williams seconded the motion, and it carried unanimously.

APPROVAL OF TITLE CHANGES FOR PROVOST OFFICE AND PROFESSIONAL AND SCIENTIFIC CLASSIFICATION. The Board Office recommended that the Board approve the change in two titles in the Office of the Provost to be consistent with the reorganization of the Offices of the Vice-President for Academic Affairs and the Vice President for Research into the Office of the Provost, as follows:

From Associate Vice President to Associate Provost; and

From Assistant to the Vice President to Assistant to the Provost.

ACTION: President Pomerantz stated the Board, by general consent, approved the change in two titles in the Office of the Provost to be consistent with the reorganization of the Offices of the Vice-President for Academic Affairs and the Vice President for Research into the Office of the Provost, as presented.

APPROVAL OF CALENDAR CHANGES AND ACCEPTANCE OF NEW CALENDARS. The Board Office recommended that the Board 1) approve changes in the university's holiday schedule for 1989-90 and 1990-91, and 2) approve the university's academic calendars for 1991-92 and 1992-93.

Vice President McCandless stated Iowa State University officials requested to withdraw this item from consideration, to be resubmitted as soon as possible.

The university is studying the length of Veishea.

ACTION: President Pomerantz stated the withdrawal was approved by general consent.

APPROVAL OF GRADUATE PROGRAM. The Board Office recommended the Board refer the request to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

Iowa State University proposed an independent Ph.D. program in Textiles and Clothing. It was recommended that this proposed program be referred to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

ACTION: President Pomerantz stated the Board, by general consent, referred the request to the Interinstitutional Committee on Educational

Coordination and the Board Office for review and recommendation.

REGISTER OF CAPITAL IMPROVEMENTS BUSINESS TRANSACTIONS. The Board Office recommended the Board approve the capital register.

PROJECT DESCRIPTIONS AND BUDGETS

The university submitted one significant project for approval by the Board. The highlights of the project are shown below.

<u>Dairy Industry-Addition and Renovation</u>		<u>\$14,320,000</u>
Source of Funds:	Iowa Lottery Funds	\$ 500,000
	USDA Cooperative States	
	Research Service	6,183,000
	Other Federal Funds	<u>7,637,000</u>

This project is being planned to house a new National Center for Food and Industrial Agricultural Product Development. The Board has previously approved the project architect, Bussard/Dikis Associates. The university now presented the initial project budget, as shown below.

Initial Project Budget

Construction Contracts	\$11,024,391
Design Services	857,000
Construction Administration	470,000
University Services	160,000
Miscellaneous	9,000
Landscaping	60,000
Utility Extension	205,000
Fixed Equipment	115,000
Movable Equipment	100,000
Art Work	71,600
Building Automation	138,000
Telecommunications	100,000
Contingency	<u>1,010,009</u>
 TOTAL	 \$14,320,000

The fixed and movable equipment items have very limited budgets. The university was requested to provide additional information as to how the movable and fixed equipment needs of this facility will be met beyond the \$215,000 in the initial project budget. The university should also provide the Board with an approximation as to the square feet of additional space and square feet of remodeled space to be accommodated with the proposed budget.

* * * * *

The university presented eight new projects with budgets of less than \$250,000 that will be initiated in the coming months. The titles, source of funds and estimated budgets for the projects were listed in the register prepared by the university. The projects include Student Services--Health Center Remodeling, Bessey Hall--Fume Hood Exhaust Modifications, and Science II--Laboratory Remodeling. None of these projects is expected to exceed \$100,000.

CONSULTANT AGREEMENTS

The university requested approval of the consultant selection on three projects:

Gilman Hall Renovations--Phase II \$32,800
Wehner, Pattschull and Pfiffner, Iowa City, Iowa
(Architectural Services)

This project would involve design work in replacing old windows in the central core and the northwest and southwest wings of Gilman Hall. Gilman Hall houses the university Department of Chemistry and related disciplines. This architectural firm has performed design work on the balance of the Gilman Hall renovation project.

Gilman Hall Renovations--Phase III \$280,000
Wehner, Pattschull and Pfiffner, Iowa City, Iowa
(Architectural/Engineering Services)

The university requested permission to proceed in planning of Phase III of Gilman Hall remodeling. This would be the last phase in the complete remodeling of this major teaching and research facility. The university wishes to continue with the Wehner architectural firm with the proposed agreement for planning, programming and schematic design work on Phase III of the renovation. The project will include remodeling of all remaining space in Gilman Hall, including the space to be vacated by Biochemistry/Biophysics following its move to the new Molecular Biology Building. The university has previously received authorization to use Phase II project funds for this preliminary planning work.

Financial support for continuing Phase III remodeling has not been determined. It is expected that the university will be requesting funds for this project in its 1989 or 1990 capital requests. The Board's ten-year capital plan includes an additional \$9.5 million to complete Gilman Hall remodeling. The funding for this in the Ten-Year Plan is split between the 1990-91 biennium and the subsequent planning period.

Recreation/Athletic Facility \$58,000
Terracon Consultants, Inc., Des Moines, Iowa
(Architectural/Engineering Services)

The university requested permission to employ Terracon Consultants, Inc., to perform testing services during construction of the Recreation/Athletic Facility. The firm will be compensated based on hourly rates with a fixed maximum of \$58,000.

Agreements Reported:

Gilman Hall Renovations--Phase II \$7,080
Wehner, Pattschull and Pfiffner, Iowa City, Iowa
(Architectural/Engineering Services)

This agreement is to provide design assistance in the extension of chilled water into the northwest wing of Gilman Hall.

Plant Introduction Station--Seed Storage Building \$18,500
Rietz Engineering Consultants, Ames, Iowa
(Engineering Services)

This project was approved last month by the Board. The university requested approval of an agreement with Rietz Engineering Consultants for engineering services through the construction phase of the project. This is a \$250,000 project funded through the U.S. Department of Agriculture.

Amendments:

The university presented an amendment to the consultant agreement on one project for approval by the Board:

Applied Sciences Center--Center for New Industrial Materials \$46,000
Rudi-Lee-Dreyer, Ames, Iowa
(Increase in Compensation)

The university negotiated a \$46,000 fee with the project architect to employ Tactical Fabs, Inc., of Santa Clara, California. The university reported that this firm was required to do very specialized design, master plan and cost control work for the environmental clean rooms to be constructed within this facility.

FINAL REPORTS

The university presented final reports on the following completed construction projects.

MacKay Hall--Fire Damage Repair and Equipment Replacement \$263,646.47

Of the total project cost, \$232,900 was reimbursed to the university through the Executive Council as a result of an approved casualty loss claim. The Executive Council is authorized under Chapter 29C of the Code to reimburse state agencies for losses of this type.

Vice President Madden presented a supplemental capital register item concerning the Recreational Athletic Facility. He said bids were taken last week for this facility and all came in substantially over the budget. They received six bids which appeared to indicate the bidding process was not at fault. He said if university officials do not move ahead with this project it would mean delaying it six to nine months. Considering the inflation of construction costs a delay could substantially increase the cost of this project. He requested university officials and the executive secretary be authorized to negotiate with the low bidder.

MOTION: Regent Fitzgibbon moved to authorize university officials and the executive secretary to negotiate with the low bidder. Regent Harris seconded the motion.

Regent Fitzgibbon stated it was clear the consultant that helped cost the project had made a substantial error in costing. He felt something needed to be done.

President Pomerantz stated he felt the intent of the Board was to be sure good practices were used. He noted, however, that the point was well made.

President Pomerantz asked to clarify the request: university officials will go into negotiations with the executive secretary and the contractor to see if they can substantially change the scope and specs within the budget and bring it back to the Board.

Vice President Madden stated he wished the Board authorize Mr. Richey to proceed.

