The State Board of Regents met at Iowa State University, Ames, Iowa on Thursday and Friday, October 14-15, 1976. Those present were:

**Members of State Board of Regents:**
- Mrs. Petersen, President
- Mr. Bailey
- Mr. Baldridge
- Mr. Barber
- Mr. Brownlee
- Mrs. Collison
- Mr. Shaw
- Mr. Slife
- Mr. Zumbach

**Office of State Board of Regents:**
- Executive Secretary Richey
- Mr. Abel
- Mr. Caldwell
- Mr. Barak
- Mr. McMurray
- Mrs. Mininger
- Mr. Wolf
- Pauline K. Van Ryswyk, Secretary

**State University of Iowa:**
- President Boyd
- Vice President Brodbeck
- Vice President Hubbard
- Vice President Jolliffe
- Assistant Vice President Small
- Assistant Dean Jennings
- Director Hawkins
- Director Tobin
- Exe. 2:00 p.m.

**Iowa State University:**
- President Parks
- Vice President Christensen
- Vice President Hamilton
- Vice President Moore
- Assistant Vice President Madden
- Assistant to President Walsh
- Director Pace
- Director Whitman
- Arr. 10:15 a.m.
- Exe. 10:40 a.m.

**University of Northern Iowa:**
- President Kamerick
- Provost Martin
- Vice President Hansmeier
- Vice President Stansbury
- Vice President Voldseth
- Assistant Vice President Walton
- Director Kelly
- Dean Travis
- Arr. 10:15 a.m.
- Exe. 10:40 a.m.

**Iowa School for the Deaf:**
- Superintendent Giangreco
- Business Manager Kuehnhold
- Exe. 10:40 a.m.

**Iowa Braille and Sight Saving School:**
- Superintendent Woodcock
- Business Manager Berry
- Exe. 10:40 a.m. 162
The following business pertaining to general or miscellaneous items was transacted on Thursday, October 14, 1976.

APPROVAL OF MINUTES OF SEPTEMBER 16-17, 1976 MEETING. Approval of the minutes was deferred until tomorrow.

APPROVAL OF MINUTES OF SEMINAR AT UNIVERSITY OF NORTHERN IOWA, JUNE 25, 1976. The minutes of the meeting were approved as distributed.

COMMITTEE ON EDUCATIONAL COORDINATION.
A. Annual Report of Coordinating Council for Foreign Studies. The board was requested to: 1) accept the annual report of the Interinstitutional Coordinating Council for Foreign Studies for 1975-76, and 2) approve the changes in organization and responsibilities for the Interinstitutional Coordinating Council for Foreign Studies.

The Board Office reported that the annual report contained a restatement of the Interinstitutional Coordinating Council for Foreign Studies' role and responsibilities which have been approved by the Interinstitutional Committee on Educational Coordination. The following roles and responsibilities were proposed:

1. Monitor and coordinate all existing regental study-abroad programs.

2. Stimulate new programs on a regental basis, especially in non-language areas.

3. Coordinate the flow of information regarding all international activities of the three universities.

4. Coordinate certain activities as related to on-campus international academic programs (when specifically assigned by the Interinstitutional Committee on Educational Coordination).

The council reported that the general effect of the proposed changes in membership and responsibilities follows:

1. Membership on the council changes from one member from each Regents university to members on the staffs of offices in Regents institutions which are focal points for international activity and members of campus policy committees for study-abroad programs.

2. Emphasis of concern shifts somewhat from a dual concern with international aspects of on-campus programs and study-abroad programs to a more concentrated concern
with study-abroad programs. On-campus international academic programs will be considered only when specifically assigned by the Interinstitutional Committee on Educational Coordination.

Vice President Christensen said he feels the Council on Foreign Studies has done a superb job this past year of working to make it possible for students at the three Regents institutions and students in other colleges in the state to participate in foreign programs. The Board Office also congratulated the council for its efforts in coordinating and reviewing the international programs of the various institutions. It added that the guidelines the council is developing should be of considerable assistance in carrying out its responsibilities.

Regent Bailey asked for clarification regarding the size of the Interinstitutional Council on Foreign Studies. He asked if the proposal by the council would increase its size. In response, Vice President Christensen said the proposal would actually decrease the size of the council rather than increase it. He said it would include three persons on the basic council as compared to six or seven. He said he felt the smaller number would make the council more effective. One person from each university would compose the basic council.

A second concern raised by Regent Bailey involved coordination of on-campus and off-campus foreign studies programs. Vice President Christensen said the three universities are working with the individuals involved in off-campus education as well as those on-campus. There is increased coordination among the international studies programs and the foreign study programs.

Regent Collison complimented the council with respect to its proposed guidelines especially in the area of student/faculty ratio. She said it has always been a concern to have the appropriate procedures for accounting for money and equipment in such programs.

President Petersen asked how many students are interested in the foreign studies program as compared to past interest. Vice President Christensen noted that there are more programs being referred to in addition to the foreign studies program. He said interest is clearly increasing.

MOTION: Mrs. Collison moved the board: 1) accept the annual report of the Interinstitutional Coordinating Council for Foreign Studies for 1975-76, and 2) approve the changes in organization and responsibilities for the Interinstitutional Coordinating Council for Foreign Studies. Mr. Bailey seconded the motion and it passed unanimously.

B. Faculty Activity Analysis. The Board Office recommended that the Interinstitutional Committee on Educational Coordination, in cooperation with the Board Office, resolve the matter of faculty work load data and report back to the board at the November meeting.

The board was reminded that at the April 1976 meeting it approved a general approach to the collecting of faculty activity data. The Interinstitutional
Educational Coordination Committee, in cooperation with the Board Office, was to work out uniform procedures to be used in the collection of the faculty activity data. These procedures were to include a system whereby a statistically reliable sampling method would be used at all three institutions. The Committee on Educational Coordination was to report back to the board regarding these uniform procedures at the May meeting.

Five months have now gone by and the board still has not received a report on the development of uniform procedures. The Board Office stated that the University of Iowa has begun to collect faculty activity data based upon the proposed guidelines and it is essential that all three institutions agree upon the methods and procedures that are to be used so the board will have uniform information on the faculty at all three institutions. In addition, the collection of this faculty work load information is important to insure that appropriate data is available for use in a number of other regental projects, such as the cost studies and the facilities planning model.

President Boyd noted that the State University of Iowa had no choice in this matter as it is not just the question of the Board of Regents, it involves the federal government.

Vice President Christensen said the Interinstitutional Committee on Educational Coordination should be able to report back to the board by the November meeting.

IOWA COORDINATING COUNCIL FOR POST HIGH SCHOOL EDUCATION MEETING. The board was presented a brief summary of the major activities which took place at the October 7th meeting.

Regent Zumbach brought up discussion relating to the summary of the report of the Committee to Examine the Need for Control on Out-of-State Institutions Offering Programs in Iowa. He noted that the committee has reviewed the proposed model consumer protection legislation of the Education Commission of the States. The committee also reviewed various abuses which have been noted by the Attorney General's Office and these, combined with the experience of the committee members, lead them to the conclusion that existing legislation leaves substantial unregulated areas for potential abuse. The committee also concluded that the abuses may be sufficient to warrant the Coordinating Council to: 1) request the General Assembly to create a study committee to delve into the problem in more detail than is possible for the present committee. Since the problem involves more interests than those represented on the present committee, the study committee should include purveyors and consumers of Higher Education as advisors and resource persons to the legislators, together with an Attorney General's representative; 2) recommend that if a regulatory agency is found necessary, a separate agency be created; 3) expand beyond the original charge of the committee to study regulation of out-of-state institutions to include regulation of in-state institutions as part of the legislative objective. Regent Zumbach said there was a great deal of disagreement and concern about the above recommendations. He noted that the Coordinating Council decided that this matter needs further study and will be discussed at some length during a future meeting of the council.

President Petersen expressed concern about another body being instituted for certification purposes in Iowa. She said she understands this is
still in the discussion stage and will be discussed at a later meeting of the Coordinating Council. Concern was also voiced by several other Regents. Mr. Richey recommended that a mechanism for licensing and approval of out-of-state institutions be considered as part of the board's legislative program. Regent Bailey and Mr. Richey stated the Board of Regents and the area schools now have joint approval of state postsecondary education schools. Mr. Richey said that it may well be that with modest change, the board could carry out the function with perhaps little revision in its present mechanisms. He said the federal government, through the United States Office of Education, is pushing very hard for national legislation on licensing and approval of postsecondary education. There may be a major push next session for special legislation. He said the board is already doing a lot of the work and perhaps through appropriate advisory mechanisms and with statutory authority could expand its role to meet the needs of the state in this area.

ENROLLMENT REPORT - FALL, 1976. The board was presented with a report on enrollment. The Board Office indicated that the large increases experienced by all three institutions last year have tapered off, as shown in the fall 1976 enrollment figures, and in the case of the University of Iowa there has been a slight reduction in actual enrollment. At the University of Iowa the total headcount enrollment decreased from 22,512 (fall of 1975) to 22,393 (fall of 1976), a decrease of 119 students. Iowa State University experienced a headcount increase of 626 students over the fall of 1975. The University of Northern Iowa continued the increase it showed last year by registering a headcount enrollment increase of 412 students or 4.4%. It was noted, however, that the increase for the University of Northern Iowa in terms of both actual numbers and percent of increase was somewhat lower than last year's increase and adds credence to the belief that enrollments at the Regents institutions are beginning to level off, a view which is supported both by institutional enrollment projections as well as national enrollment projections.

Full-time equivalent enrollment increased at the University of Northern Iowa and Iowa State University while it decreased at the State University of Iowa, as reviewed by the Board Office. It was noted that the increases were of a smaller magnitude than were the headcount increases at the two institutions, while the decrease at the State University of Iowa was of a greater magnitude than was the headcount enrollment decrease. This would seem to support the view that an increasing percentage of all three institutions' enrollments is made up of students taking less than a full-time load. For the first time in a number of years, the full-time equivalent enrollment at all three institutions is less than the headcount enrollment at these schools.

Both the Iowa School for the Deaf and the Iowa Braille and Sight Saving School showed a slight decline in enrollment since last year. The Board Office reported that while it is too early to draw conclusions from those figures, one perhaps could infer that this decline may be a result of the concept of "mainstreaming" by which certain marginally handicapped students who might, in earlier times, have been enrolled in these schools, now are educated in local secondary schools. If this, in fact, is the case, one could expect that enrollments at the two institutions will continue to show modest declines for the next few years as the area education agencies begin to function to their full capacity. In addition, it is not unreasonable to expect that the makeup of the enrollments at the two
institutions will also change as they are called upon to serve multiply-
handicapped students to a greater extent than presently is the case.
There may be some evidence of this with respect to Iowa Braille and Sight
Saving School when one notices that it has an increase in its deaf-blind
enrollment.

Regent Zumbach said he noticed that some enrollment figures fell far
below some of the projections. He said he also noticed that some people
were signed up to come to the institution and decided not to come just
prior to the beginning of classes. He asked for clarification on that.
President Parks responded on the situation at Iowa State University by
saying it is very, very difficult to predict enrollment there because of
the very tough housing situation. He said the university predicted an
increase of 800 students and had an increase of 629 students this past
year. He said the university is comfortable with its prediction. He
expressed disagreement with the Board Office's comments in the memorandum
presented the board referring to "leveling off." He claimed that was an
overgeneralized statement. He said that next year the housing situation
at Iowa State will be much better and said he sees no indication of any
lack of demand. Regent Baldridge said he felt the housing situation deterred
students from attending Iowa State University.

President Kamerick commented that the University of Northern Iowa predicted
an increase of 381 students this past year and had an increase of 412
students in terms of headcount enrollment. He said the senior class at
the university is lower in number than the senior class last year. He
said that with the enormous increase in transfer students, he was very
uncertain to say that enrollment was leveling off. He said that while
he didn't want to predict enrollment will go up again, he said there are
many signs that say it will rise.

Mr. Richey said he didn't feel the institutions were so far off from
their headcount enrollment estimates but said the full-time equivalent
count was not up to expectations made by the universities due to more
part-time students. President Parks responded by saying he would hate
to say that enrollments are decreasing simply based on a "trend" of one
year. Mr. Richey said the Board Office calculated its statements in view
of the major increase in enrollment growth of 6% which occurred last year
and which had declined to a 1.7% increase this year. The Board Office
also noted that in every case, female enrollment as a percentage of the
total institutional populations has continued the increase which had been
noted over the previous years.

Regent Bailey asked about the lessening full-time equivalent figures for
the universities and asked if that is attributable to full-time students
taking smaller course loads or whether it is attributable to more part-
time students. In response, President Parks noted the financial difficulties
some full-time students have which forces them to become part-time students,
instead. He noted that Iowa State, as well as the University of Iowa, is
offering more opportunities for part-time students with Saturday and
evening class availability.

Vice President Martin noted that all three universities have made a
deliberate effort to get education off the campus. He said a couple of
years ago the University of Northern Iowa's extension enrollment went up
about 300 and the university has made a concerted effort to take courses
off the campus for those persons. He added that there is some income
from the extension program but there is also a substantial subsidy involved. Mr. Richey said more detail regarding this matter will be brought to the board next month. He added that enrollment projections for the next ten years will come to the board next month as well as the annual Cox Report which has all enrollments for postsecondary education in Iowa.

President Kamerick stated that the Cox Report does not report enrollments the same way for all institutions. He said the reporting mechanism used for the Regents institutions is different than it is for the other schools in Iowa. The reason for the difference is that extension and correspondent program enrollment is not included in the Regent institution enrollment figures.

Regent Zumbach said he noticed the graduate school enrollment went up by over 200 students at Iowa State University. He commented that over 100 of those were Ph.D. students. He asked if there was any concern about the quality of instruction in view of the sizable increase. President Parks said he hoped there is concern at all times that there be quality instruction provided at the Regents' institutions. He noted that while the figures Regent Zumbach reported were pretty significant increases in graduate work, he had no knowledge that it represented a lowering of standards in any way. He noted, however, that it is something that must be watched. He said that in terms of graduate and undergraduate mix, Iowa State University is still on the light side for its graduate enrollment as compared to undergraduate enrollment.

REASSESSMENT VISIT TO IOWA BRAILLE AND SIGHT SAVING SCHOOL BY NATIONAL ACCREDITATION COUNCIL. The board was requested to accept the reassessment report by the National Accreditation Council of the Iowa Braille and Sight Saving School.

The Board Office reported that the reassessment visit to Iowa Braille and Sight Saving School was undertaken from May 23 until May 26, 1976. The reassessment team used several methods to carry out its reassessment including first-hand observation of activities in the classroom and elsewhere, discussion with members of the staff and review of written records, curriculum guides, manuals and policy statements. The team conferred with students, parents, alumni, representatives of consumer groups, as well as staff members from other key organizations.

The team found that considerable changes had taken place since the first National Accreditation Council on-site review in 1971. It pointed out notable improvements in the safety, utility and attractiveness of buildings. The team noted the increase of multi-handicapped students which has had and may be expected to continue to have an important impact on the nature of the education and services provided by the school. The team also noted the agreement formally defining the role of the residential school in relation to local school programs for blind and visually handicapped children throughout the state. This agreement referred to the agreement which was informally approved by the State Board of Public Instruction and the State Board of Regents.

The Board Office reported that it appeared that the reassessment visit by the National Accreditation Council for Agencies Serving the Blind and
Visually Handicapped was a very thorough and effective evaluation of the Iowa Braille and Sight Saving School program. The Board Office congratulated the school for the overall favorable report on its operations.

Superintendent Woodcock reported that the official notice of reaccreditation should be forthcoming from the National Accreditation Council in December.

Regent Collison said she felt the guidelines set out by the National Accreditation Council were very good and recommended they be used as a tool for further reviews. Superintendent Woodcock said the school presents the board with annual progress reports regarding the school which will update those guidelines set out by the council.

In absence of objections, President Petersen accepted the reassessment report on behalf of the board.

CONTINUATION OF ACCREDITATION OF THE IOWA STATE UNIVERSITY DOCTORAL TRAINING PROGRAM IN COUNSELING PSYCHOLOGY. The board was requested to accept the report by the American Psychological Association consenting to the continuation of accreditation of the Iowa State University doctoral training program in Counseling Psychology.

The Board Office reported that on August 26, 1976, the American Psychological Association notified President Parks that the Committee on Accreditation had voted to continue the doctoral training program in Counseling Psychology at Iowa State University on full approval status. This action was taken after review of the 1974-75 annual report on the program and other information submitted in the past. The program will appear on a list of accredited programs to be published in the forthcoming issue of the American Psychologist.

Vice President Christensen noted that this accreditation visit wasn't as extensive as the normal types. He said the university was very pleased that the program was accredited in that form.

MOTION: Mrs. Collison moved the board accept the report by the American Psychological Association consenting to the continuation of accreditation of the Iowa State University doctoral training program in Counseling Psychology. Mr. Bailey seconded the motion and it passed unanimously.

IOWA STATE UNIVERSITY RESEARCH FOUNDATION, INC., REPORT. The board was presented a 1975-76 report of the Iowa State University Research Foundation, Inc., providing an overview of the foundation's activities this past year. Statistics and brief summaries were provided for the major areas of activity including licensing, patent income, copyright income and grants. Information was also provided regarding relevant litigation and taxes. Relevant information was also provided regarding U.S. Government Patent Policy, a patent reform bill, copyright reform bill and investments.
Regent Bailey commented with respect to the fact that the grants-in-aid to the university amounted to $49,074, which brings total grants to the university during the life of the Research Foundation to $2.7 million. He asked if the foundation is continuing to give that amount of grants-in-aid even though the amount may be unwarranted. He asked if the university was providing the money out of cumulated resources rather than current income. President Parks responded affirmatively to Regent Bailey's questions.

Regent Bailey noted the proposed budget for the foundation for 1976-77 and said he assumed there would be substantial expense to outside patent attorneys' involvement. He said that while it may be covered under application expense, it's still a substantial item. He asked for further information on those costs and President Parks said he would report to Regent Bailey with more information at a later date. He added that most of the patent work is done by outside counsel.

MOTION: Mr. Bailey moved the board accept the Iowa State University Research Foundation, Inc., report. Mrs. Collison seconded the motion and it passed unanimously.

MERIT SYSTEM EMPLOYMENT REGISTERS. The board was presented a report on the effect of the merging of the original entry and promotional employment lists. It was noted that the Regents Merit Rules were revised in February of 1976 to require this merging.

The Board Office reported that under the revised procedure, permanent employees who take examinations for promotion to a higher level class have five points added to their score. They are then ranked on one list with the outside or original entry applicants on the basis of their total score plus the five points, and the top five applicants on the combined list, or the top 10% if there are more than 50 applicants on the list, are then eligible for certification and appointment. The revision did not affect or alter the merit rule provision for non-competitive promotion. Under that rule, 3.101(5), a department could and can still promote an employee to fill a vacancy in that department as long as the employee has passed the appropriate examination, without reference to the standing or ranking of his or her score in relation to others who have taken the examination.

The Board Office stated that when the board approved the merger of the two registers, it expressed concern about the effect of the change on two aspects of the employment function, affirmative action and promotion from within, and asked for a report on operations after the new rule had been in effect for six months. In accordance with EEO guidelines, employment goals set forth in affirmative action plans are based in part on the percent of minority population in the employer's labor market. A table was presented showing that the percent of minorities hired during the period of time in question exceeded the percent of minorities in the labor market of each of the universities. A second table showed that in the clerical and secretarial classes, where there was substantial employment activity over the six month period, 68% of the vacancies were filled by promotion from within.

The Board Office commented that the certification and employment of better qualified applicants, from within or from outside, is made possible
under the revised rules. In addition, the Board Office said it appears that progress is being made in affirmative action and that a reasonable policy of promotion from within is being followed.

Regent Baldridge noted that he had asked for this report and said he was satisfied that it is working rather well. Regent Baldridge admitted his reservations six months ago centered around the possibility of shutting off employment opportunities from within. Regent Collison said she was pleased, also, to see that the merger has worked out as well as the report seemed to show in view of the fact there have been attacks on affirmative action. She spoke in favor of affirmative action and said this is one way the board can help.

President Boyd requested that an annual report on the merit department operation and the merged registers be prepared on a continuing basis. Mr. Richey said that will be done.

**REVISION IN THE MERIT SYSTEM ELECTROENCEPHALOGRAPHIC (EEG) CLASS SERIES.**

The board was requested to approve rescission of the EEG Technician I and II in pay grades 104 and 106, and reestablish the class of EEG Technician I in pay grade 105.

The Board Office reported that there currently are effective three classes in the EEG series, in pay grades 105, 108, and 112. Some months ago, prior to the issuance of a state policy prohibiting new classes, the board approved an expansion of the series to five levels in pay grades 104, 106, 108, 110 and 113. The five-level series was recommended to meet needs resulting from an expansion of the EEG function and an administrative reorganization in University Hospital operations, and was approved by the State Merit Employment Commission. However, at a recent meeting of the Executive Council, the State Comptroller's Office objected to the proposal and recommended that the present three-level series be retained. The Executive Council deferred action on the matter and asked for further review by the Regents' Merit Director and the State Director of Employment Relations. The action recommended by the Board Office would affect a change from the present three levels (and the proposed five-level series) to four levels of EEG classes.

Mr. Richey noted that the present proposal has been discussed with the University of Iowa personnel and hospital staff and will meet, at least temporarily, the operating needs of the hospital. If approved by the board, he said he expects the Executive Council to accept it when the matter is discussed next Monday.

Assistant Vice President Small concurred with Mr. Richey's statement in that the proposal may not be a permanent solution. She said it may be necessary to review this matter again.

**MOTION:**

Mr. Baldridge moved the board approve rescission of the EEG Technician I and II in pay grades 104 and 106, and reestablish the class of EEG Technician I in pay grade 105. Mr. Zumbach seconded the motion.
Regent Slife asked if the state just has a "flat policy" against expansion of classes. Mr. Richey said Regent Slife's assumption was correct. He said the board has to operate the institutions and also has to cope with that policy. He said it is a large hurdle to cross.

Regent Collison said she feels the board needs to preserve its right to make new classifications or abrogate its responsibility in the field of health sciences. She said there are many new expanding opportunities for people and said it's the board's job to go into those areas and provide training for persons who want to enter the services for humanity. She said it is an actual "feeding back" into society's needs. She said she feels the board has a strong defense in that it must educate the people who go to the Regents' universities. She said the board must preserve the right to be flexible. Regent Collison added that this will not be the last revision presented to the board. Assistant Vice President Small concurred and noted the expansion in the University Hospitals. She said there are standards being imposed by outside organizations on some classifications in the hospitals. She said if elaborate negotiations would be necessary every time a change was requested, it would seriously impair the hospital.

Regent Collison added she hopes that if there is any further trouble in this area that the board should be appraised immediately. She said the board can't afford "to be hamstrung in its efforts for creating those opportunities for people."

**VOTE ON MOTION:** The motion passed unanimously.

**PROPOSED TUITION RATES FOR 1977-79 BIENNIAL.** The board was requested to approve the tuition rates as proposed below for the 1977-79 biennium effective fall, 1977:

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<th>1977-79</th>
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Iowa State University
Non-Resident Students
Undergraduate 1,530 1,701
Graduate 1,650 1,818
Veterinary Medicine 2,169 2,499

University of Northern Iowa
Resident Students
Undergraduate 630 705
Graduate 660 726
Non-Resident Students
Undergraduate 1,200 1,350
Graduate 1,380 1,518

The Board Office reported that the board, at its September 1976 meeting, continued tuition policies which had originally been put into effect for the 1975-77 biennium. These policies will be in effect for the coming 1977-79 biennium. The tuition rate recommendations of the Board Office were felt to be consistent with those policies.

The Board Office noted that the initial consideration with respect to the tuition rates at the three Regents universities concerned the question of whether these rates should be raised or should remain at their present level. Mr. Richey reported that the Board Office undertook a study to determine whether present tuition levels were sufficient or whether they should be raised. The Board Office came to the conclusion that tuition rates needed to be raised approximately 10%, an effective increase of 6.5% per year in terms of revenue produced. Among those factors which the board, by its policy guidelines, had indicated that it wished to be taken into consideration in any determination of appropriation tuition rates were the following: inflation, comparison with tuition rates charged by institutions in the 11-state area, cost of instruction, and other appropriate information. All of the above factors were taken into consideration during the Board Office's deliberations concerning possible revisions to the present tuition rates.

When the board set the present tuition rates, the general assumption was made that inflation would approximate 12.4% to 16.6% over the two-year period of the biennium. Thus, the board increased most tuition rates by 10% at the beginning of the 1975-77 biennium. This increase yielded the same income that would have been generated had the 1974-75 tuition been increased by 6.5% per year. Recent data seems to indicate that the Higher Education Price Index for the nation as a whole will rise 13.2% over this same period. The tuition increase which the board approved for the current biennium will almost exactly cover inflation increases as measured by that index. It was noted that projections of future economic trends are risky, at best, but the Board Office has studied available national data and has come to the conclusion that inflation, as measured by increases in the Consumer Price Index and the Wholesale Price Index will be approximately 12% to 13% over the period of the 1977-79 biennium. If this is the case, then a 10% increase to the current Regent tuitions to go into effect in the fall of 1977 would be appropriate.
It was pointed out that with the exception of the professional fields, the percent of the cost of instruction covered by tuition has declined in every case—since 1970-71. Part of the reason for this decline probably can be attributed to increases in quality of programs at the institutions which have resulted in cost increases above and beyond those incurred due to inflation. A 10% increase in tuition for the 1977-79 biennium would not take into account any costs engendered through an attempt to improve quality of instruction, but would cover only those increased costs which are expected due to inflation.

The Board Office noted that another area to be considered by the board involved the burden assumed by the student through tuition versus the burden assumed by the people of Iowa through state appropriations to the Regents institutions. Through observations made by the Board Office, it was determined that while tuition income has matched state appropriations with respect to percent of increase over the longer period 1968-69 to 1976-77, it has not done so over the last biennium. This would seem to be further indication that a tuition adjustment is appropriate for the coming biennium.

The growth of family income versus increases in tuition was another factor considered by the Board Office prior to its recommendation for the increase. It was noted that increases in tuition have somewhat exceeded, in terms of percent of increase, the rise in median family income. It was stressed, however, that this median family income has been derived from national data and therefore is not particularly appropriate to the state of Iowa. It was included simply to give the board some idea of the trend in this area.

National studies which have attempted to determine the result of tuition increases upon student enrollment were also considered by the Board Office. It was concluded by the Board Office that increases in tuition of the magnitude recommended will have negligible effect upon enrollment at the three Regents universities.

The Board Office reported that a report released in April of this year by the College Scholarship Service indicated that the average tuition for undergraduate residents at a four-year public university was $621. This tuition compared with $682 for the University of Iowa, $660 for Iowa State University, and $630 at the University of Northern Iowa. The study also showed that tuitions for undergraduate residents of four-year public universities have risen by 57.2% for the period 1970-71 to 1976-77. Tuitions at Regents universities have risen by only 10% in the case of the State University of Iowa and Iowa State University and 5% in the case of the University of Northern Iowa. There was, however, a significant increase in undergraduate tuitions in 1969-70 for the three Regents universities which meant that the percent increase in undergraduate resident tuition at the Regents universities since 1969 is approximately similar to the increases experienced on a national level.

It was stated by the Board Office that the proposed tuition rates would yield increased revenues to the general fund of approximately $4,700,000 in each year of the biennium over receipts which could be anticipated were the tuitions to remain as they currently are. These increases take into account reduction of tuition income due to transfers to areas such as debt service and student activities by the three institutions. The Board Office
recommended that the board set a maximum dollar figure that each institution would be allowed to transfer out of the tuition income and into these various areas. The following dollar maximums were recommended by the Board Office: State University of Iowa, $65.10; Iowa State University, $87.40; and the University of Northern Iowa $58.30. Those figures represent a 10% increase in the amount that the three institutions currently allocate to other than general fund purposes. In light of the fact that a 10% increase in tuition was proposed, the Board Office felt that no more than a 10% gross increase in allocations to these purposes was appropriate. In fact, because many of categories to which funds are allocated are fixed by bond covenant, the percent increase in monies available for the areas which are not fixed will be far in excess of 10%.

The Board Office also provided members of the board with detailed analyses as to the reasons for the increases recommended for undergraduate resident tuitions, undergraduate nonresident tuitions, graduate tuitions, professional tuitions, medical tuition, dental tuitions, veterinary medicine tuition.

The Board Office reported that the recommended tuition rates are believed to be consistent with the policies readopted by the board at its last meeting. The increase in revenue of approximately $4.7 million per year will be of significant benefit in financing the operations of the institutions during the 1977-79 biennium. The present accessibility rate of students to the universities should be maintained at all levels of student enrollment since personal income is expected to increase at least at the same average rate as has been proposed for tuition increases. The rates recognize inflation, take into account cost of instruction, and are expected to be reasonable in terms of comparable rates which are expected to be in effect at institutions in the 11-state area. The Board Office felt the proposed increases to be moderate and said they will necessitate only a moderate increase in student aid.

The effect of the proposed tuition increases upon student aid awards was also discussed by the Board Office. Student aid awards are based upon a need formula which includes expenses beyond tuition. For 1976-77 the total allowable expenses used in calculating need for an average resident undergraduate averaged about $2,500 at the Regents universities. There may also be increases in dormitory rates, which will go into effect during the next biennium. At the present time, however, the Board Office did not know what those increases would be, if there should be any. Any dormitory rate increase would be in addition to the tuition increase.

A complication was added by consideration of non-university financial aid, which is a large share of the total aid received by students. This source of aid will not automatically rise as tuition and room and board rates increase. It was anticipated that the total dollars available for aid from federal and other sources will be close to 1976-77 levels or slightly higher. The U.S. Congress has just approved legislation which would authorize extension of most existing federal student financial aid programs for three years. However, the Guaranteed Student Loan Program has been extended for five years, and the College Work Study Program has been extended for six years. Major changes in those programs include a raising of the ceiling on the Basic Opportunity Grants to students from the present $1,400 a year to $1,800, starting in the 1978-79 academic year. Another significant student aid change increases the family income
level eligible for interest subsidies on guaranteed student loans from the existing $15,000 figure to $25,000. Gradually increased will also be the authorization for funding the College Work Study Program from $450 million in fiscal 1977 to $720 million in 1982. The authorization for special programs for disadvantaged students has been raised to $200 million annually. Supplemental Opportunity Grants, the National Direct Student Loan Program and the State Student Incentive Grant Program will be continued at present levels.

The new federal legislation also raises the allowance to institutions for administering the College Work Study Program, Supplemental Opportunity Grants, and the National Direct Student Loan Program from 3%-4% of the aid they disburse, and it provides new allowances of $10 per student for the Basic Opportunity Grant and Guaranteed Student Loan Programs. The maximum amount that any institution could receive for administering the National Direct Student Loan Program is raised from $125,000 to $325,000.

The Board Office reported that in other Congressional action a bill providing for up to $250 tax credit for college expenses died in the final rush of the session due to some minor objections. However, it has been noted by several Congressional observers that the next Congress may give favorable consideration to this effort.

Another factor noted which needs to be considered in projecting student aid requirements is the rise in the cost of attending the university. Students who do not now qualify for aid on a need basis or who have managed to squeeze by without applying for aid will certainly find it necessary to obtain help. In the first instance, no aid is currently awarded to students whose calculated need is less than approximately $200 at the Regent universities. With a possible increase in room and board expenses and a $60 to $70 increase in tuition, a number of new students will automatically qualify for aid in the full amount of their need.

The Board Office also reported that the increased expenses will have some effect on prospective students (and their parents) who must weigh the comparative costs of attendance. This consideration centers on the student and parental decision of whether or not to attend college at all. The National Commission on Financing of Post-Secondary Education has estimated that for each increase of $100 in tuition, enrollment in public universities could be reduced by about 3%, unless there is an increase in student financial aid. The Board Office estimated the increased amount of aid required as a result of the tuition increase using the assistance of the College Entrance Examination Board, which has developed a computerized model for this purpose.

The Board Office reported that in reviewing the student aid budgets for 1975-76 not all of the institutions allocated all of the general expense funds intended to be used for student financial aid. The University of Northern Iowa didn’t include approximately $90,000 in its student aid funds for 1975-76 which were intended for this purpose. Both the State University of Iowa and Iowa State University have contributed at least the amount designated for student aid in their 1975-76 student aid budgets.
Mr. Richey reemphasized that the 10% increase at the beginning of the biennium yields the same revenue growth that an annual 6.5% increase would yield during the biennium. Thus, if the board raised tuition on an annual basis of 6.5% next fall and 6.5% the following fall, the yield would equal a yield resulting from a 10% increase put into effect for the first year of the biennium and held constant for the entire biennium. He said there has been some misunderstanding about these calculations. He noted that the percentages he was referencing were for the basic undergraduate resident and non-resident tuitions. The medical/health tuitions would be higher. Mr. Richey also corrected the recommended figure for the University of Northern Iowa's undergraduate resident tuition rate of $705 for the academic year to $706 for divisible purposes.

President Boyd said he does not feel it is correct to look at just tuition rates in the discussion. He pointed out that tuition is but a factor in the total cost. He noted the residence hall costs a student must also pay. He added that the inflationary factor for books has also risen.

A second point raised by President Boyd was that he is not persuaded that the advanced professional colleges should be recommended for higher tuition increases in proportion to the other colleges. He said he feels the board wants to maintain accessibility to these colleges for low income students, women, and minorities. He added that the university is trying to hold down the cost of health care and said health care students are going to encounter high costs in starting their own practices. He emphasized that students in the advanced professional colleges don't have the scheduling latitude that some other students have in that they attend school 12 months rather than nine months of the year. In that respect, they don't have the opportunity to earn money as some other students do. He also noted that professional students have trouble receiving aid due to the lack of funds being available.

President Boyd said perhaps the board should be looking at an aid factor of at least 35%. He stressed that the total cost for students must be looked into rather than just tuition costs. President Boyd began to introduce the student representatives from the State University of Iowa, but ceased so that further preliminary remarks could be made.

As further clarification to the recommendations, Mr. Richey said that in the recommended increases proposed by the Board Office it was assumed that an additional $5.90 would be available annually for student activities and other non-general education fund components for the State University of Iowa, $7.90 for Iowa State University, and $5.30 for the University of Northern Iowa. He said the Board Office did not utilize all of the tuition income which would result from the recommendation to finance the general fund. He noted that the Board Office recommended a 10% increase to the allocated portion of tuitions for the use of student activities or for other special purposes. That represents far more than a 10% increase in this category because many of the categories allocated to are fixed for bonding and so would not be raised. The Board Office also recommended that if the proposed allocation to the non-general education fund is greater than what was assumed in the recommendation, that the board consider increasing the total tuition rate recommended so as to realize the same dollar income to the general education fund.

Regent Baldridge asked if student fees were included in the tuition proposals. Mr. Richey responded affirmatively. Mr. Richey recommended the specific amounts which should be set aside from the general fund for use for student activities and other purposes. This was to be decided later by the board.
In reference to a lack of student aid for medical students, Regent Bailey asked President Boyd if he would like to see the Higher Education Facilities program reinstated by legislative action. President Boyd said at the time the program was removed, he was in favor of reinstating it, but there is now a feeling that circumstances have changed.

President Boyd introduced Mr. Larry Kutcher of the University of Iowa, representing the Student Senate. Mr. Kutcher distributed a resolution passed unanimously by the University of Iowa Student Senate October 12, 1976 which officially went on record with the CAC, LASA, the Medical Student Council, Iowa Student Dental Association, Iowa Student Bar Association, and the Student American Pharmacy Association opposing any tuition increase for the coming biennium. The resolution urged the board to consider alternative modes of financial support which adequately represent the problems facing students, the increasing burden of the cost of education, and maintaining quality education.

In his oral report to the board, Mr. Kutcher said the Student Senate felt the Board Office failed to take into consideration that there will be a corresponding increase in the residence halls rates this year placing an additional $250,000 burden on the students, or increase of $130 to $150 per student, thereby raising the total need to $701,000 or a 35% increase in needed aid instead of the $451,000. The Student Senate found that the net needs of the university to maintain adequate levels of financial aid are $372,000 which must be raised through alternative means instead of the $122,000. Mr. Kutcher said that if the general expense appropriation increase is not the expected 12%, the university student aid needs total would increase by $21,350 for each 1% decline. He said this discrepancy will have to be made up somewhere just to keep the status quo. He said the Student Senate did not agree with the comments that activity fees are expected to make it up.

Mr. Kutcher said that future projections for enrollment are not bright and an inordinate increase in tuition might only accelerate that decline. He said that any increase could discourage many qualified Iowa high school graduates from attending Regents institutions. He added that it could also seriously jeopardize the out-of-state enrollment.

President Boyd then introduced Miss Benita Dilley, president of the University of Iowa Collegiate Associations Council. She distributed copies of a resolution unanimously passed by the University of Iowa College Associations Council opposing any tuition increase. She said the College Associations Council feels that some students will choose not to attend the University of Iowa if the tuition is raised. She said the university would then no longer be equalizing educational opportunity as a state institution should.

Miss Dilley also requested the board consider a second problem area involving the minority student. She said over 50% of the minority students attending the University of Iowa are either from out-of-state or from the lower-economic levels. She said those students can not afford to pay increased tuition rates.

The health professional student was also discussed by Miss Dilley. She noted that medical and dental students have the highest tuition of any student in the state. Yet, these students upon graduating will contribute more to the tax base than any other profession. She also stressed that medical and dental students are unable to secure outside employment because of the rigors of their professions.
President Boyd introduced Mr. Marc Burkhart, a senior student in medical school. Mr. Burkhart said that in the fall of 1975 students at the State University of Iowa College of Medicine had their tuition increased from $870 per year to $1,200 per year, an increase of 38%. He said that other students had their tuition increased at the rate of 10%. He expressed concern that the Board Office was once again recommending disproportionate increases for this biennium.

Mr. Burkhart said that at the present time less than 75% of the financial need of the medical students is being met by assistance programs other than the private loan market, which results in a high burden of interest payments upon the medical student.