Mr. Richey stated that unless there were very compelling reasons he felt it should come back to the Board. He questioned whether all bids should be rejected.

President Pomerantz said it appeared they would have to rebid.

Associate Director Reynolds stated that Chapter 262.34 of the Code of Iowa requires that the Board reject all bids.

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PERIOD: CYGNUS APPLIANCES -- One year, commencing May 1, 1988
ATHLETIC TRAINING SPECIALISTS, INC. -- Six months, commencing
May 1, 1988
CIMTECHNOLOGIES, INC. -- Six months, commencing April 25, 1988

RATE: \$5.50 per square foot per year for CYGNUS and ATHLETIC TRAINING;
\$6.00 per square foot per year for CIMTECHNOLOGIES.

USE OF SPACE: CYGNUS -- Office for prototype development;
ATHLETIC TRAINING -- Offices, sales office, storage, light
assembly of knee brace; and
CIMTECHNOLOGIES -- Offices, research and development.

LIABILITY: Tenant is responsible for contents. Landlord is responsible for building. Tenant required to provide casualty and liability insurance protecting landlord in case of accidents or property damage (\$500,000 each).

HOLD HARMLESS CLAUSE: Yes

SERVICES: Furnished by landlord, except excessive usage is charged to tenant.

UTILITIES: Furnished by landlord, except excessive usage is charged to tenant.

PARKING: Available on first come, first served basis.

COMPARABLES: The rates are similar to that the university charges other ISIS tenants for similar space.

President Pomerantz made the same request of Iowa State University officials as was made earlier of University of Iowa officials regarding developing a process that would assure the Board that the rates are market rates.

MOTION: Regent VanGilst moved to approve leases with tenants, as follows: CYGNUS APPLIANCE CORPORATION (new); ATHLETIC TRAINING SPECIALISTS (renewal); and CIMTECHNOLOGIES, INC. (renewal). Regent Williams seconded the motion, and upon the roll being called, the following voted:
AYE: Duchen, Fitzgibbon, Greig, Harris, Pomerantz, Tyler, VanEkeren, VanGilst, Williams.
NAY: None.
ABSENT: None.

MEMORANDUM OF AGREEMENT. (a) Memorial Union/Telecommunications; (b) Memorial Union/University Bookstore; (c) Memorial Union/ISU Achievement Foundation; (d) Memorial Union/University Copy Center; (e) Memorial Union/Office of Admissions; and (f) Memorial Union/Administrative Data Processing. The Board Office recommended that the Board approve Memoranda of Agreement with the Iowa State Memorial Union for the university's use of space for purposes as follows: (a) TELECOMMUNICATIONS DEPARTMENT for the department's use of 2,001 square feet of furnished floor space (Rooms 250, 251 and 254) in the 1978 southeast addition at the rate of \$5.50 per square foot per year for a total annual rent of \$11,005.50, commencing July 1, 1988; (b) UNIVERSITY BOOK STORE for the bookstore's use of 20,000 square feet in the ground floor and basement of the 1972 southeast addition to the union at a rate of \$6.50 per square foot per year and 3,575 square feet of storage space on the second floor of the 1978 southeast addition at a rate of \$3.75 per square foot per year for a total annual rent of \$143,406.24, effective July 1, 1988; (c) ISU ACHIEVEMENT FOUNDATION for the Foundation's use of 6,675 square feet of finished space, including the Alumni Suite, in the 1978 southeast addition and Rooms 214 and 258 which contain 1,302 square feet of finished space at \$5.50 per square foot per year, and 1,912 square feet of storage space at \$3.65 per square foot per year for a total annual rent of \$50,846.80, effective July 1, 1988; (d) UNIVERSITY COPY CENTER for the Center's use of 1,400 square feet of floor space in the basement games area at a rate of \$2.35 per square foot per year for a total annual rent of \$3,290, effective July 1, 1987; (e) OFFICE OF ADMISSIONS for Admissions's use of 1,242 square feet of space (Room 252) at \$2.75 per square foot per year and 240 square feet of finished space (Room 253) at \$5.00 per square foot per year in the 1978 southeast addition to the union for a total annual rent of \$4,615.50, effective July 1, 1988; and (f) ADMINISTRATIVE DATA PROCESSING for their use of 325 square feet of finished office space at \$8.25 per square foot per year for a total annual rent of \$3,135, effective July 1, 1988.

The leases represent renewals of existing arrangements between the university and the Memorial Union for certain university activities which are housed in the Union.

The rental rates are proposed with increases ranging from 4.76 percent to zero percent for certain spaces.

The leases are for one year with the exception of the Admissions Office which requires thirty days' notice for termination.

The university reported that it does not have space for these operations in university buildings. The university reported the rental rates to be fair and equitable for the space rented.

President Pomerantz asked for clarification of the book store arrangement. Vice President Madden stated the book store is operated as a unit of the university. The profits stay within the university.

MOTION:

Regent VanEkeren moved to approve Memoranda of Agreement with the Iowa State Memorial Union for the university's use of space for (a) TELECOMMUNICATIONS DEPARTMENT; (b) UNIVERSITY BOOK STORE; (c) ISU ACHIEVEMENT FOUNDATION; (d) UNIVERSITY COPY CENTER; (e) OFFICE OF ADMISSIONS; and (f) ADMINISTRATIVE DATA PROCESSING. Regent Greig seconded the motion, and upon the roll being called, the following voted:
AYE: Duchen, Fitzgibbon, Greig, Harris, Pomerantz, Tyler, VanEkeren, VanGilst, Williams.
NAY: None.
ABSENT: None.

CITY OF AMES - TRAFFIC SIGNAL CONTROL CABLE EASEMENT. The Board Office recommended the Board approve the proposed easement between the City of Ames and the State Board of Regents for a traffic control cable at the intersection of Lincoln Way and Beech Avenue at the northwest corner of the Iowa State Center.

The City of Ames requested permission to install a traffic signal control cable at the intersection of Lincoln Way and Beech Avenue. The proposed site would cover a strip of land approximately 25 feet wide by 120 feet in length owned by the university.

The easement would allow the City of Ames the right to construct, reconstruct, operate, maintain and repair a traffic signal control cable and any related equipment. The easement would allow direct access by the City of Ames over a route designated by Iowa State University officials.

The university has reserved the right to use the land identified as the easement for whatever purposes needed. The university has also reserved the right to require the City to relocate their facilities and easement, should the university need to develop the area for other purposes.

A review of the agreement confirms that it contains the proper safeguards for the interests of the university in terms of liability. Approval by the Executive Council will be requested.

MOTION:

Regent Greig moved to approve the proposed easement between the City of Ames and the State Board of Regents for a traffic control cable at the intersection of Lincoln Way and Beech Avenue at the northwest corner of the Iowa State Center. Regent Williams seconded

the motion, and upon the roll being called,
the following voted:

AYE: Duchen, Fitzgibbon, Greig, Harris,
Pomerantz, Tyler, VanEkeren, VanGilst,
Williams.

NAY: None.

ABSENT: None.

1988-89 BUDGET - PRELIMINARY. The Board Office recommended the Board (1) approve the Iowa State University general university preliminary operating budget for fiscal year 1989 of \$189,826,166, (2) approve the Iowa State University Agriculture and Home Economics Experiment Station preliminary operating budget for fiscal year 1989 of \$18,194,503, (3) approve the Iowa State University Cooperative Extension preliminary operating budget for fiscal year 1989 of \$22,087,122, (4) approve all preliminary budgets subject to the Board's decisions on salary policy in another general docket, and (5) request the university to provide an oral report to the Board on its salary policies, use of additional appropriations income, significant reallocations and overall program emphasis.

The proposed General University Operating Budget of \$189,826,166 for fiscal year 1989 represents an increase of 9.9 percent over the fiscal year 1988 operating budget.