Presently, all medical students are encouraged to obtain bank loans through the federally insured student loan program. Many banks in Iowa are dropping this program and Mr. Burkhart said that one-third of the students will not have access to this source of funding. For those students who can obtain these loans, there is a maximum of $2,500 per year for their four-year medical education. From this money food, rent, and other expenses must be paid.

Mr. Burkhart reported that some students are turning to the National Health Service Corps Scholarship, the Army, Navy or Air Force Scholarship, or other forms of government indenture. This consists of the federal government paying the students a salary and also paying their tuition from one to three years, while they are attending medical school. In return, the student promises to work for the government for the same amount of time. These students, he felt, will be forced to practice out of the state of Iowa in areas such as Appalachia and the southwestern United States.

Another point raised by Mr. Burkhart was that as tuition costs continue to rise, it will become harder for a student on financial aid to compete with a student who receives substantial support from parents or relatives. Combining the uncertainty of entering a profession with the cost necessary to complete an undergraduate degree will almost certainly limit entry into medicine.

The board was also presented information from the University of Iowa College of Dentistry. A memorandum was circulated to members of the board by Mr. Jim Friction of the Iowa Student Dental Association which is on file at the Board Office. The same basic arguments against a rise in tuition rates were presented therein with the following additional concerns: An increase in tuition will increase the number of students maintaining part-time jobs while attending the institution. This will allow less time for studying and less concentration on their education. In the present system, any scholarship will be reduced if a student has a part-time job to pay the increased tuition. Scholarships do not increase as tuition increases.

Specific reasons for not increasing tuition for dental students as presented by Mr. Friction included: An increase in tuition for dental students will be reflected in increased health care for the general public. Dentistry is an intensive field. To be properly educated, it is important to concentrate on dentistry full-time without disturbances. With the present tuition, nearly half of all students have part-time work. With an increase in tuition, more students will have to have part-time work and would thus put less time and concentration on their studies.
The board was also presented a resolution from the Student American Pharmaceutical Association being representative of the students of the College of Pharmacy. In summary, it requested the board consider tuition increases only as a final resort in the formation of fiscal policy. It was also requested that increases in tuition for the professional schools be proportional to the assessed increases paid by other colleges at the University of Iowa.

President Kamerick introduced Miss Ann Brenden, president, University of Northern Iowa Student Association, who then rose to express students' concerns over the proposed rise in tuition. She directed the board's attention to three areas: the rationale behind which the increase was proposed, the disproportionate increase on University of Northern Iowa students, and the possible precedence being set for future expenditures by the university.

Miss Brenden reported that the Board Office justification for the proposed tuition increase at the university was without premise. She said she feels that without regard to existing differences, an attempt was being made to equalize the universities in the area of tuition rates alone. She commented regarding the disproportionate increase in tuition proposed for University of Northern Iowa students, also. She said the proposed increase would mean that students at the University of Northern Iowa would pay proportionately more (in the form of this increase) for what they actually receive than students at the other two state universities. The final point made by Miss Brenden dealt with the effect on future spending decisions promulgated by an indiscriminate increase in tuition. She reported that if the University of Northern Iowa has in the past made any attempt at holding down the increase in the cost of higher education, she saw no reason for the practice to be attempted in subsequent years. She said if the university's tuition rates are going to be increased on the basis of that dollar increase by Ames or Iowa, then it becomes feasible for the university to take advantage of the situation and prepare its expenditure budget in comparison with expenditures of the other universities rather than on the basis of its own need.

President Parks said that low tuition is the best and most efficient form of student aid. He said the total cost of attending any of the three state universities is already very high. President Parks then introduced Miss Jill Wagner, president, Government of the Student Body, who spoke on tuition.

Miss Wagner commended the board for looking at fee increases every two years instead of yearly. She said the students at Iowa State University do not want the tuition increased but do want quality education. She introduced two other university students: Dave Wells and Mike Havey, both Government of the Student Body senators at Iowa State University.

Mr. Wells said the Student Senate at Iowa State University discussed the proposed tuition increase. He also expressed concern that another tuition increase may be encouraging out-of-state students to look to other universities than Iowa State. Mr. Havey concurred with Mr. Well's statement. He added that a lot of people who pay taxes in Iowa do not have children in state universities but yet are paying many dollars toward the universities of the state. He expressed his feeling of inequity to out-of-state students to have to pay increased tuition rates.
President Parks said that while no one really desires to increase the tuition, he felt the Board Office presented the board with a well-documented proposal. He said, however, that before he could endorse the proposal he needed further information on a couple other areas. He said that the cost of instruction for students at Iowa State University is the lowest of the three institutions. He said that while that makes the administration sound efficient, it really means the dollars available for instruction is less. He said he felt the board could, in all fairness, realize that Iowa State gives much importance to science and technology, which, given the same number of students as the the University of Iowa, is quite expensive. He added that the money available presently for Iowa State students is less than that received by students at the other two universities.

An Iowa State University student, Joe Blum, rose to speak after having been introduced to the board by President Parks. He said the board should consider the interests of students when considering raising the tuition.

Ms. Shelley Walton, medical student, University of Iowa, then presented the board with oral remarks explaining her situation with respect to attending medical school and what an increase would do to her educational future. She stressed that the high interest rate on loans, etc. made it almost impossible to obtain a medical education such as she is working for. She said if the tuition is raised, she will have to quit school for lack of funds.

Regent Zumbach asked if there were any figures available as to the number of students dropping out from the universities due to financial reasons this past year. President Boyd said the University of Iowa had no exact statistics readily available but said the point was made that the number is increasing and loan money is simply not there. A student then rose to concur with President Boyd by saying that one-third of the banks are discontinuing loans to students. It was noted that federally-insured loans were being referred to specifically.

President Petersen said the board has a deep concern for the very things members of the student bodies expressed. She realized that whatever decision the board made would be a hardship on students and any increase in tuition would involve problems for many students at the Regents institutions. She said accessibility is a concern of the board, as well, and said it should be taken into consideration as the board deliberates on this matter. She said that a considerable portion of whatever increase there is should be turned to student aid so that as many students as possible can be helped with their increased burden. She expressed sympathy for the position of the students, but said that the board must make a decision based upon all factors. She said the board is not only representative of the citizens of the state but is the spokesman for higher education as well.

Mr. Richey reported that the average undergraduate cost estimated for the current year for the State University of Iowa is $2,660. Its tuition represents 23.4% of that cost. The average undergraduate cost for the University of Northern Iowa is $2,663 per student whereby the student pays 21.7% in tuition. Iowa State University has a $2,422 average undergraduate student cost, the lowest of the three, and those students pay in excess of 24% of the average cost. He said that when "low tuition" is discussed, it is usually considered to mean that tuition is about 25% of the cost. He said by using that measure, board members could see that the current tuition rates, in terms of costs, are well within the "low tuition policy." The recommendations
before the board would not increase any of those percentages and would actually decrease them. He said the recommendation for increase in the category of non-resident undergraduate students would maintain the same kind of relationship as at present.

Mr. Richey commented with respect to medical education by saying he didn't have any specific cost figures but noted that the annual cost is close to $20,000 based on figures of two years ago. Of that $20,000 up to three-fourths is paid by non-state, non-tuition sources of revenue. That would leave about $5,000 to be funded by the state of Iowa, or by students. He said the current tuition rate charged medical students is well within 25% of that $5,000 cost so the policy is consonant with what the Board Office was recommending for undergraduate students.

President Boyd said he hoped the board would consider that some states provide state support for residence halls costs. That factor, he added, must be considered since Iowa does not provide state support for that aspect of education. Mr. Richey responded by saying that Iowa's costs for dormitories and food for its university students in comparison to other universities in the 11-state area are quite comparable, and in many cases, lower.

Another comment made by President Boyd was that there is almost an even balance of Iowa residents going outside of Iowa for education as there are non-resident students attending the Regents institutions.

President Boyd commented about the cost of education and particularly emphasized the price tag for medical education, dental education, and veterinary/medical education. He expressed his strong feeling of concern for accessibility for those areas in particular. He said he doesn't want to see entry into those colleges based on one's economic capacity, ruling out those persons who have limited resources.

Regent Collison agreed with President Boyd on accessibility and added the board should not ignore the fact that a raise in tuition could preclude many persons from attending Regents' institutions. She called the board's attention to differences of $60 to $100 in tuition rates between Iowa and surrounding states and said this makes quite a bit of difference to borderline persons and could encourage them to go out of state.

Regent Collison noted 1000 students at Iowa State University are under the GI bill. She said she believes those students get a basic allotment of $270 a month and sometimes a family allotment. She said there is a dramatic difference in the number of veterans who apply, depending on the tuition situation in the state where they apply. They will, of course, choose the place that has the lower tuition. She said that 37% of all California Vietnam veterans attend school in California because of its low tuition in contrast to only 14% of Vermont veterans who go to school in Vermont because of its high tuition. She said tuition makes a terrific difference in accessibility.

Regent Collison expressed concern about the disparities in the health sciences. She said the board could price itself right out of the non-resident graduate student range because of those differences. With respect to the medical student costs, she said there is no trade-off between non-resident and resident people in that area because Iowa simply
does not have that many people entering the medical field from out of the state.

The timing of the proposed increase should also be looked at, reported Regent Collison. She said another increase within a two-year period places a double burden on people who have already started and medical students would suffer an 88% total increase in a four-year period. She said the board would, by again raising tuition, be shutting off people from entering those health services professions.

Regent Collison said the board must try to increase the size of its state appropriation. She said she realizes the board has always worked hard to get as much as it can but said the legislature must be made aware of the Regents' needs even more fully.

In summary, Regent Collison said that the board must consider the educational benefits to the state students provide in order for society to survive. She encouraged the board make more effort in trying to increase state appropriations and recommended all tuition rates stay at the current level.

Mr. Richey said he thinks the board is well aware, however, that if it doesn't do something about tuition rates for the next biennium, the legislature and Governor will set them for the next biennium. He said last time the board set the rates, comments were made by the legislative branch and the Governor that the raises were quite conservative. He said he imagined the proposed increases now before the board would be perceived in the same way. He said the board would be facing a very real risk of having higher tuition rates imposed if the board doesn't take the leadership position in terms of setting the tuition policy for the next biennium.

In response, Regent Collison said if the legislature would have to face this kind of an issue before election, perhaps the board could get some support from the candidates and persons running for office.

Regent Slife said that while he didn't disagree with Regent Collison, he took a different view. He said he feels the board's responsibility is such that the board is not going to get the kind of appropriation it needs from the legislature without some increase in tuition. He said the board may not get it, anyway. He said as he views this situation across the country he feels we are close to a taxpayer's revolt and added he didn't feel the board has a chance of maintaining the kind of level of excellence in its institutions throughout the next session of the General Assembly without doing something about tuition. He noted he is very apprehensive, however, about the accessibility problem, and said the board should perhaps give some additional attention to the whole area of student aid. He added that perhaps both the student loan and student aid activities at the Regents institutions, as well as the appropriation for student aid ought to be substantially increased. He said the board has to balance the requirements of trying to get money from the legislature to continue the programs the board feels are important in these institutions against the accessibility problem. He noted that the accessibility problem applies to a small percentage of students. He assumed that most of the students in the Regents institutions would come back next year if
tuition rose 10%. While it may require some additional sacrifice, he didn't think the board would be pricing itself out of the market for the great-majority of the students.

Regent Bailey said low tuition is really not a very efficient way of helping the low income minority student. For every dollar you help that student, you may be helping students who can pay for their education. From a purely sociologist standpoint, he said it seems to him that philosophically tuition should be higher and help for needy students should be greater.

Regent Bailey said if the board did not take the action recommended, it would be making a decision to reverse or change its tuition policy because all other costs have gone up. Incomes have gone up, etc. He said if "tuition would be left on an island in the economic picture, then basically it is being reduced, relatively speaking." He said the type of tuition increase being talked about generally is accepted as still maintaining tuition at the low income rate. He said if the board doesn't raise the tuition rates, the quality of education has got to give. It can not be as good as it has been without increased funds. He said the board has a hard decision to make but stated he believed the board will continue to feel its responsibility to provide quality education and the only way to give same is to increase tuition rates in conjunction with increased appropriations askings.

Regent Baldridge expressed disappointment with the presentations made by the students. He said he would rather have heard some expression of appreciation for what the people of Iowa have done in that they are paying roughly half the cost of students' education. He said that from a practical standpoint the tuition has matched state appropriations pretty closely which has been a great help to the board. He said there is no question but that the board represents the students and will do its best to protect their interests. Regent Baldridge noted that in the last biennium state appropriations increased over the 1973-75 biennium by 36%. The board was successful in achieving this while only raising tuition 6.5% each year. He said the students must put themselves in the board's place to understand the decision the board must make. He added that there are many key legislators that talk in terms of a 30% to 35% rise in tuition rather than what the board was now contemplating. He said there have been some national studies that indicate students should be paying a much higher share of their costs than is the case in Iowa.

Regent Baldridge said he feels tuition for the professional schools is an entirely different matter. He said we all know people who have been extremely successful financially in life who are other than doctors and we also know some doctors who, for various reasons, practice in rural areas where they can't charge high prices. In that respect, he said the raising of professional tuitions by a higher rate could be based upon dubious rationales.

Regent Zumbach complimented the Board Office for its complete report on tuition. He said that while listening to the students speak against a rise in tuition, he wished he was again student body president, because he would rather be making the argument the students raised than the argument he must make as a Regent. He congratulated the students for the good job they did of articulating their concerns and for bringing
them to the board's attention. He said the board has a long and outstanding record of supporting low tuition evidenced by the relatively low cost to attend the state universities. Regent Zumbach noted that Iowa does not have a large proportion of its population in the upper income brackets and said that a majority of the people the state could be served best by having a low tuition policy. He said the board must look at trying to maintain low costs as well as maintain high-quality education. He said he felt the proposed increase was a modest one. He said the 10% is reasonable to help maintain the fine quality of the state. In support of his remarks, Regent Zumbach said he noticed that the percentage increase in tuition since 1968 came up about the same percentage as did state appropriations. Secondly, the national median income came up about the same level as tuition went up in that period of time. He said the increase being proposed is defensible and can be supported in the legislature in order to give low tuition for quality education.

Regent Zumbach then requested more information about the problems relating to tuition in the health sciences and said consideration should be given to handling those difficult problems through other kinds of grant aid programs. At the same time, Regent Zumbach said students should be recognizing that the board is asking that there be an increase to student aid in the next biennium.

Regent Collison noted the differences in basic philosophy between herself and some of the Regents. She said it clearly gets down to the matter of what a public institution really is. She asked if free access is inseparable from the idea of having a public institution. She said the students, as well as she, have difficulty understanding how public universities must have this increase.

President Petersen said it appeared to her that the proposal before the board was a moderate and rational one except, perhaps, in the area of the professional tuition rates. She said that after hearing discussion on this she recommended the board consider applying the same percentage increase to medicine, dentistry and veterinary medicine as was recommended for the others. Using only the 10% inflationary figure, she said the increases for tuition would be as follows:

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<thead>
<tr>
<th>University of Iowa</th>
<th>Resident</th>
<th>Non-Resident</th>
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<tbody>
<tr>
<td>Medicine</td>
<td>$120</td>
<td>$270</td>
</tr>
<tr>
<td>Dentistry</td>
<td>100</td>
<td>230</td>
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</tbody>
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<table>
<thead>
<tr>
<th>Iowa State University</th>
<th>Resident</th>
<th>Non-Resident</th>
</tr>
</thead>
<tbody>
<tr>
<td>Veterinary Medicine</td>
<td>$100</td>
<td>$220</td>
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</table>

Regent Slife raised a point with respect to increases proposed for Iowa State University and the University of Northern Iowa for resident undergraduate students. He recognized that one of the board's concerns ought to be that it doesn't continue to widen the gap between the dollar amounts. On the other hand, he said he feels it is difficult to justify the percentage here or rationalize percentage increases that are greater one place over another. Regent Slife said that he recommended, therefore, a flat 10% increase.
In response, President Petersen proposed a compromise situation for the University of Northern Iowa and Iowa State University's resident undergraduate rate increases. She recommended a $70 increase for Iowa State University and a $65 increase for the University of Northern Iowa for the 1977-79 biennium. Regent Slife pointed out that for divisible purposes, the $65 President Petersen recommended should be either $64 or $66. President Petersen concurred. Mr. Richey said the proposals made by President Petersen would reduce expected income by $300,000 a year by the reductions in professional tuitions.

Regent Bailey commented with reference to the percentage figure being noted as to the total cost students pay for their education in comparison to what is provided by the state. He said that basically we are way down from what we were just four-to-five years ago with respect to cost relationship being paid by the student as compared to state appropriations. President Petersen said that if you would look back 20 to 25 years you would see, though, that the cost of going to school paid by students has increased over the longer time frame.

Regent Brownlee expressed his opinion regarding the proposed tuition increases by indicating he was in favor of a 10% across-the-board increase.

Mr. Kutcher said students do appreciate the position and the problems in which the Board of Regents now finds itself. He said the main issue is where does the money come from. He said he feels the matter boils down to whether the universities merely serve individuals or whether they serve society.

Regent Baldridge asked what the predicted rate of inflation is expected to be in the next two years. Mr. Richey said estimates have been given it will rise at the rate of approximately 6% per year. Regent Baldridge noted that the proposed tuition increases proposed, then, would not even be keeping up with inflation. Mr. Richey said Regent Baldridge was correct and noted that personal income will also go up in the next couple of years. Regent Baldridge said he understands that a portion of the tuition increase will be set aside for student aid so that not all will be used for the cost of instruction. He said the matter should be separated and be considered a split issue with respect to student aid and the tuition increase.

President Boyd commented that he noted no difference of opinion among the board that if there would be a tuition increase it should come by Regent action rather than be imposed by an external mechanism. Mr. Richey agreed.

Regent Collison said that in the past there have been many state and national student loan programs that have failed. She said she realizes the concern for that by the Student Advisory Committee of the College Scholarship Service because the student aid needs analysis forms work in theory but not in practicality. She said it is very difficult for them to suit the student for whom it is intended. She said that most of the national student loan needs assessments are not for total needs. They are for a portion of total needs and when the amount is granted it does not agree with the "bottom line" and urged the board to make a firm commitment on help for students' finances. She said equal opportunity for all students must be strived for.
Mr. Richey reminded the board that the federal Basic Opportunity Grant has had a substantially increased effect with respect to aid for students in the Regents universities. In 1974-75 the State University of Iowa students received $250,000 in student aid from this source and last year received $801,000 from this source. Iowa State University received $360,000 in 1974-75 and last year received $978,000. Last year the University of Northern Iowa received $725,000, a doubling of funds from 1974-75. The money goes primarily to low income students and there were about 3,200 students that received those monies in the Regents institutions last year. He said this is a source of student aid not available until a short time ago.

President Boyd noted that Basic Opportunity Grants are improving but he is very concerned about the national administration's concern over work-study. He said that's an area where middle income people are being hit particularly hard. Regent Baldridge said the board is very conscious of the need to increase accessibility through university employment and work-study programs.