The university anticipates a 10 percent salary adjustment for faculty. This will be accomplished through a combination of state appropriations, tuition revenue and internal reallocation.

The university appropriation for fiscal year 1989 included \$2 million in funding for construction of livestock units for research and \$1 million in funding for the purchase of Agronomy Building equipment.

The state appropriation is \$124,287,166 and represents 65 percent of total revenues for the General University.

The proposed preliminary operating budget for the Agricultural and Home Economic Experiment Station for fiscal year 1989 is \$18,194,503. This is 6.9 percent above their fiscal year 1988 revised budget.

The preliminary operating budget for the Cooperative Extension Service for fiscal year 1989 is \$22,087,122. This is an increase of 13.6 percent over the revised fiscal year 1988 budget.

Vice President Madden stated this has been one of their more difficult budget years. In terms of the revenue impacts at Iowa State University, he said there has been a \$2.9 million reduction in tuition revenues due to the reduction in the number of resident and non-resident students. University officials are projecting enrollments will also be down for the coming year.

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They are trying to manage that enrollment decline more effectively. In regard to salaries, he said that based on the current year Iowa State University faculty salaries have reached 98 percent of the average of their peer institutions. He said a 10 percent faculty salary increase next fiscal year should be better than the others, which are expected to be in the 5-6 percent range. For the Professional and Scientific salaries university officials have allocated a 7 percent increase. The Professional and Scientific employees will probably get an actual increase of up to 7.5 percent which is the same as the other Regent universities. For graduate students stipends rates university officials are working on an average salary increase of 10 percent. He said students have been pursuing increasing the university minimum wage to \$4.40 per hour. Their current internal policy is \$3.50 per hour. The federal minimum wage is \$3.30 per hour. From a budgetary aspect university officials don't think they can afford to do it. He noted that there is federal legislation pending in that area although university officials are not recommending a change.

Vice President Madden stated health insurance rates are going up because of changes in medical technology. The main health facility used by university employees is initiating substantial rate increases. In the utility area they will be opening several new buildings in the coming year including the new computation building. There will be debt service on the revenue bonds for the fluidized bed boiler. Fuel costs continue to be a concern. There is \$135,000 in increased cost for the unwashed Iowa coal. In terms of program changes large colleges are experiencing enrollment declines. \$165,000 has been allocated for minority student recruitment. The Ag Experiment Station has particular needs for equipment. The extension service budget is almost all for salaries.

Regent VanGilst referred to the \$250,000 budget for the water resources research which is to be funded with both groundwater and lottery funds, and asked how much would be provided from each source.

Assistant to Vice President Pickett responded that \$150,000 is from lottery funds and \$100,000 from groundwater funds.

MOTION:

Regent Harris moved to (1) approve the Iowa State University general university preliminary operating budget for fiscal year 1989 of \$189,826,166, (2) approve the Iowa State University Agriculture and Home Economics Experiment Station preliminary operating budget for fiscal year 1989 of \$18,194,503, (3) approve the Iowa State University Cooperative Extension preliminary operating budget for fiscal year 1989 of \$22,087,122, and (4) approve all preliminary budgets subject to the Board's decisions on

salary policy in another general docket.
Regent Fitzgibbon seconded the motion, and
it carried unanimously.

AMES LAB LAND LEASE. The Board Office recommended that the Board approve a modification of the lease with the federal government for the Ames Laboratory which will result in the deletion of 36,608 square feet of land from the present lease and substitute for it 32,032 square feet of other land as described in the university's exhibit.

The university desires to delete a parcel of land of 36,608 square feet, used as a parking lot by the Ames Laboratory, from its lease with the federal government and substitute for it a parcel of land of 32,032 square feet.

The university needs the land released as a part of the construction site of the molecular biology building.

The federal government has agreed to the substitution. Cost of development of parking facilities for the Ames Laboratory on the new parcel of land will be charged to the molecular biology building.

MOTION:

Regent Harris moved to approve a modification of the lease with the federal government for the Ames Laboratory which will result in the deletion of 36,608 square feet of land from the present lease and substitute for it 32,032 square feet of other land as described in the university's exhibit. Regent Williams seconded the motion, and upon the roll being called, the following voted:

AYE: Duchen, Fitzgibbon, Greig, Harris, Pomerantz, Tyler, VanEkeren, VanGilst, Williams.

NAY: None.

ABSENT: None.

REPORT ON VEISHEA. The Board Office recommended that the Board receive the report of the university concerning VEISHEA for 1988 and the Ames Community disorders of May 5-7, 1988

The university reported that Veishea attracts a large number of young people to the Ames community to see what the university has to offer. This year the student-produced and student-managed event was accompanied by disorder within the Ames community.

Approximately three years ago an organized and sanctioned event held on Ash Avenue, near the campus, ended with some disturbance which first raised the

concerns about control. As a result the city developed certain ordinances concerning noise and registration at large events. At the same time the university was adjusting to changes in the age for consuming alcoholic beverage and the Ames police have been functioning under more stringent policies regarding the enforcement of state and local liquor laws. These changes appear to have moved some of the activities of those present for Veishea into areas outside the control of the university. There is pending legal action against 45 individuals, 25 of whom are students.

The university has taken a number of actions as a result of the disorders including initiating a review of the Veishea activities, disciplinary action has been begun against certain of the students involved in the disorders, State alcohol policies are being reviewed for possible recommendations for revision, student leaders are being considered for training in crowd control, the actions of other institutions with similar events are being studied, the types of events approved for Veishea is being reviewed, and a joint city/university/student committee may be reformed to develop appropriate policies and procedures for large crowd gatherings.

Vice President Madden stated the campus itself was not the focus of this activity. He said a committee has been appointed to study large group gatherings in the community. One of the causes of this incident may involve some of the state's liquor regulations. One action the university may take would be to adjust the university calendar to reduce the number of class days students are off for Veishea. He said there is a disciplinary process for those students identified as being involved. There was much cooperation between the city and the university. They dealt with what could have been a very difficult situation. The effort to follow up on the incident is moving along and university officials will keep the Board posted.

Regent Tyler asked to make it a matter of record that he would take a very dim view of charges being dismissed and failure to follow through on discipline of those involved.

Vice President Madden stated this incident raised a question about the procedures for large crowd dispersal which were in effect in the late-1960's and the need to update those procedures.

Regent Greig stated it was unfortunate these things had to happen. He said he thought the whole situation was well handled by the city and the university and that they did a good job of not letting it get any more out of hand than it was.

Regent VanGilst expressed concern that those who are responsible should receive adequate discipline. He asked if there were any way that the people involved could be responsible for paying the \$40,000 damage that was done.

Vice President Madden stated there has been a fund established by the people of Ames.

Regent Harris stated this was not an organized effort to create havoc but rather was a crowd that got out of control. He asked that the city, the university and the student body with the support of the Board do their best to have the students understand that the Board doesn't want this to happen again. He added that he was very pleased that President Eaton said that Veishea will continue.

Regent VanEkeren stated she had spoken with students about the incident. Many students felt like they couldn't do anything to stop it. She said the great majority of students are very ashamed and very upset.

Assistant to the President Crawford said he did not believe that the university would be dismissing any of the charges, for those charges they felt were valid. He said everyone is working through the judicial process. He felt that the way the arrests were handled may mean a difficult time for the university in the judiciary process.

President Pomerantz stated he felt the Board considered the activity of the people involved as reprehensible. He felt assured that the university administration would do whatever necessary to ensure, to the best of their ability, that this does not happen again.

Vice President McCandless noted that about half of those people arrested were not associated with the university.

ACTION: President Pomerantz stated the Board received the report on Veishea by general consent.

President Pomerantz then asked Board members and institutional executives if there were additional items 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 25, 1988.

REGISTER OF PERSONNEL CHANGES. The Board Office recommended the Board approve the register for the month of April 1988.

ACTION: President Pomerantz stated the Board approved the Register of Personnel Changes for the month of April 1988 as a consent item.

OTHER PERSONNEL TRANSACTIONS. The Board Office requested that the Board approve the appointment of a) WINSTON BURT as Director, Affirmative Action Program, effective June 13, 1988, as an annual appointment pursuant to the university's policies and procedures for professional-scientific employees, at an annual salary of \$45,100; b) DAVID K. ELSE as Associate Professor with tenure in the Department of Teaching and Head of the Department of Teaching and Director of Malcolm Price Laboratory School, effective fall semester 1988, and serving as Head and Director at the pleasure of the university president, at an academic year salary for 1988-89 of \$48,000; c) JOHN W. JOHNSON as Professor with tenure in the Department of History and Head of the Department of History, effective fall semester 1988 and serving as Head at the pleasure of the university president, at an academic year salary for 1988-89 of \$42,000; d) JONATHAN LU as Professor and Acting Head of the Department of Geography for the 1988-89 academic year only, salary as budgeted; and e) DHIRENDRA K. VAJPEYI as Head of the Department of Political Science, serving at the pleasure of the university president, and Professor of Political Science, effective fall semester 1988, salary as budgeted.

MOTION: Regent Harris moved to approve the requested appointments. Regent Williams seconded the motion, and it carried unanimously.

UNIVERSITY CALENDAR HOLIDAYS. The Board Office recommended that the Board approve the university's holiday calendar for 1990, as presented.

The State's collective bargaining agreements which apply to certain university employees require nine enumerated holidays (New Years Day, Memorial Day, Martin Luther King Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, the Friday after Thanksgiving Day, and Christmas Day), and two holidays accrued as vacation. The agreements provide that the Regents may substitute two holidays which they designate for Martin Luther King Day and Veterans Day. This arrangement was negotiated to insure that university calendars for instruction did not have to be extended. The

university recommended that Monday, December 24, and Monday, December 31, 1990, be the two substituted holidays.

ACTION: President Pomerantz stated the Board approved the university's holiday calendar for 1990, as presented, by general consent.

REPORT OF THE BACHELOR OF SCIENCE IN NURSING DEGREE PROGRAM FEASIBILITY STUDY COMMITTEE. The Board Office recommended the Board (1) receive the report of the University of Northern Iowa Bachelor of Science in Nursing Degree feasibility study committee and (2) defer further action or further planning until the study of the organizational audit on program duplication is completed.

In September 1986, the University of Northern Iowa included in its appropriations request for "Improvement of Educational Quality" a request for \$150,000 for a Bachelor of Science in Nursing Degree Program. At that time the university's request was for \$150,000 for the fourth year of the degree program with the assumption of the continuation of the Allen Hospital School for Nursing. Since the Board had not had an opportunity to review a proposal for a nursing program along these lines, the Board asked that a study be undertaken of the need for such a program in Iowa. Subsequently, three prominent persons in the field of nursing were hired as consultants to prepare a report to the Board of Regents.

In June 1987, the three outside consultants presented their findings to the Board of Regents. Specifically the findings of the consultants were:

1. The proposal for development of a baccalaureate program in nursing prepared for the University of Northern Iowa by Allen Memorial Hospital and presented to the Iowa Board of Regents should not be approved for reasons stated in the consultants' critique.
2. Before consideration is given in the future to proposals for new programs in baccalaureate nursing, appropriate data, some of which either appears in this report or has been recommended, should be collected and carefully analyzed to ensure that the best possible available option is chosen.
3. New baccalaureate and higher degree programs should not be started within the state without an "academic parent" and sufficient resources including facilities, credentialed faculty, a "critical mass" of students and sufficient funds to ensure fiscal viability and attainment of an accredited status.
4. Based upon data available to date, the consultants express the following collective opinions regarding the priority order in which nursing educational activities should be pursued:

- A. It is imperative that immediate steps be taken, within the established and recognized nursing higher education system within the state, to make educational provision(s) for the large number of registered nurses located in northeast Iowa who wish to seek a baccalaureate degree in nursing.
 - a. In view of the fact that the University of Iowa's satellite program is under utilized, it seems imperative that careful consideration be given to the currently-used teaching modality and the possibility of using other approaches that may be more attractive to those individuals in the northeast Iowa area who are interested in pursuing a baccalaureate degree in nursing.
 - b. Financial assistance should be provided in instances where cost prohibits those with academic potential from completing a baccalaureate degree in nursing.
 - c. Students with academic potential who are located in close proximity to accredited private baccalaureate nursing programs should be considered for state educational stipends.
- B. Prospective RN students in the northeast Iowa area, whose interest has been stimulated through survey questionnaires and discussions of a new local baccalaureate nursing program, should be informed regarding the currently-available options for acquiring a baccalaureate degree in nursing from a fully-accredited program.
- C. Within the next 5 years, UNI, in maximizing service to the citizens of northeast Iowa, should take definitive steps to determine the feasibility of initiating a baccalaureate nursing program that accepts both generic and RN students.
- D. Ongoing study by the State Wide Planning Group should provide predictive findings necessary in making determinations regarding the number and location of nursing educational programs at all levels needed to adequately meet the nursing needs of the citizens of Iowa.

After hearing the consultant's report, the Board recommended that "the University of Northern Iowa, in consultation with the University of Iowa Department of Nursing and the medical community in Northeast Iowa, take definitive steps toward initiating the Bachelor of Science in Nursing Degree, accepting both generic and associate degrees, and that it be dedicated to excellence." The motion was carried unanimously.

The University of Northern Iowa, in following up on the Board's recommendation, established a feasibility study committee. The report before the Board was the report of this feasibility study committee. The following is a summary of the report:

The committee identified three prerequisite factors which it felt needed to be addressed before it could proceed with the task of assessing the feasibility of establishing a BSN degree program at the University of Northern Iowa. These prerequisite factors included: (1) public access to opportunities for higher education, (2) the trends in nursing education toward greater requirements for further education, and (3) the achievement of an accreditable baccalaureate nursing program. The committee concluded that "an accreditable generic nursing degree, with a Registered Nurse completion option, housed within and fully under the direction of the University of Northern Iowa was both appropriate and essential to achieve the desired outcome of educational excellence." The committee also concluded that a commitment requirement for establishing the Baccalaureate in Nursing Degree program at Northern Iowa was an appropriately "phased closure" of the diploma nursing program at Allen Memorial Hospital.

Next, the committee addressed the six major criteria of the National League for Nursing (NLN): (1) structure and governance; (2) material resources; (3) policies; (4) faculty; (5) curriculum; and (6) evaluation.

With respect to the NLN accreditation criterion on structure, it was the committee's judgment that in order to meet these requirements, a BSN degree program at the University of Northern Iowa should be constituted as a newly-created baccalaureate major within a newly created academic Department of Nursing located within the existing collegiate structure of the University of Northern Iowa. Specifically, they are recommending the formation of a Department of Nursing, administered by an appropriately-qualified department head within the College of Social and Behavioral Sciences. These arrangements will help ensure that this accreditation criterion will be met.

The criterion for material resources is the focus of a major problem with respect to achieving accreditation. It is the judgment of the committee that the University of Northern Iowa "does not now have the material resources needed to support an accreditable baccalaureate in nursing degree program. Consequently, the university will need an infusion of new dollars to fund this program." This requirement will be for recurring dollars to support the hiring of twelve full-time equivalent faculty and two clerical staff to staff a program of approximately 50 students in a generic degree program. This would require approximately \$600,000 in recurring funds and \$250,000 start-up funds (\$50,000 in equipment and \$150,000 for library-related purchases).

With respect to the criterion for policies, the committee is confident of their ready satisfaction.