Regent Bailey asked for the Board Office's comments regarding the board's discussion relating to medical education, dental education and professional college tuition. Mr. Richey said the memorandum presented to the board by the Board Office succinctly reported the extremely high costs in those areas. He said the income for a medical practitioner just shortly out of school is more in the first or second year of his employment than most people in society can expect to be earning yearly during the height of their careers after many years of experience. He said, however, that in view of the board's inclination for the professional schools' tuitions, he recommended that that issue of availability of student aid funds for those specific classes of students be studied in greater depth during the next tuition policy discussion which will be in about two years.

Regent Baldridge noted that professional students do have some unusual costs that other students don't have.

Mr. Burkhart stated he is on a National Health Service Scholarship which means his tuition will be paid for by the federal government. He proposed that the Iowa legislature pass some type of program based on the National Health Service Scholarship. He said by the time he finishes his three years of school the federal government will have paid him about $24,000. He said that amount, however, is a fairly minimal amount in order to secure the services of a doctor for an underprivileged area.

MOTION: Mr. Zumbach moved the board approve the following tuition rates for the 1977-79 biennium effective fall, 1977:

<table>
<thead>
<tr>
<th>University of Iowa</th>
<th>Resident Students</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Undergraduate</td>
</tr>
<tr>
<td></td>
<td>Graduate</td>
</tr>
<tr>
<td></td>
<td>Medicine</td>
</tr>
<tr>
<td></td>
<td>Dentistry</td>
</tr>
<tr>
<td></td>
<td>Law</td>
</tr>
</tbody>
</table>
Regent Zumbach said the motion applied a 10% increase to the 1976-77 tuition rates with two "compromise" figures for undergraduate resident students at the University of Northern Iowa and undergraduate resident students at Iowa State University.

VOTE ON MOTION: The motion carried with Mrs. Collison voting nay.

President Petersen also reported that the recommendation before the board contained a recommendation that there be a 10% increase in that portion of tuition income allocated to other than the general fund. Mr. Richey reported that at the University of Northern Iowa, for example, $53 is currently allocated to such areas as: student union fee, building fund for student activities, field house fee, student activities, and inter-collegiate activities. However, $35.50 of this amount is a fixed fee due to debt service and so no increase is warranted to this area. Thus, the $5.30 increase which the Board Office proposed for the University of Northern Iowa would be allocated to those areas which now receive $17.50 in reallocated fees. The increase would amount to a 30% increase to those areas. Similar situations exist at both the University of Iowa and Iowa State University.

Vice President Moore asked for clarification as to how much more money would be allocated to the above mentioned areas using the increased tuition rates approved by the board. Mr. Richey responded: $5.90 for the State University of Iowa, $7.90 for Iowa State University, and $5.30 for the University of Northern Iowa. It was noted that Iowa State University requested a $12.00 per year increase for student activities.

Miss Wagner rose to speak to this issue and said the students at Iowa State would like to see more than a 10% increase to these areas. She said she

* Further discussion follows which changed this figure to $735 for 1977-79.
felt the students' claim was justified due to the fact that the fixed fee debt service at Iowa State University was not as large on a percent basis as at the other universities. She said more money is needed for recreational purposes and cultural activities. She said Iowa State University didn't get as big a percentage increase in other areas as the University of Northern Iowa since the University of Northern Iowa has a big percentage of fixed costs. Mr. Richey responded by saying that in actuality, Iowa State University will receive more and said he would explain that to Miss Wagner more fully at another time.

President Parks concurred with Miss Wagner in requesting additional funds for fee purposes. He noted that the Memorial Union is run through student fees which is a semi-private organization, paid directly through students' fees. That is hardly any benefit to the student. President Parks said he feels the university needs at least a $2 per quarter increase for the recreation area which Miss Wagner pointed out. He said costs have 'exploded' in that area. He said the university feels an overall increase of $4 per quarter would be satisfactory. Mr. Richey responded by saying $4 extra a quarter would be hard to come by and noted the $7.90 now recommended for Iowa State figured on a percentage basis would provide $3.45 for student activity fees with the remainder applicable for all the other activities.

Vice President Moore said when the board increases student fees at the University of Iowa and the University of Northern Iowa, it is different than the situation at Iowa State. The Memorial Union at Iowa State is supported from student activity fees but is part of the general university budget in the case of the other two universities. He said the dollar increase for Iowa State should not be charged against student activity fees. As Miss Wagner pointed out, Vice President Moore reemphasized that the union will take out $1 of that increase.

Miss Wagner said that part of the income of the Government of the Student Body is basic and an integral part of the university mission. She stressed that inflation also supports her request for more consideration for Iowa State University in this matter.

President Parks noted there is a philosophical difference between student activity fees between Iowa State and the other two universities. He said the university chose to have students pay for certain functions at the university to give students an opportunity to allocate and handle funds.

Mr. Richey suggested the Board Office study the fee situation further in the case of Iowa State University because of the unusual circumstances, reconsidering an extra $3 per quarter. He said that would change the board's previous motion on the undergraduate resident student tuition charged at Iowa State University to $735 rather than as the motion now states at $732. Regent Zumbach concurred that Iowa State University's tuition be raised for undergraduate resident students in the amount of $75 for the 1977-79 biennium.
MOTION: Mr. Zumbach moved the board increase the tuition rate for undergraduate resident students at Iowa State University by $3 per year with this addition to be dedicated to student activities. Mr. Baldridge seconded the motion.

President Boyd said the University of Iowa is prepared to stay with the tuition rates adopted earlier this morning.

President Kamerick pointed out that about three years ago Iowa State University and the University of Northern Iowa had the same fee structure. Then came the big push for uniform budgeting and accounting which made a difference in fee structure between the two universities. Mr. Richey said some of the special fees for Iowa State University have to go into the general education fund budget under university budgeting and accounting provisions.

Regent Collison commented with respect to the Memorial Union. She said one recreation program was unable to be supported by the Government of the Student Body and the union saved the program by paying several thousand dollars. She said if the board would allocate more money to the student activities at Iowa State University, matters could be helped a great deal.

VOTE ON MOTION: The motion passed unanimously.

BUDGET REQUEST FOR 1977-79. The board was presented with the following recommendations: 1) That a reduction of $600,000 in budget base for 1976-77 for the University of Iowa to $87,796,000 be approved because of lower than expected enrollment income; 2) That tuition income for 1977-79 be based on the enrollment mix of 1976-77 in the amounts of $18,873,000, $19,430,000 and $5,772,000 for 1977-78 and $19,004,000, $19,613,000 and $5,838,000 for 1978-79, for the University of Iowa, Iowa State University, and the University of Northern Iowa, respectively, based on the recommended increases in tuition rates effective with the fall term of 1977. (The figures exclude summer session (1977) for fiscal 1977-78 which was not excluded in the Board Office budget recommendation.) 3) That a preliminary budget request of $292.5 million and $304.5 million for 1977-78 and 1978-79, respectively, be approved, subject to salary policies and off-campus instructional programs. The recommended budget request consists of the following expenditure additions:
### Expenditure Budget

<table>
<thead>
<tr>
<th>Description</th>
<th>1976-77</th>
<th>1977-78</th>
<th>1978-79</th>
</tr>
</thead>
<tbody>
<tr>
<td>Starting Base</td>
<td>$</td>
<td>$273,868</td>
<td>$292,483</td>
</tr>
<tr>
<td>Federal Funds Loss</td>
<td></td>
<td>3,842</td>
<td></td>
</tr>
<tr>
<td>Faculty and Institutional Officials</td>
<td>105,486</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Professional and Scientific Salaries</td>
<td>46,155</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Service Staff Salaries</td>
<td>63,368</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Payroll Cost</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Expense</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fuel and Purchased Electricity</td>
<td>12,370</td>
<td>1,143</td>
<td>2,862</td>
</tr>
<tr>
<td>Other General Expense</td>
<td>37,695</td>
<td>4,535</td>
<td>4,233</td>
</tr>
<tr>
<td>Equipment</td>
<td>2,451</td>
<td>1,996</td>
<td>1,073</td>
</tr>
<tr>
<td>Library Books</td>
<td>3,740</td>
<td>451</td>
<td>421</td>
</tr>
<tr>
<td>Repairs, Replacements &amp; Alterations</td>
<td>2,603</td>
<td>1,286</td>
<td>1,584</td>
</tr>
<tr>
<td>Special Needs</td>
<td></td>
<td>5,362</td>
<td>1,863</td>
</tr>
<tr>
<td>Total Additions</td>
<td></td>
<td>$18,615</td>
<td>$12,036</td>
</tr>
<tr>
<td>Total Budget</td>
<td>$273,868</td>
<td>$292,483</td>
<td>$304,519</td>
</tr>
</tbody>
</table>

The above recommendation is to have added an amendment made by Mr. Richey, which would finance the UNI-Dome in the same way as the Iowa State University Center.

The **Board Office reported that unless otherwise directed by the board, the** budget request will be submitted to the Governor and the State Comptroller in three parts: 1) budget request and biennial report as submitted for the current biennium, 2) the supplement to provide information as requested by the State Comptroller, 3) program budget information by instructional department as previously committed to the legislature.

The basic format for the budget request will remain the same but it was expected that the content will be substantially improved to provide more quantitative statements of short and long-range goals, measures of performance, and accomplishments in response to the desires for such information by both executive and legislative branches of the state government.

The **Board Office reported there is an immediate need for the supplement for the State Comptroller, which creates a difficult problem for review and approval by the board. It was proposed that the Board Office collect the material and provide an advance copy to the State Comptroller with review and action by the board to follow at its November meeting. The Board Office noted that it promised to supply the information to the State Comptroller immediately after the October meeting of the board but no later than November 1.**

The university presidents were requested by memorandum from the Board Office dated September 24 to compile information and statements regarding departmental program budgets. It was recommended that that information be submitted to the Board Office by January 1, 1977. It was recognized that the first compilation of information will, of necessity, be incomplete but will represent a responsible effort toward meeting the board's commitment to the legislature.
A revised recommendation for a budget request for 1977-79 was presented by the Board Office in accordance with tentative decisions of the board at its September meeting and incorporating items of special needs that seemed of particular urgency.

The Board Office recommendation for the budget request for 1977-78 and 1978-79 was for additions of $18.6 million and $12.0 million, respectively. These additions would provide a total budget excluding the Board Office, of $292.5 million and $304.5 million for each respective year in comparison with a starting base of $273.9 million. These budgets would require support by state appropriations of $190.2 million and $200.0 million for 1977-78 and 1978-79, respectively, which amount to increases of 6.5% and 5.2%, respectively, excluding increases in salaries and wages and off-campus instructional programs.

The Board Office reported that although adjustments were made in special needs of about $0.7 million for 1977-78 since the September board meeting, the budget level has increased only slightly because the starting base has been lowered by $600,000 (State University of Iowa budget base). It is expected that the off-campus instructional programs will cost nearly $1 million which would bring the total adjustment from the September figures to approximately $1.7 million for 1977-78.

Starting Base
The Board Office reported that the starting base includes the federal funds losses for 1976-77 in the amounts of $2.2 million, $0.5 million and $0.08 million for the University of Iowa, Iowa State University and the University of Northern Iowa, respectively, for a total of $2.8 million as approved by the Board of Regents at its September meeting.

A reduction of $600,000 in the budget base for 1976-77 for the University of Iowa to $87,796,000 was recommended due to the reduction in fall enrollment from an anticipated 23,140 to 22,393. This caused such a large deviation from the previously estimated tuition income that it was necessary to make a change. Failure to do so could subject the budget to considerable scrutiny by both executive and legislative officials.

In response to the Board Office recommendation, President Boyd said he fully understood the problem involved, but said he wished the reduction would not be in the magnitude of $600,000. He noted he has argued for some time on the matter of part-time students. He said he wanted the Board Office to recognize full-time equivalent students rather than headcount figures.

MOTION: Mr. Slife moved the board approve a reduction of $600,000 in budget base for 1976-77 for the University of Iowa to $87,796,000 because of lower than expected enrollment income. Mr. Zumbach seconded the motion.

President Parks pointed out the lower funding at Iowa State University as reflected in a lower unit cost of instruction for undergraduate students relative to the other two universities, recalled the previous adjustment for the University of Northern Iowa, and suggested an adjustment for Iowa State University might be in order.
Mr. Richey said the total budget additions for Iowa State University in the Board Office's recommended action for next year is $0.9 million more than that recommended for the State University of Iowa. He said the Board Office looked at the difference in undergraduate student cost at Iowa State University as compared to the State University of Iowa or the University of Northern Iowa. Assuming 1800 undergraduate students at Iowa State University and a cost differential of $238 a student, it will cost approximately $4 million to achieve "equity." Mr. Richey reported that the board now is faced with equity for Iowa State. He said this matter came up, similarly, for the University of Northern Iowa a few years ago when it experienced a drop in enrollment and an appropriation adjustment of $500,000. He said that Iowa State University, because of continued enrollment growth, has lagged behind the other two institutions with respect to funding. He reported that this matter was not presented to the Board Office in terms of base adjustment and, therefore, wasn't studied in detail.

Mr. Richey reported it would appear that in terms of basic budget adjustment, setting aside enrollment growth which we would assume to be tied in with student growth, the budget recommended for 1977-78 for Iowa State offsets less than one-half of the differential cost per student which still leaves between $2 million and $2.5 million in terms of undergraduate financing per student at Iowa State University as compared to the other two institutions with very similar undergraduate costs.

President Parks said the biggest thing at Iowa State University is the opening of new buildings. He said he didn't believe the board could begin to take care of Iowa State's inequity, even assuming special needs would be fully funded by the legislature.

President Kamerick called the board's attention to the fact that the University of Northern Iowa is substantially different with reference to the costs of masters degrees work and advanced undergraduate work. He reported that for comparison purposes.

President Petersen admitted that the board had a difficult choice to make to try and submit a balanced and equitable request that meets the needs of all the institutions. She said the board had several alternatives. It could request an adjustment to the base in light of undersupported enrollment growth over a period of time or the board could take the action recommended by Mr. Richey in the special needs route. She said those two alternatives were evident while there may be others.

Regent Baldridge said that while he felt Mr. Richey could defend his viewpoint, he felt it would be more easily understood if the adjustment would be made through the enrollment increase. Mr. Richey said even if we get additional students and get the costs for those added to the budget, nothing will be solved because the inequity would continue on a per pupil basis. Regent Baldridge asked if enrollment increase money would be received whether it would appear in the base the following time around. Mr. Richey said that in that case there presumably would be more students to divide into that money so costs would be about the same.
President Petersen recommended an adjustment be made to the base, recognizing the accumulation of increased enrollment that's not met by appropriations.

Regent Baldridge said if the board were going to ask for enrollment increase funds he asked what the board would have been asking for on the basis of the formula used. Mr. Richey noted that enrollment increases is a complex question. One of the very fundamental questions is from what point do you start counting?

President Boyd said he didn't think that the board can seek total equity because there are different missions involved among the institutions.

MOTION: Mr. Slife moved the board add $1 million to the base for Iowa State University and moved that this matter come back to the board after further study at the November meeting. Mr. Bailey seconded the motion and it passed unanimously.

A. Enrollment Increase Costs. The board was requested to include no enrollment increase costs in the budget request for 1977-78 and 1978-79, provided, however, that if significant enrollment growth occurs in the fall of 1977, this policy will be reviewed and appropriate action taken at that time.

The Board Office reported that the budget request for 1976-77 contained amounts for each of the universities to cover the cost of increased enrollment. The budget request was based on variable cost of instruction rather than full cost. The variable cost was determined by excluding expenditures for organized research, library, physical plant, and equipment, as well as the expenditures for organized activities, public service, student aid and RR&A which have been excluded since 1962-63 in unit cost calculations.

During the development of the Governor's recommendation for 1976-77 it was felt that the universities should be able to absorb enrollment increases up to 3% without additional support. Similarly, reductions in enrollment of as much as 3% would not cause a reduction in budget. The method adopted for the Governor's recommendation excluded general administration expenditures as well as student aid, public service, organized activities and RR&A.

The FTE enrollments for 1976-77 dropped from estimates by 1,139 for the University of Iowa, 788 for Iowa State University, and 165 for the University of Northern Iowa.

The Board Office calculated enrollment increase costs for 1976-77 over 1974-75 on the basis of the unit costs of instruction used in the Governor's recommendation for 1976-77 without absorbing the 3% enrollment increase required in the Governor's policy.

The Board Office reported these cost increases for the two-year period are approximately as planned for Iowa State University and the Univer-
The only possible problem expressed by Mr. Richey in approving the action recommended related to the University of Northern Iowa. He said the University of Northern Iowa estimated 9,416 full-time equivalent students for this year. The estimate is now 9,251. He noted there are fewer students on a full-time equivalent basis than estimated. For the first year of the next biennium it is estimated that there will be 9,651 full-time equivalent students comparing to the 9,416 estimated for this year a year ago. He said that it is a rather minor difference but it amounts to $391,000 in total budget for those 235 students or thereabouts of which $190,000 would be financed from tuition income. The other half would come from state appropriations. He said there is a risk of $200,000 in state appropriations for the University of Northern Iowa if those students do show up for the first year of the biennium. The additional cost for the second year of the biennium is $950,000 and he said he didn't know the exact proportion of that that would be financed from state appropriations but estimated it to be in the neighborhood of $500,000.

Mr. Richey recommended the board face the issue of enrollment growth the second year of the biennium, a year from now, in the second legislative session. The board will then have had another year of experience to substantiate its problem and will be much more likely to be successful if the facts indicate a need for additional funds.

President Parks said he felt it would be a mistake to include no enrollment increase funds in the budget request. He said it is very hard to predict enrollment. He said one of the things that made it so difficult this year was because of the tough housing situation. He said the board should include enrollment increase as an item, making it as realistic as possible. He said it would be bad business to drop it one year and think that it can be reinstated another year.
Regent Baldridge said he was hesitant in not asking for an enrollment increase but, if it would be possible to keep the principle there, he concurred with the recommendation made by the Board Office. President Petersen recommended no figure be provided for enrollment increase cost for the first year of the biennium but recognized the need for possible need the second year of the biennium.

President Kamerick reemphasized an earlier statement by saying the board should give some consideration to the cost of masters degrees at the University of Northern Iowa. He said board members should note that it is quite substantial. President Petersen recommended the Board Office give further review to the concern of President Kamerick. Mr. Richey said that the matter will be reviewed.

MOTION: Mr. Baldridge moved the board look at enrollment increase costs for the second year of the biennium next September and October. Mr. Bailey seconded the motion and it passed unanimously.

B. Salaries and Wages. The institutions requested an 11% increase in salary budgets for faculty and professional and scientific employees in 1977-78. An increase of 8% was requested for 1978-79. The Board Office reported that salaries for Regents Merit System employees (General Service staff) are handled by the Board Office through annual review of the merit pay plan. That review is coordinated with the State Department of Merit Employment review of the state merit system pay plan and was not completed at the time of the board meeting.

The Board Office figures for 1977-79 did not include, at this time, additional funds for salary increases. It reported that the economic outlook and the competitive positions of the institutions with regard to salaries of faculty and professional employees are quite similar to that faced by the board a year ago. At that time the board requested an increase in salary budget of 9.5% with allocation of the funds to be strictly on the basis of meritorious performance. The Governor recommended an average salary budget growth of 8%, which was adopted by the General Assembly. If such a policy would be continued for 1977-78, a budget increase of $12.2 million would result, of which $11.0 million would be from state appropriations.

The publication of the statewide school district salary schedules for 1976-77 generally indicated that the beginning level salaries in effect at Iowa School for the Deaf and Iowa Braille and Sight Saving School for 1976-77 comparisons may be viewed as favorable to the statewide starting salary distribution. The starting salaries for Classes I through III ranked slightly above the statewide average while the beginning salaries for Classes IV and V were below the average.

President Petersen said that traditionally salary concerns and requests of the board have been one of the board's highest priorities.
President Boyd expressed keen concern about student aid and salaries. He said tuition was raised substantially at the University of Iowa in 1969 with great reservations to cover both those points. He said the board has been aware of the fact that the university expects its faculty to generate a considerable amount of money. Last year the University of Iowa generated about $23,000 a person in terms of federal funds. He said it takes an important and significant faculty to accomplish that and noted it placed the university second among the Big Ten institutions in terms of per capita funds received. He said the faculty is the "life blood" of the institution and said he feels the 11% figure is realistic. He said that in the case of the University of Iowa, 30% of salary money for faculty and professional and scientific employees will come from state appropriations and the university will have to generate the other 70% from gifts and grants of the federal government.

Professor Clyde Kohn, president of the University of Iowa Faculty Senate, was introduced by President Boyd to the board. Professor Kohn rose to speak regarding faculty salaries. He said that the University of Iowa is ninth this year in rank in professors' salaries, seventh in associate professors' salaries, and eighth in assistant professors' salaries.

Professor Kohn reported that an 11% raise would be a good raise but said he hoped that the 11% would be maintained throughout the legislative process and not be cut down to 7% or 8%. He went on to give specific examples of comparisons between University of Iowa staff compared to other staff in the Big Ten.

Professor Kohn introduced Samuel L. Becker, Professor of Speech and Dramatic Art, who also spoke to the board, encouraging them to increase salaries by 11%. He said each department at the university supports the 11% increase very strongly. He said that increase will be the only way to maintain quality in the institutions. He encouraged the board to continue following the policy of providing increases only on a merit basis. President Petersen concurred that the increase will be distributed on a merit basis.

The next speaker from the University of Iowa was Donald B. Johnson, Professor of Political Science. He thanked the board for its efforts on behalf of the faculty, professional and scientific employees over the past couple of years. He also expressed appreciation to the board's lobbyists in this regard. He said he would like to have the board think, however, of the 11% in terms of "catch up." He said if the board really wants "quality" for the universities and the citizens of the state, it will have to pay for it.

Associate Professor of Business Administration Warren J. Boe, University of Iowa, also spoke on the salary issue. He said the university has had a great deal of difficulty getting people to teach in Iowa because they don't know what Iowa has to offer them until they are here. He said the university makes a very big attempt to get quality people. He noted that the university has often left positions unfilled or filled them with visitors so that the best possible person can be obtained for the position.
President Parks said he would introduce representatives of Iowa State University to speak on the matter at hand. He concurred with President Boyd's statements regarding the need for an 11% increase. The persons President Parks introduced were members of the Faculty Council which he reported is the elected body of the university faculty, composed of all ranks.

Dr. Max Porter, chairman of the Faculty Council, rose to speak first. He said that the faculty has lost at least 11% of its buying power over the last several years. He presented two graphs to the board proving the need for the 11% increase which are on file at the Board Office. The first graph showed the comparison of the Consumer Price Index versus Iowa State University's salary increases and manufacturing salary increases.

Dr. Porter introduced Donald D. Draper, Associate Professor at the university and member of the Faculty Council. He thanked the board for its support and for obtaining respectable salaries in Regents institutions as compared to other surrounding state institutions in recent years. He stressed that the reputation of any major institution is based upon the quality, capability, and productivity of its faculty. In this respect, he said he believes that it is important that salaries be given careful and considerate discussion. He said the citizens of Iowa must be convinced that higher salary compensation for the university faculties is to be looked upon as an investment. In terms of investment, he said he believes that high quality faculty can attract a considerable amount of funds from other than state sources, also. He said high salaries are necessary to compete for quality persons.

Dr. Draper said the faculty at Iowa State consider an 11% increase to be the absolute minimum figure needed to maintain the status quo there. It would not overcome the loss of purchasing power currently there nor would it provide for the growth necessary to reach the level of excellence to which faculty aspire.

President Kamerick said he also shares enormous concern that appropriate and adequate faculty salaries be provided at the University of Northern Iowa. He acted as Chairman of the Budget Preparation Committee in preparing the request for professional employees and said his detailed comments were submitted to the board in the docket information which is now on file in the Board Office.

Vice President Martin reported that the University of Northern Iowa, like Iowa State University, also fills positions temporarily so that the best qualified person can be hired.

The next speaker was Professor Robert Claus, of the University of Northern Iowa Federation of Teachers. In summary, he said that some departments at the university have over half of their teaching faculty this year salaried at below the 1975 mean family income. One department has 20 of its 33 members (excluding the head) below the 1975 national mean family income and another has 13 of its 19 full-time staff below this mean figure.
He said that the mean salary for full professors on nine-month appointments at the University of Northern Iowa last year was $3,467 below that for nine-month full professors last year at the University of Iowa. He added that the University of Northern Iowa has no 12-month salaried teaching faculty and no guaranteed employment during the summer months.

Assistant Professor Charles Scholz, University of Northern Iowa Federation of Teachers, also presented the board with his feelings regarding the subject of faculty salaries. Four general points were raised about the faculty salaries at the University of Northern Iowa:

1. Its salaries have not kept pace with inflation.
2. It needs a higher salary base in each rank - the university needs a salary schedule.
3. The university needs a better fringe benefit package for insurance and retirement.
4. The university should not be penalized because its educational mission is different than that of its sister institutions.

Assistant Professor Scholz said that in order to continue the university's quality education, retain its faculty, recruit the best faculty from other schools to expand and improve its programs, and in order to reward its best people, the university needs more salary money and the Board of Regents is needed to remedy this situation.

Mr. Richey said that a 1% increase in salary budget requires $1,516,000 in money. Regent Shaw asked if 8% salary increases for everyone, including the merit persons in the Regents' system, would be considered, how much would the overall budget run. Mr. Richey said it would amount to $17,200,000. He said $16,100,000 would be appropriation increases. Mr. Richey said if you were to increase salary budgets 8%, it would cost about a 15% increase in total appropriations and about 13.5% increase in budget. Those figures included the merit salaries.

It was recommended by Mr. Richey that the board follow past practice and take action regarding salary increases for the first year of the biennium at this time only. He said the board will have a much closer look at the need for salary increases for the second year of the biennium a year from now.

Regent Zumbach asked Mr. Richey for a summary of where the state's Regents' institutions are in the 11-state area and what an 8% increase would do in that respect. Mr. Richey said that the institutions did quite well, relatively speaking, and not only kept pace during the current year but gained because a lot of states didn't get as high increases for their faculties. Mr. Richey added that Iowa has not faced the state treasury economic problems in the last couple of years that a lot of other states have faced.

President Petersen said she felt the board would be unsuccessful in requesting an increase in faculty salaries amounting to 11%. Regent Zumbach then asked Mr. Richey how he felt the legislature would react to an 8% request. He said the Board Office would also make it clear to the legislature that the money would be allocated on the basis of merit and not cost-of-living. President Parks said an 8% increase would only
let Iowa State "hold its own." Mr. Richey said he felt an 8% increase would do better than that both in terms of general price increases and in terms of competitive institutions.

Regent Bailey said he would prefer seeing the salary increase in terms of dollars rather than percent.

Regent Baldridge noted that the board is asking for a very substantial amount of money in the capital area from the legislature. He noted the $12 million figure for the increase in salaries is not nonsubstantial and said it is a very difficult decision to make. He said he would like to see an 11% increase requested of the legislature but in view of the rest of the budget and tying it in with inflation, he couldn't help but feel that the next year a 11% or 12% would again be requested.

MOTION: Mr. Bailey moved the board request an appropriation increase in the amount of $12 million for faculty and professional and scientific employees' salaries. Mrs. Collison seconded the motion.

Regent Bailey explained why he felt a dollar amount should be requested rather than a percentage figure. He said the board would be using dollars without reference to the given percentage of increase for the individual faculty members at any one of the institutions. He said a percentage figure is misleading.

Mr. Richey said the request recommended by the motion amounted to a $13.5 million increase in budget. That is an 8.7% average increase in average salary budgets. Regent Bailey expressed his objection to using a percentage figure. President Petersen said the percentage figure would grant more flexibility than the dollar amount.

President Boyd said it never is known what percentage a salary increase is for faculty members until it is applied. He said the money isn't distributed in the same way throughout each institution because there may be peculiar problems within each institution.

Regent Brownlee said he felt an 8% increase would be a little on the low side. In response to Regent Bailey's recommendation for a dollar figure rather than a percentage figure, he said he would hate to see the board jeopardizing anything by changing its format for its askings. He added that while he preferred the dollar figure over the percentage figure, he wasn't certain the board should change its policy at this juncture in how the request is presented to the legislature. Regent Bailey said he felt it would be a good change to present to the legislature in terms of a dollar figure.

Regent Baldridge said he appreciated Regent Bailey's reasoning for the dollar over percentage request but said he didn't like the way the percentage came out.
Mr. Baldridge moved the board request an
appropriation increase of 9% for faculty and
professional and scientific employees' salaries. Mr. Shaw seconded the motion.

Vice President Martin said he hoped that faculty salaries would be 1% ahead of civil service salaries so the faculty would not be envious of that system.

Regent Slife said he would not support the substitute motion because while he was in favor of an 8% increase he felt 9% was too substantial. He said he would like to see an 8.5% increase. He expressed apprehension of requesting a dollar amount over a percentage amount to the legislature. Regent Brownlee said he was inclined to support Regent Slife, taking the view that an 8.5% increase would be more salable.

Regent Collison said she was persuaded by Regent Bailey's reasoning regarding the dollar figure because she felt it would serve the board's broader purpose to grant the university administration's greater flexibility to use competitive money.

VOTE ON MOTION TO SUBSTITUTE: The motion failed with Mr. Baldridge, Mrs. Collison, and Mr. Shaw voting aye.

Mr. Bailey abstained.

Mr. Slife moved the board request an
appropriation increase of 8.5% for faculty and professional and scientific employees' salaries. Mr. Brownlee seconded the motion.

President Petersen said she feels 8.5% is a little low and said an 8.7% increase sounded more reasonable to her.

VOTE ON SUBSTITUTE MOTION: The motion failed with Mr. Brownlee, Mr. Shaw, Mr. Slife and Mr. Zumbach voting aye.

President Petersen noted the difference of opinion among the members of the board concerning the original motion. The original motion requested $12 million for faculty and professional and scientific employees' salaries. She said some board members preferred the percentage figure of 8.7% in place of the dollar figure. She said the board members' vote on that motion would be a vote on the level of $12 million and/or 8.7%.

VOTE ON MOTION: The motion passed unanimously.

President Petersen commented the next matter the board should act on was whether it wanted the budget request information presented by the dollar figure or the percentage figure.

Regent Bailey recommended that the Board Office proceed in deliberations as to whether the dollar or percentage figure would be most appropriate. Mr. Richey said the Board Office will handle it. Regent Slife recommended
that the board not change the policy of submitting requests to the legislature. Regent Bailey said the reasoning that could be presented the legislature in support of the $12 million figure is that the board wants to adequately reward its faculty members who are doing a good job for the board.

Mr. Richey said the board generally talks about the percentage growth when referring to budget needs. He said the allocation of that growth in the budget to the individual is based on merit, which is exactly what the board has taken a very strong position on in the past. He said he felt the Board Office could "walk it through" in such a way that it is not a radical departure from what the board has been doing in the past.

President Parks said he hoped the board could impress the Governor and legislature to the fact that this is really a "bottom line" kind of a request for salaries.

EXECUTIVE SESSION. President Petersen reported there were several matters to be discussed in executive session: three land transaction matters, two personnel matters (one at the University of Northern Iowa and one at the State University of Iowa), and strategy in connection with collective bargaining.

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

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

NAY: None.

ABSENT: Barber.

The board, having voted in the affirmative by at least a two-thirds majority, resolved to meet in executive session beginning at 5:00 p.m. and arose therefrom at 6:00 p.m.
The following business pertaining to general or miscellaneous items was transacted on Friday, October 15, 1976.

BUDGET REQUEST FOR 1977-79 (Continued).

C. Special Needs. The Board Office recommendation was revised from $4.7 million in September to $5.4 million at this meeting for 1977-78 with an additional nearly $1 million to be reviewed in November as related to off-campus instruction.

Changes in the Board Office recommendation of September follow:

University of Iowa

Opening New Buildings

The operation of the Children's Hospital has been netted out of the estimated cost for operating Carver Pavilion and needs to be added to the cost of operating that facility as a part of the general university at $174,000 for 1977-78 and an additional $58,000 for 1978-79. An amount of $15,000 is added for the expense of moving into Lindquist Center, Phase II.

Broadcasting Services - KSUI-FM (6-b) $ 76,225

The main reason for inclusion of this item was that it is to provide operation of a facility for which the board previously has committed itself to operate by acquiring the capital facility. This facility should be considered in the same way as opening new buildings and the Board Office suggested that the special request that is forwarded to the State Comptroller should include broadcasting services, KSUI-FM, as an item under opening new buildings and facilities.

Upgrade Oakdale Campus Ancillary Services $ 43,000

The Board Office recommended this item be included in order to insure efficient usage of the Oakdale Campus facility. It noted that although the amount of $43,000 may seem high, it should be recognized that more than a normal work week would be required to serve the State Hygienic Laboratory, considerable preparation of materials for proper transportation, and record keeping may generate an amount of $43,000.

Iowa State University

General University - Opening New Buildings (#1)

It was reported that during the course of the review for the Board Office, the institution discovered an error which reduced the request from $869,486 to $753,287. The corrections related to estimates of utility costs.
General University - Modernizing Instructional Computing

It was noted that analysis of this item revealed little increase in funding for computer use by various departments in 1977-78. In response to this fact along with the institutional request at the September meeting, the Board Office recommendation was revised to shift $100,000 from the 1978-79 to the 1977-78 additions.

Agriculture Experiment Station - Protection of Agricultural Production (#2) $150,000

The Board Office recommended an addition of $150,000 for protection of agricultural production because of the broad nature of this program. The program description sets forth an integrated approach to the interrelated problems of genetic crop materials, diseases, insects, fertilizers, soil conditions and erosion control, weather, and other related factors.

Cooperative Extension Service - Nutrition Aid Program (#1) $93,000

On the basis of reports that the nutrition aid program is effective and in great demand, the Board Office recommended inclusion of this program in the budget request.

University of Northern Iowa
Facilities Operation and Maintenance

As noted above, funds should be included for operation of the UNI-Dome in the amounts of $110,000 and $40,000 for 1977-78 and 1978-79, respectively. Inclusive of this item is consistent with the policy of providing support for the Iowa State Center from general funds.

Computer Equipment (#5)

The Board Office reviewed the special need for computer equipment at the University of Northern Iowa along with similar requests for the other universities. The analysis revealed that the University of Northern Iowa is equipped with a Hewlett-Packard mini-computer but needs terminals to utilize the system for instruction. Inasmuch as this equipment is being developed at the University of Iowa for use in local school districts, it seemed mandatory that the University of Northern Iowa have such a facility fully equipped to instruct teachers who will become responsible for using such equipment as a teaching tool in the local schools. Some administrative equipment and staff for both administrative and academic computing were included. On the basis of those needs, the Board Office revised its recommendation to include an amount of $264,200 in 1977-78. A misunderstanding of the budget statement format caused the initial request to be stated in budget level terms rather than an addition for each successive year. Consequently, the $264,200 for 1977-78 will be more than enough funding to continue into 1978-79 by the amount of $4,300.
The institution emphasized that there are a number of multiply disabled children at the Iowa School for the Deaf. Some of these children can be helped by physical therapy provided by local facilities. Consequently, the Board Office recommended including this item at $15,000.

Pupil Transportation (#13)
The Board Office reported that since the September meeting legislation has been investigated which pertains to mandatory payment to parents for transportation of pupils to school. The appropriations to the Board of Regents provided for pupil transportation but another bill changed the rate from 28¢ per mile one way to 56¢ per mile one way. The rate is now 14¢ per mile for the trips that would be necessary to deliver the pupil to the school and then, at a later time, return to take the pupil home. The institution calculated that an additional $41,000 was necessary for this purpose. The Board Office recommended inclusion of this item in the request for 1977-78.

The Board Office noted that Iowa Braille and Sight Saving School is subject to the same requirements but careful review of the calculations reveal that the original determination of cost was based on 14¢ per mile in error, so that the amount appropriated covers the requirement for the revised allowance of 56¢ per mile one way.

Budget Deficiency
At the September meeting it was reported that the Title I funding for Iowa School for the Deaf has been reduced due to reduced enrollment count. Although some personnel reduction has been accomplished, it was reported that the budget would be short by $20,000.

Dr. Giangreco reported to the Board Office that he can absorb about $12,000, leaving $8,000 which can be deferred to see what develops.

The Board Office commented that if the $8,000 becomes a serious problem it might be appropriate to consider it for replacement by fuel savings in the event that the weather is sufficiently light to generate such savings. Mr. Richey recommended action be deferred on this matter until at least mid-winter.

Iowa Braille and Sight Saving School
Intent to Extend the School Year
At the September meeting the board and Superintendent Woodcock developed a reduced figure for the proposed program of $28,350 which would be practical and the board could support with the pupils selected on the basis of need. Consequently, the Board Office included this item in its recommendation at a level of $28,350.

The following recommendations were presented to members of the board regarding the special needs item of opening new buildings:

1) That the General University—University of Iowa budget request for opening new buildings be increased by $174,000 for 1977-78 and $58,000 for 1978-79 for the Children's Hospital operations which have been
netted out of the request for Carver Pavilion and are to be transferred to the General University operations and by $15,000 for moving expenses for Lindquist Center--Phase II for 1978-79.

2) That the opening new buildings budget request for 1978-79 be revised by deducting the amounts of $110,000, $222,000 and $72,000 for University of Iowa, Iowa State University and University of Northern Iowa, respectively, to net out buildings removed from substantial use.