With the assistance of an outside consultant, the committee concluded that for an estimated annual class size of 50, the nursing program would require approximately 12 FTE faculty. Such faculty if placed within the new Department of Nursing in the College of Social and Behavioral Sciences and the appointment of an appropriate department head would meet the accreditation criteria with respect to faculty.

While it was recognized by the committee that the curriculum criteria could not be fully met until a faculty was in place and assisted in developing the appropriate curriculum, a preliminary program based on a class size of 50 for a generic Bachelor of Science Nursing program was developed which appears to meet the requirements of the NLN.

It appears that the criterion of evaluation could be met by the procedures already operating in the College of Social and Behavioral Sciences. This assumes that there is an ongoing systematic program review process in place that reviews programs in addition to any accreditation that might take place.

The committee concludes its report with a proposed schedule for program implementation. This schedule of implementation, however, depends on the formal approval of the program by the Board of Regents in the summer of 1988 and the assurance by the Board of the availability of necessary resources.

The study by the three outside consultants and the feasibility study by the University of Northern Iowa now before the Board have greatly clarified and improved the proposal for a BS degree program in Nursing. It appears that the initial proposal from the University of Northern Iowa for funds for improving educational quality in the amount of \$150,000 as well as the program initially envisioned were unrealistic. The amount of funds initially requested were far less than what is now needed to implement a fully-accredited quality program. This demonstrates the wisdom of the Board's decision for the further study of this matter.

President Curris stated he was a little disappointed in the recommendation of the Board Office staff that it did not recommend "going the extra distance needed to go" by including additional planning. He hoped the Board might take that additional step. During this last year the Iowa Board of Nursing issued its statewide plan for nursing. He said one thing that struck him in that report was a study regarding the education of nurses in Iowa and what the factors were that influenced where they went to school. He called the Board's attention to an article in the Des Moines Register concerning nursing needs in the state. He reiterated that he didn't believe they ought to further delay planning for a nursing program in northeast Iowa.

Mr. Sanders stated that Dean Deegan and the committee should be commended for their efforts. He said that over the last two years the University of Northern Iowa student senate has passed resolutions indicating their support for a future nursing degree program at the university. He referred to the Des Moines Register article that showed the high demand for nursing. He noted that the University of Northern Iowa student body is made up one-third by non-traditional students. It is not easy for those students to pack up and go to another institution to study nursing. He urged the Board to follow President Curris' recommendation.

Jane Hasek, vice president of Allen Memorial Hospital, stated the basic purpose of this program was to establish a B.A. nursing program in northeast Iowa. She said four diploma nursing schools in Iowa have closed in the last few years. The Iowa Board of Nursing proposal to require an M.A. degree to teach in schools of nursing will further impact on the nursing profession. She addressed the Board's concern about duplication. Iowa has one public education nursing program. There is only one other state in the nation that offers only one public education nursing program. She addressed the issue of cost by stating that there is money coming available at the federal and state level as well as private support for a program. She asked the Board to allow the University of Northern Iowa to proceed with planning for a B.A. in nursing program and for an opportunity to work together to put the resources together. She shared with the Board communications from Jim Lawrence, president of the Waterloo Chamber of Commerce, and the full board of Allen Memorial Hospital in support of the proposed nursing program at the University of Northern Iowa.

MOTION:

Regent Williams moved to (1) receive the report of the University of Northern Iowa Bachelor of Science in Nursing Degree feasibility study committee and (2) defer further action or further planning until the study of the organizational audit on program duplication is completed. Regent Greig seconded the motion, and it carried with Regent VanGilst voting "no".

Regent Harris stated that he personally felt that a nursing program would strengthen the university. He said he felt that Allen Memorial Hospital should pursue their nursing program. He said if that does happen it doesn't mean the university could not initiate its effort again.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office recommended the Board approve the capital register.

In March the Board authorized the university to proceed with project planning on the Bender Hall remodeling project. The project involves window

replacements and heating, ventilation and air conditioning improvements. At that time the construction was estimated to be approximately \$1 million. The university now recommended the following project budget:

Bender Hall Project Budget

Contracts and Purchase Orders	\$1,100,000
Consultant and Design Services	120,000
UNI Plant Services	5,000
Contingencies	<u>100,000</u>
TOTAL	\$1,325,000

Source of Funds: Residence System Improvement Funds

This project will replace windows on floors 2-12 with new, energy-efficient windows. The university reported that substantial heating, ventilation and air conditioning improvements will be installed. The existing window system is energy inefficient and deteriorated due to age and the introduction of moisture caused by negative air pressure within the building. The negative air pressure problem is to be corrected through heating, ventilation and air conditioning improvements.

Bender Hall is a 13-story structure with 109,000 square feet. The hall was constructed in 1969 and houses 606 students.

* * * * *

The university proposed a \$14,000 increase in the Campus/Redeker Street reconstruction project. The revised project budget is shown below.

Campus/Redeker Street Project Budget

Contracts and Purchase Orders	\$165,654
Consultant and Design Services	19,823
Contingencies	<u>8,523</u>
TOTAL	\$194,000

Source of Funds: 1988 State Parks/Institutional Roads Funds

The university requested a \$14,000 budget increase on this project and the ratification of the construction contract award to Cunningham Construction Company, Cedar Falls, Iowa. This project is being completed in combination with the condensate pipe replacement underneath Campus Street, which is budgeted at \$45,000. The increased projected budget is due to additional project construction inspection requirements imposed by the Department of Transportation and higher than anticipated construction bids.

* * * * *

The university solicited bids on the \$11.1 million Boiler Replacement Project earlier this year. The low bidder, Pyropower Corporation, has a bid commitment that will expire prior to June 30, 1988. The Department of Management has indicated it would likely be June 30 before it could provide any assurances that appropriate funds would be available for this project. The university and its consultant, Sega, Inc., have been discussing extension of the Pyropower Corporation bid through June 30. The university was requested to review with the Board the results of these discussions and the options available at this time.

Vice President Conner stated the bids for the boiler are under evaluation and discussions are continuing to take place. The language in the bid document is presently being reviewed by the Attorney General's Office. He stated it was important to remember that the bids are valid until June 17. The university's need at this time is to continue to work with the Board Office. He said university officials were originally told the funds would be provided in sufficient time to meet the schedule.

Director True stated the Department of Management believes it will be the end of June before funding is certain.

Vice President Conner stated the process of working on the boiler project goes back a long time. There was discussion about the need to continue with the planning. The decision was that they would proceed up to the point of awarding the contract. He didn't believe they were in violation of any of the policies of the Board.

Mr. Richey stated it was the Board Office perception that planning was going on but they were never under the impression the university would advertise for bids. The Board Office records don't show any authority to advertise for bids.

President Curris stated the Board authorized the university to proceed on the project in September which included tearing down the old power plant. He said everything is consistent with the Board's capital policy. Letters were sent to the Board Office stating university officials were proceeding with the bid opening. He said the key point is the effort was made to follow through on the September meeting. He personally encouraged his people to move as quickly as possible. Bids have to be awarded for the boiler and peripheral equipment. He said it was unfortunate if there had been any misunderstanding but they thought they were doing exactly what they were authorized to do in September.

President Pomerantz asked that in the future they make sure the coordination is better. He suggested university officials could negotiate with the

successful bidder to see if they will extend the time. He said another option was to go to the Governor and the Department of Management to see if they can certify the funds earlier than June 30. If they can't get the extension or the funds then he said they will have to rebid.

MOTION: Regent Fitzgibbon moved to authorize university officials to negotiate with Pyropower Corporation for an extension of a minimum of 30 days on the contract for the \$11.1 million Boiler Replacement Project, and that the Board executive secretary work with the Department of Management and the Governor's Office to determine if funds can be certified for this project prior to June 30, 1988. Regent VanGilst seconded the motion, and it carried unanimously.