A summary of the budget request recommendation for the opening of new buildings as presented by the Board Office follows:

<table>
<thead>
<tr>
<th>University of Iowa</th>
<th>1977-78</th>
<th>1978-79</th>
</tr>
</thead>
<tbody>
<tr>
<td>General University</td>
<td>$174,000</td>
<td>$67,000</td>
</tr>
<tr>
<td>Transfer Children's Hospital</td>
<td>174,000</td>
<td>58,000</td>
</tr>
<tr>
<td>Lindquist Center</td>
<td>---</td>
<td>15,000</td>
</tr>
<tr>
<td>Buildings Removed from Use</td>
<td>---</td>
<td>(100,000)</td>
</tr>
<tr>
<td><strong>Subtotal--General University-Revised</strong></td>
<td>$174,000</td>
<td>$67,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Iowa State University</th>
<th>1977-78</th>
<th>1978-79</th>
</tr>
</thead>
<tbody>
<tr>
<td>General University</td>
<td>$753,287</td>
<td>$159,514</td>
</tr>
<tr>
<td>Buildings Removed from Use</td>
<td>---</td>
<td>(222,000)</td>
</tr>
<tr>
<td><strong>Subtotal--General University-Revised</strong></td>
<td>$753,287</td>
<td>$(222,000)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>University of Northern Iowa</th>
<th>1977-78</th>
<th>1978-79</th>
</tr>
</thead>
<tbody>
<tr>
<td>General University</td>
<td>$300,000</td>
<td>$60,000</td>
</tr>
<tr>
<td>Buildings Removed from Use</td>
<td>---</td>
<td>(72,000)</td>
</tr>
<tr>
<td><strong>Subtotal--General University-Revised</strong></td>
<td>$300,000</td>
<td>$(72,000)</td>
</tr>
</tbody>
</table>

The Board Office reported that the cost per gross square foot for operating new buildings has been compared with the actual cost of operations for the general universities per gross square foot. Comparison of the cost estimates for opening the new buildings with the average expenditures per square foot for the general universities indicated reasonable agreement considering the functions of the new buildings.

It was noted that the costs for operating the Carver Pavilion cannot be compared with general university operations because of the need to adhere to hospital standards which require considerably higher expenditures for both staffing and general expense supplies. The estimated cost per square foot of $7.40 is below the average operating cost of $7.69 for the University Hospitals.

The Board Office reported the institutions have netted out some building space including Children's Hospital and several buildings which may be discontinued in operation when the Design Center is occupied. However, a number of buildings have been listed for future razing and have been or are about to be discontinued in operations. When operations are
discontinued, the custodial services, as well as fuel and purchased electricity and other general expenses are greatly reduced and completely discontinued when the building is razed. The universities have already obtained some benefit from these reductions. These reductions need to be removed from the budget base. The question of removal from the budget base is always raised by the State Comptroller, the Governor and the legislature. It is important that attention be directed to this matter and action taken accordingly. The buildings which should be removed from the base and the gross square feet of each were presented to the board. The dollars per square foot which was used to generate the amount to be deducted from the base was the average cost for physical plant operation of buildings in the general university of $2.04, $1.62 and $2.30 for the University of Iowa, Iowa State University, and the University of Northern Iowa, respectively. A figure of $1.25 per square foot was used for the several buildings at Iowa State University associated with animals. The figure of $1.25 is equal to that used for the Animal Resource Station for fuel and purchased electricity and other general expenses but did not include the four animal caretakers.

A study and recommendation by the Board Office was also presented relating to expanding computer facilities and operations. The action recommended follows:

1) That budget additions be requested for special needs to expand computer facilities and operations in the amounts of $553,382 and $39,169 for the University of Iowa; $285,000 and $130,666 for Iowa State University; and $264,200 and ($4,300) for the University of Northern Iowa for the years 1977-78 and 1978-79, respectively.

2) That capital of $1,200,000 be requested for lease/purchase of an IBM 370/168 (or equivalent) for 1978-79 for the University of Iowa with recurring annual costs of $1,150,000 assured for future years.

3) That an ad hoc task group be established to prepare an academic computer plan for submission to the board at its February meeting.

The Board Office noted that the institutional requests for special needs include expansion of computer facilities and operations at a cost of $1,158,382 and $399,835 for 1977-78 and 1978-79 for all three universities.

The capital improvement request included $5.5 million for modernized computer facilities for the University of Iowa. The special needs and capital needs for computers were consolidated in the Board Office's analysis because of current and future exchange of computer services between the institutions. The Board Office reported that the purpose of both special needs and capital requests is to expand the use of instructional use of computers. This application uses a total computer system including a large central computer, intermediate minicomputers and terminals for student interaction with the computer system.

The University of Iowa's request was to provide for operating costs for each of six Hewlett-Packard minicomputers for 1977-78 and additional development capability in 1978-79. Each minicomputer requires four graduate assistants at a cost of about $18,000 per year, plus $9,000 for maintenance of the computer, plus $15,000 for maintenance of the terminal
and communications system. Development costs of $39,169 would be incurred for one associate research scientist and one programmer/secretary.

The Board Office noted that Iowa State University plans to add a PDP-11/70 computer and associated equipment at $185,000 to work with 32 interactive terminals in 1977-78. An additional 32 terminals are to be added in 1978-79 at a cost of $64,000 for each year. Amounts of $36,000 and $316,000 would be used in each respective year to expand instructional usage in the various departments to which the effort would be charged.

The University of Northern Iowa has a Hewlett-Packard minicomputer. The institution proposed to obtain a graphics terminal with plotter at $10,000 for mathematics instruction and 48 instructional terminals (32 in 1978-79) at a cost of $120,000. The institution also proposed to add administrative computer equipment and software at a cost of $226,300 including $96,000 for terminals. The remainder of the request included $36,800 for instructional computer staff and $47,100 for administrative computer staff.

The Board Office commented that the University of Iowa's proposal for capital facilities included an item for expanding academic computer facilities at an estimated cost of $5.5 million. The institution proposed to acquire an IBM 370/168 computer (or equivalent) including updated peripheral memory and communications equipment. This equipment may be leased at a cost of $131,000 per month including maintenance. This equipment would replace an IBM 360/65 computer which is about ten years old and obsolete.

Iowa State University plans to expand and improve its central computing capability which is now provided by an IBM 360/65 computer and an IBM 370/158 computer. Funding would be provided by charges to the various departments for computing. Major sources of funding are ERDA, various government grants and contracts and state funds. Approximately three-fourths of the funds are derived from sources other than state funds.

The Board Office reported that some very large computers have been obtained for use by the federal government which utilize parallel central processing technology which enables the computer to work on more than one problem simultaneously in the central processing unit. The Board Office recommended consideration be given to a central processing unit which is partitioned to operate as two or more separate processors in parallel or as a single processor for larger problems. Such a capability provides more flexibility for maintaining continued operation, while a portion of the processor is down for maintenance.

The Board Office reported that the trend toward greater use of computers for academic purposes is so dramatic, opportunities for cooperation between the institutions so evident, and the factors involved in computer acquisition so involved, that it felt a Regents' academic computer plan should be prepared. Such a plan is needed to support strongly all of the programs proposed by the institutions. It would also assure the Board of Regents that the proposed programs are coordinated to meet anticipated needs. The cooperation and communication between academic computer departments have been excellent, but the effort now needs to be raised to
a level of coordination and documentation of an overall plan. It was noted that unless otherwise directed by the board, an ad hoc task group will be established to prepare an academic computer plan for submission to the board at its February meeting.

To open the discussion, Mr. Richey said that with the $1 million adjustment in the base for Iowa State University, the budget standing before the board for approval amounted to $308.1 million for 1977-78 at a 12.3% increase in budget and $204.7 million which is a 14.3% appropriation's increase for the first year of the biennium, 1978-79. Mr. Richey said that included faculty salary increases with the exception of blue collar employees.

Mr. Richey reported that the addition of $174,000 for the Children's Hospital for 1977-78 for the University of Iowa brought the recommended total for special needs for that institution up to $1,221,537. He said that was the total for the general university portion of the request for the University of Iowa.

President Petersen then recommended the board discuss the special needs for each institution individually.

**State University of Iowa**

Assistant Dean Jennings brought up discussion relating to the computer needs at the University of Iowa. He said the University of Iowa requested $1.6 million for computer needs and the Board Office recommended an appropriation of $1.2 million. He said the university can live with that disparity but said there are two critical factors. Item no. 2 of the university recommendation is a critical lease proposal in the amount of $300,000. He added that the $1.2 million currently in the capital asking for lease/purchase of the computer must get into the operating budget and he said a new system installed possibly two or three years from now may not be able to be put in the operating budget. He said the board is facing a risk in that regard. Assistant Dean Jennings noted the advantage of leasing rather than purchasing by saying the university will have a self-sustaining operation from here on out.

Regent Brownlee expressed disappointment that the Board Office did not recommend funds for either year of the biennium for strengthening student advising and counseling, cooperative education. The university requested $15,000 for 1977-78 and $45,000 for 1978-79. He noted that this item got through the board and Governor's Office last year but did not pass through the legislature. Mr. Richey said the Board Office left this out of its recommendation with great reluctance.

Regent Collison asked for further information relating to the external degree program and Mr. Richey noted that the Committee on Educational Coordination, the Extension Council, and the Board Office are working on that and it may result in an amendment to the board's request to the legislature. That subject will come back to the board in November.

President Petersen asked if there was a particular reason why the Board Office granted the university's recommendation for $67,500 for power plant turbine operators over some of the other institutional requests. Mr. Richey said that relates to more efficient use of energy management and environmental concerns. He noted that the request of Iowa State University was also granted for the current year.
Mr. Richey noted that the Board Office added in $100,000 for the computer for the first year of the biennium but otherwise didn't change what was proposed for Iowa State University from last month.

Mr. Richey said the Board Office recommended $150,000 per the university request for the protection of agricultural production because of the scope of the project across all aspects for agriculture production. Mr. Richey noted the nutrition aid program was added following the university's discussion last month to the Board Office recommendation in the amount of $93,000 for the first year of the biennium.

Speaking with respect to the funding for the opening of new buildings, Vice President Moore said there may be some misunderstanding in what the Board Office reported in its memorandum concerning Iowa State University. For clarification, he said he understands it is true that the savings that should be realized by tearing down certain buildings should be netted out from the opening of new buildings. Iowa State's original calculation took that into account fairly correctly. He noted the buildings that are being deducted out or netted out from opening new buildings costs. The first one mentioned was the Old Meats Laboratory. He said it is on Iowa State's list of buildings to be taken down but so far it has not been specifically scheduled to be razed. Unless the board wants to indicate timing, he noted that the university has some other plans for the building before it is razed. He said since the plans for razing aren't completed, the university recommends it be used for agronomy extra space needs or for storage. He said the university doesn't have any funds to tear that building down and said it may as well be used for some purpose, unless the board directed otherwise.

Botany Hall was also discussed. He reminded the board that the university intended to raze that building 10 years ago. He said it is now being used for the Seed Laboratory. The Psychology Department is also occupying part of Botany Hall and when the new Music Building is built, some of the music department will be moved into Botany Hall temporarily. He said that funding for the Music Building hasn't been received but it is a very high priority at the university. The university does not plan to raze Botany Hall because of the reasons stated above.

Vice President Moore noted that some of the animal buildings are also being used for various purposes though they are on the razed list. He said no heat is provided for those buildings and there would be no savings if they would be torn down.

In summary, Vice President Moore said there won't be savings of $222,000 as noted by the Board Office because of the costs involved to tear down buildings that are currently being used with little or no maintenance involved.
Mr. McMurray responded by saying that the Board Office used the space projection model using the 1975 scale. One of the elements of that model is the declaration of each institution as to what its plans are to raze space over the next 10 years. That replacement space is shown as a gross need for the institutions as far as that new space is concerned in the model. Iowa State University declared in that model run that they were to raze 447,000 square feet over the next 10 years. A total of 863,000 gross square feet was recommended for all institutions. On that list was a requirement that each institution institute the trigger mechanism by which these buildings would come down. Now, Iowa State University has changed its plans and plans to continue usage of those buildings for an extended period of time beyond which was stated both in the model runs for which they got credit and on the new space projection model. He said the Board Office recommendation was on the basis of all the information it had available to it up until the last few days the space will be used. He said unless the institution adheres to some sort of plan as far as razing, the buildings will never come down. He said there will always be some sort of usage that can be made for that space, particularly as the institution continues to receive additional money on a gross basis for opening new buildings without taking into account netting out of obsolete space.

In the case of the Meats Laboratory, Mr. McMurray said if the university plans to keep it the Board Office would have to make some adjustments in the 1975 model runs as far as demolition of space so the university wouldn't receive money for razing buildings the university doesn't intend to raze.

Director of Space and Schedules Pace said it is Iowa State University's intend to raze the structures declared on its list and noted the list is for a 10 year period. The board now is talking about a two year period and the university has a few things it must do in the interim before those structures can be razed. He noted the list presented the board didn't reflect the actual buildings the university will be razing in the two year period. There are some buildings that will be razed as a result of the occupying of the Design Center and some buildings and barns will be razed as a result of the new Veterinary Medicine facility being occupied.

Mr. Pace requested the board grant Iowa State University the opportunity to show its good faith in the period following 1977-79 in razing the buildings on its to be razed list. Iowa State University has been in a deficit position and has not been able to respond to the razing needs. He asked the board how the university can tell someone it needs to tear down buildings when the space situation is so tight.

Regent Bailey said he feels that remodeling is sometimes more efficient than building from scratch and added he would hate to have the inference made that the board was criticizing the university for failing to take down buildings if they are still usable.
Regent Baldridge asked Vice President Moore if he had an estimate on the cost savings on the buildings that the university is going to tear down this biennium. Vice President Moore said that custodial service and heating is discontinued of buildings when occupants are out of them. The custodians, then, are used in other buildings.

Regent Baldridge stated that the board must be credible and eliminate the operating budget for the razed buildings when it asks for funds to operate the new buildings.

Mr. Richey said the basic problem that the Board Office is trying to avoid is the use of new buildings money to augment the general budget. He said the university must deduct what it is taking out. Vice President Moore said the university has to deduct everything but it doesn't always get everything it asks for. He said the university can make an accountable record of its actions. Mr. Richey responded, however, by saying that the board gets every nickel from the Governor and legislature it asks for in this category and the board, in turn, tells them that when it takes out space it will also be netting space out.

President Parks said he understood Mr. McMurray's reasoning regarding the need to raze the buildings but said it would be "folly" to tear down buildings when they are still usable. He urged the board to not be too eager to tear down buildings. President Petersen responded that the board just needs to know what the university's plan is in razing those buildings.

Regent Slife said he views the razing of the buildings situation at Iowa State as a credibility problem with the legislature. President Parks said he didn't believe the board would have difficulty convincing reasonable legislators of the situation at Iowa State. He said he was not denying Regent Slife's point that the board, however, must be extraordinarily careful to keep credibility in its accounting procedures at the universities.

Mr. Richey said he is sympathetic to the case made to the board by the universities but said we must have better coordination between the capital program and how things are actually going to operate. He recommended the board allow the Board Office and the institution to try to work out the space problem, making deductions as are appropriate, substituting the revised figure for the figure now in the Board Office's recommendation for the second year of the biennium. If there is a point of major disagreement, however, it would be brought back to the board for decision. There were no objections to the recommendation now made by Mr. Richey and Mr. Richey said this matter will be further explored as he recommended.
President Parks said he was pleased to note that the Board Office included in its recommendation the protection of agricultural production and the Nutrition Aid Program. He commented he was sorry, however, that the university's no. 2 priority, equipment, was not recommended. He said this remains a huge need and urged the board to reconsider this matter.

Elevator safety requirements were not recommended for funding by the Board Office although the university requested $100,000 for the first year of the biennium. President Parks noted that item doesn't contribute to the educational aspect of the institution but does help in accessibility. He reported that the state of Iowa already closed one elevator at the university because of a combination of factors and said he hoped no more elevators would need to be closed. He noted that elevators are high maintenance items. He also reported that elevators are important factors in the accessibility of institutional buildings for the handicapped.

Mr. Richey noted the Board Office recommended a large sum of money for the institution's RR&A budget which should help in maintaining the elevators. He added, however, that there is some controversy as to whose responsibility accessibility for the handicapped really is. He said this matter should be addressed on a Regents' system-wide basis. It is a state-wide problem.

Mr. Richey recommended the institution use RR&A funds this year and requested a thorough, comprehensive study of the matter be undertaken and brought back next fall to the board for further discussion.

University of Northern Iowa

Mr. Richey noted that the Board Office recommendation included an addition of $110,000 for the first year of the biennium and $40,000 for the second year of the biennium over last month's preliminary recommendation for the UNI-Dome. The total recommendation made by the Board Office for the special needs for the University of Northern Iowa was $889,200.

Vice President Martin spoke to the University's request for $150,000 for 1977-78 and $300,000 for 1978-79 for graduate assistant support. He noted that the Board Office did not recommend inclusion of this item in its request to the legislature and Governor. He said the university regards this as a highly serious request and added that its graduate enrollment has been growing rather sharply. He added that graduate assistants provide the university very important flexibility.

Vice President Martin also raised discussion relating to the instructional cost level burden to graduate students. He said there seems to be some variation among the institutions as to the masters degree level cost for students at the University of Northern Iowa.

Vice President Stansbury noted the university plans to raze the Old Administration Building but doesn't know whether it will be done in 1978-79 or 1979-80 because of the timing of getting it unoccupied. He added that those buildings on the razed list for the University of Northern Iowa are
not maintained with intent to save them. Vice President Stansbury reported that the university expanded its play field for the UNI-Dome and used funds for opening new buildings. He said that has to be recognized and added he would be happy to work with the Board Office staff to figure out the net cost involved. Mr. Richey said that can be done. Mr. Richey noted the university has custodial and utility savings, anyway.

Iowa School for the Deaf

President Petersen noted that the first three priorities of Iowa School for the Deaf and pupil transportation were included in the Board Office recommendation.

Superintendent Giangreco reported that Iowa School for the Deaf and the Iowa Braille and Sight Saving School are taking steps forward and assuming leadership in the areas of deaf and blind students. He stressed the need for special parent meeting expenses requested by the institution in the amount of $10,000 for the first year of the biennium which was not recommended by the Board Office. Mr. Richey recommended the Board Office recommendation for Iowa School for the Deaf be revised to include $10,000 the second year of the biennium for special parent meeting expenses. President Petersen concurred with Mr. Richey's recommendation.

Mr. Richey reported that the state is raising the health insurance contribution for all state employees effective January 1, 1977. Iowa School for the Deaf and Iowa Braille and Sight Saving School are under that plan and the Board Office plans to submit a request to the legislature for funding for that purpose for those two schools. He said the board will see how that works and will then need to amend the request for salaries to put that in there.

Iowa Braille and Sight Saving School

Mr. Richey noted that obtaining funds for the extended school year through the Education for the Handicapped Act of 1975 was looked into but will not be available due to the fact that the school receives Title I funds. He said it looks as if this program will probably continue to be a state-funded program. He added that if the program is successful, the board can look for some augmentation the second year of the biennium and reconsider it again next fall.

Regent Baldridge asked for clarification in the Board Office's recommendation for the request to the legislature for the first and second year of the biennium for special needs. Mr. Richey said there will probably be an addition of about $1.5 million to the special needs request the second year of the biennium after the first legislative session is over. He said the request for the second year of the biennium is "left open" so the board can reconsider some of the things it was recommending be omitted from the special needs this year for possible inclusion the second year.
Mr. Baldridge moved the board approve submittal of the special needs request as presented last month to the board by the Board Office with the additions of:

**University of Iowa**

- Broadcasting Services - KSUI-FM-1977-78 $ 75,225
- Upgrade Oakdale Campus Ancillary Services - 1977-78 43,000
- Computer Facilities and Operations 1977-78 553,382
- 1978-79 39,169

- Lease/Purchase of IBM 370/168 (or equivalent) for 1978-79 with recurring annual costs of $1,150,000 assured for future years.