Regent Fitzgibbon added that it was his intent that Regent Tyler's committee on capital procedures also be consulted on this item.

MOTION: Regent Williams moved to approve the capital register. Regent VanGilst seconded the motion, and it carried unanimously.

PRELIMINARY BUDGET, 1988-89. The Board Office recommended the Board (1) approve fiscal year 1989 preliminary general fund budget of \$65,789,165 for the University of Northern Iowa as conditioned by the Board's decisions on salary policy in another general docket and (2) request the university to provide an oral report to the Board on its salary policies, use of additional appropriations income, significant reallocations and overall program emphasis.

The university of Northern Iowa proposed a budget for fiscal year 1989 of \$65,789,165. This is an increase of 8.3 percent, or \$5,037,522 from the fiscal year 1988 budget.

Approximately 90 percent of all increased funding received will be allotted to salaries.

Nonsalary expenditures for the University of Northern Iowa are budgeted to increase by \$488,987. More than half of this increase is for student financial aid to offset the impact of increased tuition rates.

Ninety-nine percent of the \$5 million in increased revenue is from state appropriations and student tuition revenue increases.

The legislature appropriated \$11.1 million for the construction of a power plant addition at the University of Northern Iowa. These funds are

appropriated from any funds in the state treasury in excess of the fiscal year 1988 ending balance of \$61.7 million. It will likely be June 30 before anything definite is known with regard to the availability of this appropriation.

President Curris stated the most significant area of change dealt with salaries. University officials are using some of the equity funds appropriated by the General Assembly for salaries. Approximately \$200,000 will be used to fund new faculty positions. In addition, approximately 10 full-time equivalent temporary positions are being converted to permanent positions. General education program changes include changes to increase the number of required hours from 42 to 48 hours and to reduce the amount of elective courses to implement that program and shift resources into the academic area. He said university officials have tried to put dollars where they anticipate the needs will be, recognizing that as students go through orientation this summer their areas of interest may change. In addition to those additional faculty positions there has also been internal reallocation on the campus to create the internal auditor position and to put additional resources into data processing and student financial aid. In the area of supplies and services they increased financial aid in the student aid set aside program. There has been a minor adjustment in the equipment line item. He said the last area of increase is library books.

Mr. Richey stated that with respect to funds for the legislatively-authorized Center for Early Childhood Development it appears that the Board should settle that issue rather quickly so the program can get underway. It should be done by July at the latest. He said the Board's action on this item should be to set aside that issue for the moment and to proceed with the Interinstitutional Committee to research that issue and bring it back to the Board with a recommended course of action.

MOTION:

Regent Tyler moved to approve fiscal year 1989 preliminary general fund budget of \$65,789,165 for the University of Northern Iowa as conditioned by the Board's decisions on salary policy in another general docket. Regent Williams seconded the motion, and it carried unanimously.

STUDENT ACTIVITY FEES. The Board Office recommended the Board (1) approve the university's proposed student activity fee allocations for 1988-89, including the summer session 1988, and (2) request the university review with the Board plans for supporting additional capital construction with the student activity fee building fund.

The proposed aggregate increase in student activity fees for the 1988-89 year is 6.8 percent. Reduced enrollment projections for the new year account for

the difference between the rate of increase in fees and the fee revenues available for allocation.

The student activity fee budget is estimated at \$1,374,516 for the 1988-89 period. This compares to \$1,320,412 for the current year, or an increase of 4.1 percent.

There are four major increases in individual allocations reported, including a 12.0 percent increase for fine arts/culture, a 20.0 percent increase for intercollegiate academics, a 25.0 percent increase for the building fund for building a wellness/recreation facility, and a 33.3 percent increase for campus recreation.

The largest fee remains for intercollegiate athletics and is expected to generate \$377,000. In percentage terms, this fee is substantially higher than the intercollegiate athletics fee at Iowa State University. The University of Iowa has no student activity fee for intercollegiate athletics.

Vice President Follon stated the process for determining student activity fees usually starts with discussions with students in February. The student body presidents change in April so university officials have two different students to work with. She usually initiates the discussion by asking for any input they might want to give. At that point university officials make some recommendations.

David Sanders, president of the University of Northern Iowa student government, stated that as an elected official he felt he had a responsibility to convey some of the feelings and sentiments of the students. He said the process of determining student fees is not a negotiation process. They did discuss some items but found it very difficult to get any feedback. Students are concerned about the increase in intercollegiate athletics, the increase in fine arts and clerical, and the student activity building account. His desire was for the Board to be aware of students' concerns.

MOTION:

Regent VanGilst moved to (1) approve the university's proposed student activity fee allocations for 1988-89, including the summer session 1988, and (2) request the university review with the Board plans for supporting additional capital construction with the student activity fee building fund. Regent Harris seconded the motion, and it carried unanimously.

Regent Williams asked if the process will be the same next year. Vice President Follon said that every year it's a little different depending on the student election process. She tries to start the process in February.

In April when the new student officers are elected, it is a very short time before student activity fees must be finalized.

President Pomerantz asked if those funds are used primarily for student activities. Vice President Follon responded that they were.

Regent Harris asked if the fee allows for free admission to athletics for students. President Curris responded that students have to pay but they pay a decreased amount.

TENANT PROPERTY RENTALS, 1988-89. The Board Office recommended that the Board approve the schedule of rental fees proposed by the university for the Board's tenant property at the university.

The structures covered by the university's proposed rental schedule have been acquired by the Board to accommodate the long-range plans of the university. The long-range plans call for removal of the structures and the use of the resulting space in ways more directly related to university purposes. The two properties, 1203 and 1209 West 23rd Street, are occupied by a sorority and a fraternity.

It was recommended that the rental rates be increased from the present \$500 per month to \$515 per month. This increase of \$15 per month represents a 3.0 percent increase which the university considers appropriate based on the approved rental increases for residence halls and university apartments, the market value for local rentals, the cost of operations for the university, and the CPI increase for the North Central Region for 1987 which was approximately 3 percent.

MOTION:

Regent VanGilst moved to approve the schedule of rental fees proposed by the university for the Board's tenant property at the university. Regent Williams seconded the motion, and upon the roll being called, the following voted:

AYE: Duchen, Fitzgibbon, Greig, Harris, Pomerantz, Tyler, VanEkeren, VanGilst, Williams.

NAY: None.

ABSENT: None.

HANDICAPPED PARKING VIOLATION FEE INCREASE. The Board Office recommended that the Board approve a fee of \$25 for violation of the section of the Motor Vehicle and Bicycle Regulations pertaining to unauthorized parking in a handicapped parking space.

The Governor signed into law a requirement that the penalty for unauthorized parking in a handicapped parking space be \$25. The university sought to be

in compliance with the new law. This action will change the fee for the violation from \$15 to \$25.

ACTION: President Pomerantz stated the Board approved a fee of \$25 for violation of the section of the Motor Vehicle and Bicycle Regulations pertaining to unauthorized parking in a handicapped parking space as a consent item.

SUPPLEMENT TO COLLECTIVE BARGAINING AGREEMENT, FY 1989. The Board Office recommended that the Board ratify the Memorandum of Understanding between the Board and the University of Northern Iowa - United Faculty providing for a supplemental salary increase for faculty vitality for 1988-89.

The Board's collective bargaining agreement for 1987-89 with the faculty at the University of Northern Iowa provided for an average salary increase for unit faculty of 6.24 percent for 1988-89. The Board's negotiating team composed of James G. Martin, Vice-President and Provost of the university, and Charles Wright, Regents Director of Personnel and Employment Relations, have concluded negotiations with the University of Northern Iowa - United Faculty as directed by the Board. The Memorandum of Understanding which was negotiated provides for the distribution of an additional 3.76 percent of salary increase money to the faculty for 1988-89 for an average salary increase of 10 percent for the year.

Of the new monies distributed pursuant to the memorandum, 1.22 percent will be distributed as awards for teaching excellence, as provided by the Governor and the General Assembly; 1.27 percent will be distributed for individual adjustments based on meritorious performance, marketplace adjustments, and promotions; and 1.27 percent will be distributed according to the three usual factors for salary increases contained in the collective bargaining agreement. None of the new money will be distributed to the Minimum Salary Guideline of the bargaining agreement.

ACTION: President Pomerantz stated the Board, by general consent, ratified the Memorandum of Understanding between the Board and the University of Northern Iowa - United Faculty providing for a supplemental salary increase for faculty vitality for 1988-89.

President Pomerantz then asked Board members and institutional executives if there were additional items for discussion pertaining to the University of Northern Iowa. There were none.

IOWA SCHOOL FOR THE DEAF

The following business pertaining to Iowa School for the Deaf was transacted on Wednesday, May 25, 1988.

RATIFICATION OF ACTIONS REPORTED IN THE REGISTER OF PERSONNEL CHANGES FOR THE MONTH OF APRIL 1988. The Board Office recommended the Board approve the register for the month of April 1988.

ACTION: President Pomerantz stated the Board approved the Register of Personnel Changes for the month of April 1988 as a consent item.

APPROVAL OF APPOINTMENT - DIRECTOR OF BUSINESS OPERATIONS. The Board Office recommended that the Board approve the appointment of TRACY BAER as Director of Business Operations at an annual salary of \$31,000, effective June 6, 1988, and serving at the pleasure of the superintendent.

Superintendent Johnson stated they received 101 applications for this position. School officials received the assistance of University of Northern Iowa personnel in interviewing the applicants. He said their assistance was invaluable. It was the interview team's unanimous recommendation to hire Tracy Baer for this position.

MOTION: Regent Williams moved to approve the appointment of TRACY BAER as Director of Business Operations at an annual salary of \$31,000, effective June 6, 1988, and serving at the pleasure of the superintendent. Regent Harris seconded the motion, and it carried unanimously.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS FOR THE MONTH OF APRIL 1988. The Board Office recommended the Board receive the report.

The school was requested to provide an oral report to the Board on the \$138,000 Boys Dormitory remodeling and several other small building repair projects being accomplished with funds reallocated from salary and utility savings.

Superintendent Johnson stated the drywall and painting of the first floor of the boys dormitory has begun. The project should be completed by July 1. He noted that the project is coming in within the budget request. School officials plan to undertake several other projects including work on the roof

of the elementary school building and the girls dormitory. They have also addressed all of the State Fire Marshal's citations.

ACTION: President Pomerantz stated the Board received the report by general consent.

APPROVAL OF PRELIMINARY BUDGET FOR GENERAL PROGRAM OPERATION, FY 1989. The Board Office recommended the Board (1) approve a fiscal year 1989 preliminary budget of \$5,357,534 for the Iowa School for the Deaf, (2) allocate to the school its prorata share of the appropriation to the Department of Education for special school faculty salary increases, \$65,464, and (3) approve a personal vehicle transportation reimbursement rate for parents and guardians of the Iowa School for the Deaf at 21 cents per mile for fiscal year 1989.

The Iowa School for the Deaf proposed a budget for fiscal year 1989 of \$5,357,534. This is an increase of 4.5 percent, or \$228,714 from the revised fiscal year 1988 budget.

All new funding in fiscal year 1989 will be expended for salaries.

The school's preliminary budget underfunds the salary categories and will need to reallocate funds or reduce the full-time equivalent positions to meet Regent salary policy. The school was requested to work with the Board Office in more specific plans on how this will be accomplished prior to the consideration of final budgets by the Board.

Appropriations are over 98 percent of expected revenue for fiscal year 1989. Appropriations are expected to increase by \$228,714 and are the only budgeted revenue source increase.

Mr. Kuehnhold expressed concern regarding health and dental insurance costs and annualization costs.

MOTION: Regent Fitzgibbon moved to (1) approve a fiscal year 1989 preliminary budget of \$5,357,534 for the Iowa School for the Deaf, (2) allocate to the school its prorata share of the appropriation to the Department of Education for special school faculty salary increases, \$65,464, and (3) approve a personal vehicle transportation reimbursement rate for parents and guardians of the Iowa School for the Deaf at 21 cents per mile for fiscal year 1989. Regent Williams seconded the motion, and it carried unanimously.

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President Pomerantz then asked Board members and institutional executives if there were additional items for discussion pertaining to the Iowa School for the Deaf. There were none.

IOWA BRAILLE AND SIGHT SAVING SCHOOL

The following business pertaining to Iowa Braille and Sight Saving School was transacted on Wednesday, May 25, 1988.

RATIFICATION OF ACTIONS REPORTED IN THE REGISTER OF PERSONNEL CHANGES FOR MARCH 20 TO APRIL 30, 1988. The Board Office recommended the Board approve the register for the period March 20 through April 30, 1988.

ACTION: President Pomerantz stated the Board approved the Register of Personnel Changes for the period March 20 through April 30, 1988, as a consent item.

IBSSS STUDENT ATTENDANCE POLICY. The Board Office recommended the Board approve the attendance policy for the Iowa Braille and Sight Saving School.

The student attendance policy proposed was reviewed by appropriate officials in the State Department of Education and by the Iowa Braille and Sight Saving School Advisory Committee.

The policy is based on the philosophy that in order to receive maximum benefit from the instructional program, and to develop habits of punctuality, self discipline and responsibility, a student must attend the educational program on a regular basis. The proposed policy outlines this philosophy and prescribes procedures for attendance, regulations for absences, provisions for make-up work, review of absences, and the granting of high school credit. Also included is a policy regarding students who become ill while in class and student tardiness.

Superintendent Thurman stated that one of the critical issues facing any residential school is attendance. He said that in a residential school where the students are transported every two weeks missing Monday often means missing ten days in a row. School officials have written a very comprehensive policy for the school and the parents to follow.

MOTION: Regent Williams moved to approve the Attendance Policy for the Iowa Braille and Sight Saving School. Regent Harris seconded the motion, and it carried unanimously.

STUDENT/STAFF RELATIONS POLICY. The Board Office recommended that the Board approve the school's policy on student/staff relations, as presented.

Superintendent Thurman has been reviewing school policies as requested by the Board. The superintendent believes this policy is necessary to insure that

all staff maintain strictly professional relations with students in a supportive context. The policy prohibits the staff --

1. Providing students with alcohol, drugs, or other dangerous items prohibited by school rules or law at any time.
2. (Developing) any relationship based on physical, sexual or romantic attraction.
3. Encouraging or condoning students to violate school rules or law or to be insubordinate to staff.
4. Showing favoritism or giving inappropriate attention to a student in or outside the school setting.
5. (Developing) an inappropriate relationship which promotes or encourages an undesirable emotional dependency on the staff member by the student.

Violations of the policy would be handled through the established disciplinary procedures of the school.

The Board Office recommended that the underscored language be added to the policy so that it is clear that the school does not have to have a specific rule on every item which could be considered an offense under state and federal law.

Superintendent Thurman stated it is important for employees to maintain a very strong supportive attitude for the students without becoming overly emotionally involved.

Regent Harris questioned whether the policy was telling the young adult students what they can and cannot do in terms of romantic relationships.

Vice President Small stated the University of Iowa prohibits relationships for teachers with students for whom they have academic responsibility.

Superintendent Thurman clarified that they do not intend to breach anyone's freedom.

MOTION: Regent Harris moved to approve the school's policy on student/staff relations, as presented. Regent Williams seconded the motion, and it carried unanimously.