*General University budget request for opening new buildings be increased by $174,000 for 1977-78 and $58,000 for 1978-79 for the Children's Hospital operations which have been netted out of the request for Carver Pavilion and are to be transferred for General University operations and by $150,000 for moving expenses for Lindquist Center - Phase II for 1978-79.

**Iowa State University**

- Computer Facilities and Operations 1977-78 285,000
- 1978-79 130,666

*General University - opening new buildings - an error reduced the request from $869,486 to $753,287

- Modernizing Instructional Computing $100,000 was shifted from the 1978-79 to the 1977-78 additions

- Agriculture Experiment Station - Protection of Agricultural Production - 1977-78 150,000

- Cooperative Extension Service - Nutrition Aid Program - 1977-78 93,000

**University of Northern Iowa**

- UNI-Dome Operation 1977-78 110,000
- 1978-79 40,000

- Computer Facilities and Operations 1977-78 264,200
- 1978-79 (4,300)

**Iowa School for the Deaf**

- Physical Therapy - 1977-78 15,000
- Pupil Transportation - 1977-78 41,000
- Special Parent Meeting Expenses-1978-79 10,000

**Iowa Braille and Sight Saving School**

- Intent to Extend the School Year-1977-78 28,350

*Mr. Baldridge also moved that flexibility regarding the opening of new buildings net figure be granted
Mr. Richey noted that the special needs total request for 1977-78 is $5,645,570. That figure, he noted, did not include student aid. Of the $5,645,570, $4,733,000 would come from appropriations. The second year of the biennium's total special needs request is $1,464,358 less whatever adjustments there are for the first year's appropriation and less whatever adjustments there may be for the opening of new buildings. Mr. Richey commented that the total budget figure will be a little higher due to the fact that some hospital income will be included in the second year of the biennium.

VOTE ON MOTION: The motion passed unanimously.

INSTITUTIONAL INCOME AND STUDENT AID. The board was requested to approve the student fee income projections for the 1977-79 biennium based on the revised fall enrollments for 1976-77 and revised tuition rates.

The Board Office reported that student aid awards are based upon a need formula which includes expenses beyond tuition. For 1976-77 the total allowable expenses used in calculating need for an average resident undergraduate average about $2,500 at the Regent universities. There may also be increases in dormitory rates, which will go into effect during the next biennium. Therefore, projecting the amount of student financial aid that is needed after taking the rise in cost of attending universities, etc. into consideration, is a difficult, if not impossible task. In order to assist the Board Office in estimating the increased amount of aid required as a result of the tuition increase, the Board Office utilized the services of the College Entrance Examination Board which has developed a computerized model for this purpose. The CEEB model utilizes information on students at Regent institutions who have completed Parental Confidential Statements as well as factors adjusted to accommodate increased tuition, room and board and projected increases in the cost of living. On the basis of several computer runs this model has projected the needed increase in student financial aid funds at the Regent universities based on an average $100 increase as follows:

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<th>SUI</th>
<th>ISU</th>
<th>UNI</th>
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</thead>
<tbody>
<tr>
<td>CEEB Model's Estimated Need</td>
<td>$451,000</td>
<td>$281,000</td>
<td>$210,500</td>
</tr>
<tr>
<td>Proposed Increase in General-Expense</td>
<td>329,130</td>
<td>143,060</td>
<td>104,958</td>
</tr>
<tr>
<td>Increase Needed</td>
<td>$121,870</td>
<td>$137,940</td>
<td>$105,542</td>
</tr>
</tbody>
</table>

The Board Office stated that when the proposed 12% in general expense funds, including student aid funds is subtracted from the CEEB model's estimated need, one can project the additional student aid which is required to meet the additional needs for student aid funds. It was recommended that this additional amount be allocated to student aid.

The Board Office said it is important that the institutions allocate these student aid funds for the purpose intended by the board. In reviewing the student aid budgets for 1975-76 the Board Office noted that not all of the institutions have allocated all of the general expense funds intended to
be used for student financial aid. The University of Northern Iowa has not included approximately $90,000 in its student aid funds for 1975-76 which were intended for this purpose. Both the State University of Iowa and Iowa State University have contributed at least the amount designated for student aid in their 1975-76 student aid budgets.

President Kamerick said he understood some of the confusion the Board Office had about the University of Northern Iowa with respect to this matter for discussion. He said that between 1974-75 and 1975-76 the university changed the method by which it was locally budgeting those funds and the result is that whereas before the university had budgeted graduate scholarships under fee extensions. In 1975-76 the university did not. The difference is $73,000 and as a result. He said that should have been explained earlier. The actual difference from 1974-75 to 1975-76 in student aid is $96,000 plus. The majority of that is made up of $73,000 of graduate scholarships plus some special graduate assistant aid.

The Board Office noted that the student fee income for the general universities was estimated utilizing different procedures at each of the institutions. There was also an absence of uniformity in the procedures for calculating enrollment estimates. The Board Office stated that assuming that the enrollment estimates for 1977-78 and 1978-79 are accurate, the estimated student fee income for those years appears to be reasonable.

The Board Office reported that institutional income consists of student fee income, federal funds, sales and services, and other income. The Board Office presented the board with the following information regarding same:

Federal Funds
Iowa State University, Iowa School for the Deaf and Iowa Braille and Sight Saving School receive federal funds into general fund accounts. Iowa State University receives Bankhead-Jones and Morrill-Nelson funds directly from the federal government and some federal funds indirectly through the Department of Public Instruction, which are classified as General Operations funds. The latter funds are expected to decline to a level of $90,000 and $75,000 for each of the fiscal years of the 1977-79 biennium, respectively. The Bankhead-Jones and Morrill-Nelson funding is continued in the budget request at the level of 1976-77 even though losses of these funds are anticipated. The anticipated losses are shown separately in the treatment of federal funds losses for all institutions. Continuation of the funding in the budget request avoids automatic replacement of reduced funding by state appropriations and avoids duplicating statement of federal funds losses. Iowa State University shows the federal funds for the Agricultural Experiment Station decreasing slightly to $1,820,000 in 1977-78 from $1,831,000 in 1976-77 and increasing to $1,911,000 in 1978-79. The institution expects federal funding to the Cooperative Extension Service to increase from $3,736,000 in 1976-77 to $3,923,000 and $4,119,000 for each of the respective years of the biennium.

Both Iowa School for the Deaf and Iowa Braille and Sight Saving School show identical amounts of $12,000 of federal funding even though there is a difference in enrollment. There are differences in programs in that Iowa Braille and Sight Saving School receives indirect costs from Title VI as well as Title I and Iowa School for the Deaf receives breakfast funds as well as lunch money.
Income for all Regents' institutions anticipated under Title I for 1976-77 amounts to approximately $299,923. One additional year of funding beyond the current year remains in the 3 year appropriations bill. Because of the coverage by Title I, the Regents' institutions are ineligible for funds under Public Law 94-142. Even if funding were available under the new law, it appears that it would be substantially below current income levels.

Sales and Services
Most of the income from Sales and Services is derived from the health units at the University of Iowa. The university hospital rates are applied uniformly to both indigent and private paying patients; consequently the income from Sales and Services has been increasing at a greater rate than state appropriations during recent years as the number of private paying patients served has increased relative to the number of indigent patients. Iowa State University shows increases in Sales and Services for the General University and Agricultural Experiment Station of 5% per year.

Other Income
Other Income consists primarily of indirect cost recoveries associated with grants and contracts as it pertains to the general universities. There is some interest income and miscellaneous income items, particularly with respect to organizational units other than the general universities.

In September the universities were authorized to place indirect cost recovery (included in "Other Income") in excess of budgeted income into a restricted account as a reserve against future losses from this source up to an amount equal to six months of the actual indirect cost recovery in the previous fiscal year. When such reserves have been accumulated, a plan will be submitted to the board for possible utilization of the excess funds, and further, that the universities be authorized to transfer funds from the reserve account to the General Education Fund when actual income is less than the budgeted amount.

In discussion, Mr. Richey said the board had a total additional student aid amount recommended of $942,500. Of that amount, $577,000 was approved by the board in the inflation factor for general expense leaving a recommended addition for student aid of the special needs category $365,352. That takes under consideration the estimated need based on the tuition rates approved by the board yesterday. He said it may well not take into consideration the full growth and cost for dormitory rooms, books, and other additions in the college student's budget. He reported the Board Office used $100 for that average increase to reach the $942,500.

Assistant Dean Jennings said he saw two problems with the recommendation made by the Board Office. He said the recommendation did not include funds for increased dormitory rates or book expenditures. He said that based on the University of Iowa's calculations, the dormitory increase could be a 7% to 8% jump and recommended the $450,000 be increased by approximately $250,000. President Boyd requested student aid be increased from 20% as recommended to 35%.

Assistant Dean Jennings asked how the Board Office arrived at the figure of $645,352 for student aid. Mr. Richey said it is based on a 12% increase. He recommended half of that be applied to the student aid. The revised
figures recommended by Mr. Richey were: $122,000 for the State University of Iowa with the addition of $150,000 making it $272,000; $138,000 at Iowa State-University-plus $75,000, or $213,000; and $161,000 total for the University of Northern Iowa, an addition of $55,000.

MOTION: Mr. Brownlee moved the board approve the student fee income projections for the 1977-79 biennium based on the revised fall enrollments for 1976-77 and revised tuition rates in the following amounts:

State University of Iowa $272,000
Iowa State University $213,000
University of Northern Iowa $161,000

Mr. Slife seconded the motion and it passed unanimously.

The board then looked at the budget request for the biennium. Mr. Richey reported that the total budget request for 1977-78 is now $307,630,000. The amount for the second year of the biennium with opening of new buildings aside would be $319,500,000. He noted the second year of the biennium's figure included no salary increase money. He noted that the $307,630,000 did not include general service staff salaries. Regent Bailey asked what percentage increase the budget figures are in terms of appropriation. Mr. Richey said it is a 12.3% increase the first year of the biennium. Appropriations would be $204,300,000 for 1977-78. For clarification, Mr. Richey said that figure did not include merit or continuing education. For 1978-79 the appropriation figure as reported by Mr. Richey would be approximately $213,500,000.

MOTION: Mr. Slife moved the board approve the budget request for $307,630,000 for 1977-78 and $319,500,000 for 1978-79 with amounts to be included later for general service staff salaries increases for 1977-78, for all salary increases for 1978-79, and for continuing education for 1977-78 and 1978-79, and with the Board Office authorized to adjust the special needs request for opening new buildings to net out savings from removing old buildings from use. Mrs. Collison seconded the motion and it passed unanimously.
CAPITAL ASKINGS, 1977-79 BIENNIAL. The Board Office presented the following recommendations to the board:

1. Approve submittal to the Governor and Legislature of a four-part capital request consisting of:
   
a. A deficiency appropriation for 1976-77 which has five projects totaling $11,710,000. It would be understood that the board is requesting this appropriation as early as possible in the 1977 Session, but in any event no later than March 1, 1977.

b. A request for academic revenue bonding authority for utility needs of the universities for 1977-79 totaling $14,430,000.

c. A planning appropriation request in 1977-78 for new construction on five projects totaling $1,435,000.

d. A capital request for 1977-78 and 1978-79 totaling $22,405,000 of which $4,890,000 would be requested for 1977-78 and $17,515,000 requested for 1978-79.

The total program recommended is a capital request of the board for $49,980,000, of which $11,710,000 is requested for 1976-77; $6,325,000 for 1977-78; $17,515,000 for 1978-79; and $14,430,000 in new academic revenue bonding authority.

2. Approve the priority listing of each project in each of the four categories. The list of projects in the deficiency appropriation request should all be regarded as first priorities. The projects in the academic revenue bonding authority are listed in priority order and funding of those projects would occur basically in that order if bonding authority was made available at the level requested. The planning appropriation request and the capital request for 1977-78 and 1978-79 are also listed in descending priority order and again funding of those projects would occur in that order if funds were made available at the level requested.

3. Request appropriations for tuition replacement requirements for payment of debts on outstanding existing revenue bonds during the 1977-79 biennium as follows:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1977-78</td>
<td>$3,180,000</td>
</tr>
<tr>
<td>1978-79</td>
<td>$3,055,000</td>
</tr>
</tbody>
</table>

If the legislature approves new academic revenue bonding authority, request an additional $300,000 for fiscal year 1978-79 to pay debt service on those bonds during the forthcoming biennium.

4. Request the Governor to provide state funds totaling $935,000 for implementation of Phase II of a statewide program to make the Board of Regents' institutions accessible for the orthopedically handicapped. The institutional allocation of the request would be as follows:

<table>
<thead>
<tr>
<th>Institution</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Iowa</td>
<td>$280,000</td>
</tr>
<tr>
<td>Iowa State University</td>
<td>400,000</td>
</tr>
<tr>
<td>University of Northern Iowa</td>
<td>225,000</td>
</tr>
<tr>
<td>Iowa School for the Deaf</td>
<td>30,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$935,000</strong></td>
</tr>
</tbody>
</table>
The Board Office reported that the institutions submitted capital requests totaling $91,667,000. The Board Office recommendation was to provide funding under one of four methods for $49,980,000 of the amount requested, or 54.5% of the institutional requests.

The board at its September meeting gave tentative approval to a capital asking totaling $49,995,000 including academic revenue bonding authority of $10,500,000. The Board Office has since the September meeting firmed up all aspects of the capital request and presented a capital request totaling $49,980,000 of which the bonding authority would be $14,430,000. The reason for the increase in the bonding authority was because of the completion of the preliminary report on the coal-fired boiler at the University of Northern Iowa by Brown Engineering Company. At the September meeting the asking had included a total of $3,190,000 for this boiler with $300,000 in contracts which would consist of the boiler only. The other equipment associated with the boiler as well as construction was assumed to be requested in the 1979-81 biennium, which was, in turn, based upon a belief that it would take five years to bring this boiler on line from the time appropriations were made available to the institution for this project. The Brown study indicates that the project could be completed in a minimum of 29 months rather than the 60 months originally assumed. The final report from Brown Engineering is due by the end of December and will firm up cost estimates for all portions of this project, as well as explore the alternatives in location of this new boiler.

Inclusion of the entire coal-fired boiler project in this biennial request was the major reason for the increase in the academic revenue bonding authority from the $10,500,000 level to $14,430,000. The academic revenue bonding authority has also been adjusted to provide $400,000 more for the Centrifugal Chiller project at Iowa State University which the institution indicated was understated in costs of the September listing and an addition of $110,000 for the Electrical Substation project at the University of Iowa which the institution now indicates represents anticipated costs on that project. It was noted that the university has determined that it would be proper to sell academic revenue bonds for that project which would serve University Hospitals. The board was reminded that the university suggested at the September meeting that perhaps hospital bonding would be better than academic revenue bonds. However, the university has now determined that the project would serve faculty who are office in University Hospitals as well as serving approximately 1,300 students who take part of their training in University Hospitals. Therefore, academic revenue bonding is proper application for that project. Because of these three increases in the utility projects, the Board Office reduced out of the list two lower priority utility projects for the University of Northern Iowa which appeared originally in the September listing.

The Board Office noted that it had determined that a 7% inflation factor on those projects which were not funded by the 1976 legislature and which were requested again of the 1977 legislature was proper.

At the September board meeting the University of Iowa presented a need to purchase a new academic computer at an outright purchase price of $5.5 million. The recommendation now is that the university initiate a lease/purchase agreement for a new computer beginning in fiscal year 1978-79 which would have an annualized cost of $1.2 million.
President Parks requested at the September meeting that the planning for the library increase from the $300,000 which was seen as the planning funds needed to fully design Phase I of the library addition to $600,000 to provide full designs for both Phase I and Phase II of this library addition. After receiving all the changes in the capital askings from the institutions including an increase of $400,000 from Iowa State University in the centrifugal chiller project, the Board Office recommended scaling back that request for planning funds for the library to $400,000 which would provide $100,000 to bring Phase II design through the schematic design stage. The Board Office reported it is convinced of the wisdom of considering design of both phases at once, but is less convinced that there is the need for full design to the contract bid stage on both phases when the second phase asking for construction is at least as far away as 1979-81 request of the Board of Regents.

The Board Office added into the list $485,000 for remodeling of Eastlawn at the University of Iowa under the 1977-78 capital request. Most of this building cannot be presently utilized because of its condition and the university does feel that the building could be of some benefit to it to house administrative offices, etc. for a relatively small expenditure. The only current occupant of the building is the state archaeologist who occupies the basement space only.

In summary, the Board Office recommendation included 37 projects including six new buildings, 10 utility projects, 10 remodeling projects and two special projects.

**Tuition Replacement Appropriations**

The board sold $34,780,000 in academic revenue bonds between December, 1970 and May, 1973. As of July 1, 1976, there was a principal outstanding on these bonds of $27,585,000. Approximately $1,735,000 in principal is retired annually. It was proposed by the Board Office to request new bonding authority to issue $14,430,000 in bonds during the 1977-79 biennium. This would occur in four sales approximately under the following timetable:

<table>
<thead>
<tr>
<th>Institution</th>
<th>Date</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Northern Iowa</td>
<td>December 77</td>
<td>$4,155,000</td>
</tr>
<tr>
<td>University of Iowa</td>
<td>March 78</td>
<td>3,140,000</td>
</tr>
<tr>
<td>Iowa State University</td>
<td>July 78</td>
<td>3,600,000</td>
</tr>
<tr>
<td>University of Northern Iowa</td>
<td>December 78</td>
<td>3,535,000</td>
</tr>
</tbody>
</table>

The Board Office reported that the maximum amount of tuition replacement request is the current biennium where it has appropriations totaling $6.6 million. Taking that as a standard, the new bonding authority would cost the state approximately $900,000 more per year for the next few years. It was also noted that the total amount of bonding by Regents' institutions under the academic revenue bond program would for one year have $36,590,000 principal outstanding which is less than $2 million above the original authorization of $34,780,000.

Some concern was expressed at the September meeting about whether the institutions had enough bonding capacity to take on this additional authority. During 1975-76, student fees, charges and institutional income which was available for academic revenue bonds totaled $5,240,637. Under the board's bonding plan, the university would have a maximum debt service payment coming due in 1980-81 of $1,419,120. This amount taken against the 1975-76 income shows that the university would in that one year have a
370% coverage of its debt service by institutional income, which is far in excess of any bonding requirement. Furthermore, the institutional income is based upon current tuition rates which are bound to increase during the life of these bonds even though enrollment may or may not stay at the current levels. There is then sufficient capacity at all three institutions to take on this bonding authority.

It was also noted that at the University of Northern Iowa originally there were $6,830,000 in bonds issued. Almost $2,000,000 of these bonds will have been retired by July 1, 1977 and by the time of the second issue proposed under the bonding plan, the new issuances for University of Northern Iowa of $7,690,000 will mean that as of July 1, 1979 the university will have a bonded indebtedness of $11,735,000, which means that total bonds issued for the university will increase by less than $5 million despite the fact that new bonding authority to the extent of $7.7 million will have been utilized. Bonds will be retired for the University of Northern Iowa at the rate of $735,000 per year thereafter.

The action recommended for the handicapped accessibility program was the same as recommended last month and would be the second phase of a four-phase program to make all Regents' institutions accessible to the orthopedically handicapped.