SUMMER SCHOOL APPLICANT. The Board Office recommended the Board approve a tuition rate of \$77 a day, for a total of \$1,000, for out-of-state students attending the Iowa Braille and Sight Saving School summer school.

The Board has previously approved a summer school program for the Iowa Braille and Sight Saving School. An applicant for this program is a student from out-of-state. In accordance with Chapter 269.1 of the Code of Iowa the Board has responsibility for setting tuition for out-of-state students to attend the school. After a review of the costs for attending the school as an out-of-state student, the school has determined that a tuition rate of \$77 per day for a total of \$1,000 for the 13 days of the school's second summer session (July 24-August 5, 1988) is required.

MOTION: Regent Harris moved to approve a tuition rate of \$77 a day, for a total of \$1,000, for out-of-state students attending the Iowa Braille and Sight Saving School summer school. Regent Williams seconded the motion, and it carried unanimously.

REGISTER OF CAPITAL IMPROVEMENTS BUSINESS TRANSACTIONS - NONE. The Board Office noted there were no transactions this month.

ACTION: President Pomerantz stated the capital register was received as a consent item.

PROFESSIONAL SERVICES AGREEMENT - DR. SHERMAN ANTHONY. The Board Office recommended that the Board approve a contract for professional services with Dr. Sherman Anthony for the 1988-89 school year to provide medical services to the school and the students for a fee of \$1,800 plus a fee of \$20 per student examined or administered service.

At its meeting of April 1987 the Board directed the superintendent to review the medical services at the school to determine if timely medical services could be provided through University Hospitals and Clinics in Iowa City and to report to the Board in the Spring of 1988 the superintendent's recommendation for medical services for the school and its students. The superintendent and Board Office secured the services of Dr. Alfred Healy, Professor of Pediatrics, University Hospitals and Clinics, to conduct the review.

Dr. Healy reported orally to the superintendent and Board Office that the use of physicians in the Vinton community is appropriate for the medical services provided to the school and its students and that University Hospitals and Clinics would not be an appropriate provider on a daily basis. Additional written recommendations are expected from Dr. Healy in the next month which will address coordination issues in medical services.

The proposed contract is in the same form as previous contracts with Dr. Anthony. It provides that Dr. Anthony will review student files, consult with staff employed by the school, provide inservice instruction, provide an

annual written evaluation of the school's Health Center function, provide an annual written evaluation of the school's registered nurse, provide weekly visits to the school by Dr. Anthony or a designated clinic physician to provide medical services to students, and provide coordination with other school personnel concerning information about medical services received by each student during away-from-school periods for a fee of \$1,800. This is the same fee charged for this service last year.

Dr. Anthony's fee for individual services for a student, either at the school or the Vinton Clinic, is proposed to go from \$18 per instance to \$20 per instance. This individual services fee was proposed for increase for 1987-88. However, Dr. Anthony agreed to leave it at \$18 for 1987-88. The increase to \$20 will represent an increase of 11.1 percent in a two-year period. This increase was considered reasonable for the time period.

The school reported that for 1986-87, the last year for which complete information is available, the cost of the individual services component of the contract was \$1,558. This sum represents a 22.4 percent increase over 1985-86 for this component of the contract. Between the two fiscal years the charge for individual services increased from \$16 per instance to \$18 per instance. For the current school year (1987-88) the year-to-date cost for this component, with only two weeks of school left, is \$630. The school indicated the reduction, anticipated to be about 55 percent, is the result of a change in the billing procedures at the Virginia Gay Hospital in Vinton. Previously the school was billed for all student visits. Now the hospital determines if parents of children have health insurance that covers the children. If they do, the hospital bills the insurance company first and the school pays only portions not covered by the insurance.

All doctors practicing in Vinton practice in one clinic as a group. Hence, if Dr. Anthony is not available on an occasion, another clinic physician will attend to a student from the school.

MOTION:

Regent Harris moved to approve a contract for professional services with Dr. Sherman Anthony for the 1988-89 school year to provide medical services to the school and the students for a fee of \$1,800 plus a fee of \$20 per student examined or administered service. Regent Greig seconded the motion.

Regent Harris asked whether the charge was the same if Dr. Anthony had to come to the school. Superintendent Thurman responded that it was.

VOTE ON THE MOTION:

The motion carried with Regents Tyler and VanEkeren voting "no".

BUDGETS. (a) Budget Ceiling Adjustment, FY'88 and (b) Preliminary Operating Budget, FY'89. The Board Office recommended the Board (1) approve a fiscal year 1989 preliminary budget of \$3,089,562 for the Iowa Braille and Sight Saving School, (2) allocate to the school its prorata share of the appropriation to the Department of Education for special school faculty salary increases, \$29,136, (3) approve a budget ceiling increase of \$10,000 for fiscal year 1988, and (4) approve a personal vehicle transportation reimbursement rate for parents and guardians of the Iowa Braille and Sight Saving School at 21 cents per mile for fiscal year 1989.

The Iowa Braille and Sight Saving School proposed a budget for fiscal year 1989 of \$3,089,562. This is an increase of 4.4 percent, or \$130,795 from the fiscal year 1988 budget.

The school preliminary budget has an increase of \$243,694 for salary expenditures.

The school requested a \$10,000 budget ceiling adjustment. The school anticipates increased reimbursements from large print production and for state vision consultant activity.

The non-salary expenditures budgeted for fiscal year 1989 are expected to be reduced by \$112,899 from the revised fiscal year 1988 budget. A large portion of this is coming from building repair reductions. Substantial building repairs are being accomplished with fiscal year 1988 funds which should offset fiscal year 1989 needs. Reallocation to building repairs will be necessary if unanticipated building needs arise.

Appropriations are over 90 percent of all school revenue. The appropriated funds are expected to increase by \$83,688, or 3 percent this fiscal year. All other sources of revenue are expected to increase by \$47,100.

Superintendent Thurman stated he was concerned about rising dental and health insurance costs. He said programmatic changes were reflected in this budget due to the administrative restructuring the Board approved. Allan Koenig has submitted his resignation. Superintendent Thurman said he will be difficult to replace. The budget will be tighter next year. He referred to the Board Office comment that the General Service staff salaries at Iowa Braille and Sight Saving School are the largest budget expenditure component comprising over 43 percent. He said the school has a very high dormitory student to staff ratio. He felt that was necessary because two-thirds of the children's day is spent in the dormitory environment.

MOTION:

Regent Williams moved to (1) approve a fiscal year 1989 preliminary budget of \$3,089,562 for the Iowa Braille and Sight Saving School, (2) allocate to the school its prorata share of the appropriation to

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the Department of Education for special school faculty salary increases, \$29,136, (3) approve a budget ceiling increase of \$10,000 for fiscal year 1988, and (4) approve a personal vehicle transportation reimbursement rate for parents and guardians of the Iowa Braille and Sight Saving School at 21 cents per mile for fiscal year 1989. Regent Duchen seconded the motion, and it carried unanimously.

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

EXECUTIVE SESSION. President Pomerantz requested the Board enter into closed session to conduct a confidential evaluation pursuant to Code of Iowa section 21.5 (1)(i) as requested by a person.

MOTION:

Regent VanEkeren moved to enter into executive session. Regent Williams seconded the motion, and upon the roll being called, the following voted:
AYE: Duchen, Fitzgibbon, Greig, Harris, Pomerantz, Tyler, VanEkeren, VanGilst, Williams.
NAY: None.
ABSENT: None.

The Board having voted at least two-thirds majority resolved to meet in executive session beginning at 6:45 p.m. on May 25, 1988, and arose therefrom at 8:45 p.m. on that same date.

ADJOURNMENT. The meeting of the State Board of Regents adjourned at 6:40 p.m., on Wednesday, May 25, 1988.


R. Wayne Richey
Executive Secretary