MOTION: Mr. Baldridge moved the board approve submittal to the Governor and legislature of a capital request for a deficiency appropriation for 1976-77 which has five projects totaling $11,710,000. It would be understood that the board is requesting this appropriation as early as possible in the 1977 Session, but in any event no later than March 1, 1977. Mr. Zumbach seconded the motion.

Regent Slife asked if the deficiency appropriation was identical to the request made in September. Mr. Richey said it was increased $100,000 because of planning of the entire facilities for the coal-fired boiler at the University of Northern Iowa.

VOTE ON MOTION: The motion passed unanimously.

MOTION: Mr. Brownlee moved the board approve submittal to the Governor and legislature of a capital request for academic revenue bonding authority for utility needs of the universities for 1977-79 totaling $14,430,000. Mr. Zumbach seconded the motion.

Regent Collison asked what had changed from the Board Office's current recommendation regarding academic revenue bonding authority needs as compared from last month's recommendation. Mr. Richey noted that the entire University of Northern Iowa coal-fired boiler was included in the capital request which influenced the academic revenue bonding authority and Mr. McMurray noted that $400,000 was added for a project for Iowa State University, also.
VOTE ON MOTION: The motion passed unanimously.

MOTION:

Mr. Baldridge moved the board approve submittal to the Governor and legislature of a capital request for planning appropriations in 1977-78 for new construction on five projects totaling $1,435,000. Mrs. Collison seconded the motion. The motion passed unanimously.

MOTION:

Mrs. Collison moved the board approve submittal to the Governor and legislature of a capital request for 1977-78 and 1978-79 totaling $22,405,000 of which $4,890,000 would be requested for 1977-78 and $17,515,000 requested for 1978-79. The total program recommended is a capital request of the board for $49,980,000 of which $11,710,000 is requested for 1976-77; $6,325,000 for 1977-78; $17,515,000 for 1978-79; and $14,430,000 in new academic revenue bonding authority. Mr. Barber seconded the motion and it passed unanimously.

President Petersen gave the institutions an opportunity comment as to any problems with the priority listing of each project in each of the four categories. She said the board would assume that the priorities would stand as listed unless the board indicated otherwise. There were no objections raised and the priorities, then, stood as recommended by the Board Office.

MOTION:

Mr. Slife moved the board request appropriations for tuition replacement requirements for payment of debts on outstanding existing revenue bonds during the 1977-79 biennium as follows:

- Fiscal Year 1977-78: $3,180,000
- Fiscal Year 1978-79: $3,055,000;

and an additional $300,000 for fiscal year 1978-79 if new bonding authority is granted as requested. Mr. Bailey seconded the motion and it passed unanimously.

MOTION:

Mr. Baldridge moved the board request the Governor to provide state funds totaling $935,000 for implementation of Phase II of a statewide program to make the Board of Regents' institutions accessible for the orthopedically handicapped. The institutional allocation of the request would be as follows:

- University of Iowa: $280,000
- Iowa State University: 400,000
- University of Northern Iowa: 225,000
- Iowa School for the Deaf: 30,000

TOTAL: $935,000

Mr. Zumbach seconded the motion and it passed unanimously.
Mr. Richey noted that the action the board took regarding accessibility for the handicapped did not differ from the action recommended last month.

President Boyd said that he was disappointed that the separate request for health services was not able to be initiated in the above capital request. He stated that he hoped that this matter could be resolved in future askings and asked the assistance of the Board Office in that regard. He also mentioned that the university anticipated some difficulty in respect to the relocation of the State Hygienic Laboratory. Mr. Richey responded that the Board Office would be pleased to offer its assistance to the University of Iowa on both of these matters.

BOARD OFFICE BUDGET REQUEST 1977-79. The board was requested to: 1) affirm its September action approving the budget request of $468,849 in 1977-78 and $473,394 in 1978-79 for operation of the Board of Regents Office; 2) approve priorities as set forth below for budget request using adjusted budget base as defined by the State Comptroller; 3) treat salary budget for professional employees similar to counterparts in institutions.

The board adopted, tentatively, a budget request for its office in 1977-79 as set forth in the action requested above. New budgeting procedures require that priorities be established utilizing 90% of the 1976-77 budget as the starting point.

The priorities for additions to the "Adjusted Base Budget" were proposed as follows to reach the request for 1977-78:

**Level 1**
- Classification Analyst and support; Budget and Management Analyst and Support
- Labor Relations Secretary
- 3% increase for price inflation for non-salary categories

**Level 2**
- Secretary to be shared by General office and Merit unit
- Extra help
- Contractual service of $5,100

**Level 3**
- Labor Relations Associate and supporting expenses.

The programs and amounts identified to reach the 90% base were as follows:
<table>
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<tr>
<th></th>
<th>Board Office</th>
<th>Merit</th>
<th>Employment Relations</th>
<th>Total</th>
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<tr>
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<tr>
<td>Salary</td>
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<td><strong>Equipment &amp; Furniture</strong></td>
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<td><strong>Extra Help</strong></td>
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<td>$21,516</td>
<td>$19,916</td>
<td>$17,234</td>
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The Board Office reported that the budget and management analyst was identified in the office proper because selection of another professional position would have required reduction of more than one professional position because of the amounts involved. The classification analyst in the merit unit was identified over the test validation analyst because of federal and state mandates for affirmative action in the selection of employees. The contractual services amount was identified because of an accounting quirk.

The budget for the employee relations function included $12,000 more than usual in the current year because the Board Office shifted savings from the annual salary of the director to that category on a one-time basis. Therefore, the total reduction of $17,064 shown for contractual services netted out to $5,064.

The extra help noted was for part-time clerical help.

President Petersen noted the inclusion of a request for an increase in salary for the board's executive secretary in the amount of $37,500. She said in light of the board's policy last month in that regard, the request was made to try to increase the executive secretary's salary to be more commensurate with his responsibilities to the board.
MOTION:

Mr. Bailey moved the board: 1) affirm its September action approving the budget request of $468,849 in 1977-78 and $473,394 in 1978-79 for operation of the Board of Regents office; 2) approve priorities as set forth above for the budget request using adjusted budget base as defined by the State Comptroller; 3) treat salary budget for professional employees similar to counterparts in institutions; 4) request an increase in the salary of the board's executive secretary to the amount of $37,500. Mr. Slife seconded the motion and it passed unanimously.

ANNUAL UNDERGRADUATE STUDENT AID REPORT, 1975-76. The board was requested to accept the annual undergraduate student aid report for 1975-76.

The Board Office noted that the institutional student aid directors divided the various types of student assistance into five funding groups; 1) institutionally-controlled aid funds, such as general educational funds which are primarily used for scholarships and private funds donated to the institutions for use as long-term loans to students; 2) federal funds under institutional control (federal funds consist of the three major student aid programs); 3) funds not controlled by the institutions (these include State of Iowa scholarships, veteran benefits, social security benefits and vocational rehabilitation benefits, and basic grants); 4) private student assistance programs such as corporate and private donors and other special aid programs; and 5) federally-insured student loan programs.

In discussion, President Petersen noted that student aid was also discussed earlier in these minutes.

The following information was provided the board regarding student aid:

Institutionally-Controlled Funds

These funds primarily consist of scholarships awarded to students according to demonstrated financial need, with some consideration of academic achievement. The awards range from $100 to $900. The scholarships category primarily consists of general institutional funds. These funds, along with the institutional contributions of several federal programs, constitute all the state-supported student aid programs. Both ISU and UNI also have institutionally-administered loans in a manner similar to the National Direct Student Loan Program.

The average scholarship award has increased in the past year at SUI where the average scholarship was $583 in 1974-75 and $683 in 1975-76. At ISU and UNI, the average scholarships decreased from $506 in 1974-75 to $457 in 1975-76, and from $477 in 1974-75 to $472 in 1975-76, respectively. Long-term loans, on the other hand, have increased at both SUI and ISU and decreased slightly at UNI. The average long-term loans were $409 in 1974-75 and $595 in 1975-76 at SUI; $543 in 1974-75 and $555 in 1975-76 at ISU; and
October 14-15, 1976

$396 in 1974-75 and $372 in 1975-76 at UNI. The decline in the value of long-term loans at UNI shows a furtherance in the decline in dollar value of the loans which began in 1973-74 when the average loan was $417.

Federal Funds Institutionally Controlled

These funds consist of three federally-funded programs: (1) the Supplemental Educational Opportunity Grant (SEOG); (2) the National Direct Student Loan Program (NDSL); and (3) the College Work-Study (CWS) Program. The Supplemental Educational Opportunity Grants are intended for "exceptionally needy" undergraduate students based on financial need calculations by the institutions. The National Direct Loan Program consists of a 90% federal contribution of the principal for a revolving loan fund at each institution. The remaining 10% is from institutional funds. Repayment for the NDSL is deferred when the student leaves school. The College Work-Study Program is also a cost-shared program between the federal government and the institution in which preference is given to those of exceptional financial need.

The average SEOG increased this past year over the previous year at all three institutions as shown in Table Four, whereas NDSL and CWS averages showed various fluctuations which basically reflect changing assistance needs of the student populations between 1974-75 and 1975-76.

Funds Not Controlled by Institution

Since these funding groups are not controlled by the institutions, the figures provided in most categories are only estimates. This group of student aid funds does, however, represent an important part of the student's financial support package. These aids include the BEOG which is a federally funded grant program which provides the "floor" upon which other forms of aid are built, the State of Iowa Scholarships which are determined by the Higher Education Facilities Commission and disbursed by the institutions; and students covered under the G.I. Bill, social security and vocational rehabilitation financial assistance programs.

Both State of Iowa scholarships and BEOG's show increases in the average award in 1975-76 over 1974-75 at all three institutions as shown in Table Six. The number of students receiving these awards also shows an increase in 1975-76 over 1974-75, except for state scholarships at UNI where there was a slight drop. The increase in BEOG's is likely to continue as a result of the recently enacted federal higher education bill which raises the ceiling on the BEOG's to students from the present $1,400 a year to $1,800 starting in the 1978-79 academic year.

With regard to the state scholarship program, it is interesting to note that the average award for the Regents schools has increased from $522.58 in 1974-75 to $548.10 in 1975-76 according to information provided by the Higher Education Facilities Commission (HEFC). These figures for the Regents compare with $595.67 in 1974-75 and $578.59 at the private colleges. The maximum grant under the state scholarship program is $610 and covers only tuition and fees, which explains the higher dollar average for the private colleges which have higher fees. Students at the Regents schools received slightly less than half of the awards in recent years.
Other Sources of Student Assistance

This category of student assistance consists of all the remaining types of aid, except employment and federally insured student loans. Included in this funding group are scholarships by corporate and private donors, and various forms of assistance associated with certain fields of study such as the health professions and law enforcement education program.

President Petersen said she felt the report was a very good one and gave the board a picture of the size and shape of the total amount of student aid.

Mr. Barak of the Board Office said that primarily, the outlook for student aid looks good although he noted the declining program with respect to federally insured loans. He said some federal programs even show a good prospect for providing increased aid.

Vice President Stansbury brought to the board's attention an error in addition in the Board Office memorandum in Table Four. He said the figure of $1,443,137 should be $1,173,385.

MOTION: Mr. Baldridge moved the board accept the annual undergraduate student aid report for 1975-76. Mr. Bailey seconded the motion.

Regent Bailey noted a discrepancy in the report as summarized by the Board Office. He said the item for funds not controlled by the institution for the University of Iowa, for example, there are over $5 million worth of funds and the figure on page one was $1,126,000 which is the total on page six. He asked for an explanation. He asked if the figures were just transposed wrong. Mr. Barak said the figures came in from the institutions and the institutions were also given an opportunity to review same before the meeting. Mr. Richey said the Board Office will issue a corrected report after further review.

Regent Collison asked that when the Board Office reviews this again that the disincentives for students concerning the college work-study program be looked at once more. She noted the time pressures in preparing this report and said some more time should possibly given to the work-study program. Mr. Barak said that will be reviewed further.

President Petersen said the board could vote on the motion before it with the understanding that the report is subject to revision and will come back when it is corrected as an information item.

VOTE ON MOTION: The motion passed unanimously.
NEXT MEETINGS.

November 11-12 University of Northern Iowa
December 9-10 Iowa School for the Deaf
January 13-14 State University of Iowa
February 10-11 Iowa State University
March 10-11 Des Moines
April 14-15 University of Northern Iowa
and
Iowa Braille and Sight Saving School
May 12-13 Iowa State University
June 9-10 or State University of Iowa
June 23-24

Cedar Falls
Cedar Falls
Cedar Falls

Council Bluffs
Iowa City
Ames
Des Moines

APPROVAL OF MINUTES OF SEPTEMBER 16-17, 1976 MEETING. The minutes of the Board of Regents meeting held September 16-17, 1976 were approved as distributed.

President Petersen asked board members and institutional executives if there were additional matters to be discussed under the general portion of the docket. There were no additional matters discussed.
The following business pertaining to the State University of Iowa was transacted on Friday, October 15, 1976.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the month of September 1976 were ratified by the board.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. Executive Secretary Richey reported that the Register of Capital Improvement Business Transactions for the month of October 1976 had been received by him, was in order, and recommended approval.

The following construction contract awards were recommended for approval under Form C:

**University Hospitals—Inpatient Pharmacy and Pharmacy Office Remodeling**
- **General:** Burger Construction Company, Inc., Iowa City, Iowa $55,550.00
- **Mechanical:** Jones Plumbing and Heating, Iowa City, Iowa $21,600.00
- **Electrical:** Shay Electric, Inc., Iowa City, Iowa $21,000.00

**Oakdale Hospital Access Roadways**
- **Award to:** Iowa Road Builders Co., Des Moines, Iowa $40,550.28

The following revised project budgets were recommended for approval:

**University Hospitals—Inpatient Pharmacy and Pharmacy Office Remodeling**
- **Source of Funds:** RR&A $103,000.00

This was a $42,000 project. Contracts could not be awarded within the approved project budget and so contracts were referred to the board under Form C.

**Oakdale Hospital Access Roadways**
- **Source of Funds:** RR&A $50,000.00

The board originally approved a $91,500.00 budget funded from University Hospitals Building Usage Funds at its September meeting. The university stated that the original estimate for wall construction was too low because of inaccurate linear footage measurements and the use of a cost multiplier which was less than current costs. The scope of the project was not increased.

The following new projects were recommended for approval:

**Hydraulic Laboratory Tuckpointing**
- **Source of Funds:** University RR&A $10,200.00

**Power Plant Turbine Condenser Retubing**
- **Source of Funds:** University RR&A $10,500.00

**Basic Sciences Building Waterproofing**
- **Source of Funds:** University RR&A $15,000.00
Completion of Phase II, North Hall Fourth Floor
Source of Funds: University RR&A  $20,075.00

Hawkeye Oil Spill Prevention
Source of Funds: Dormitory Improvement Reserve $27,650.00

MOTION: Mr. Baldridge moved the board approve the
Register of Capital Improvement Business
Transactions for the month of October 1976; approve award of the construction contracts
shown above; approve the revised project budgets for the two projects shown above;
approve the new projects as shown above; and authorize the executive secretary to sign all
necessary documents. Mr. Shaw seconded the
motion and it passed unanimously.

LEASE OF PROPERTY, KTVO, INC., OTTUMWA, IOWA. The board was requested to
approve a lease of property by the State Board of Regents of KTVO, Inc.,
Ottumwa, Iowa.

The university reported the property involved Suite 120 and the Reception
Room in the KTVO Building consisting of approximately 387 square feet.
The term would commence October 1, 1976 and would continue indefinitely.
The agreement stated that either party could terminate with 30 days written
notice.

The rental fee agreed upon was $59.25 per month for a yearly rental of
$711.00. All utilities would be furnished by the landlord.

The property would be used to relocate office space for the regional
consultant for the southeastern area of Iowa employed by the State
Services for Crippled Children, University of Iowa. The university
reported that the new lease is required because of a need for KTVO to
reallocate space.

MOTION: Mrs. Collison moved the board approve a lease
of property by the State Board of Regents with
KTVO, Inc., Ottumwa, Iowa with the terms listed
above. Mr. Bailey seconded the motion and on
roll call the following voted:
AYE: Bailey, Baldridge, Barber, Brownlee, Collison, Shaw, Slife, Zumbach, Petersen.
NAY: None.
ABSENT: None.
The motion carried.

RESOLUTION, SUDHINDRA BOSE MEMORIAL FUND. The board was requested to
adopt a modification in a resolution of the Sudhindra Bose Memorial Fund.

The university reported that it appears that the need for a Political
Science Library is of more significance than scholarships and the grantor, Anne Z. Bose, has agreed to a change in the use of the funds for said
purposes. The following modifications were presented the board for approval:
A. The purpose of the trust for lectures and scholarships is hereby terminated and the following inserted in lieu thereof.

B. Said trust funds now on hand, together with all accrued interest thereon shall be used to refurbish the Political Science Departmental Library, the same to be dedicated to Sudhindra and Anne Z. Bose, by appropriate records in said library memorializing said endowment.

Regent Bailey asked if the modification indicated that the university is now going to use the money in the trust fund rather than have it accrue interest as it has been doing in the past. Assistant Dean Jennings responded affirmatively.

MOTION: Mrs. Collison moved the board approve a modification in the resolution of the Sudhindra Bose Memorial Fund. Mr. Bailey seconded the motion and on roll call the following voted:

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

NAY: None.

ABSENT: None.

The motion carried.

JOHN F. MURRAY ENDOWMENT FUND. The board was presented changes in the investment portfolio for the quarter ending September 30, 1976 and was requested to accept the report and ratify the changes.

MOTION: Mr. Zumbach moved the board accept a report on the John F. Murray Endowment Fund and ratify changes in the investment portfolio for the quarter ending September 30, 1976. Mr. Barber seconded the motion and it passed unanimously.

SALE OF FARM LAND. The board was requested to adopt the following resolution:

RESOLVED, that the State Board of Regents hereby authorizes Leland F. Beneke, executor of the estate of Ida C. Beam, to sell the land in Benton County, Iowa, described as:

South Fractional Half (S. Fr. 1/2) of Section Nineteen (19), Township Eighty-four (84) North of Range Ten (10) West of the Fifth Principal Meridian,

at auction on or before December 31, 1976, under such conditions and on such terms as shall be determined by him or his agent. The Board of Regents hereby authorizes Mary Louise Petersen, President, to join the petition for sale
on behalf of the Board. The Board of Regents further appoints Ray Mossman to act as the Board's agent and authorizes him to approve or disapprove any and all bids submitted at the auction.

The university reported that Ida C. Beam of Portland, Oregon, has left 291 acres of farm land in Benton County, Iowa to the University of Iowa to be used "for educational uses and purposes." The land is still in the estate. The executor of the estate is authorized to sell the land under the terms of the will, but because the present executor is not the same party designated to act in that capacity under the will, he desires the beneficiaries to join in the petition for sale. If the sale is authorized, it will take place in November, and the proceeds will be paid out to the University of Iowa thereafter.

MOTION: Mr. Baldridge moved the board adopt the resolution authorizing Leland F. Beneke, executor of the estate of Ida C. Beam, to sell the land in Benton County, Iowa. Mr. Zumbach seconded the motion and on roll call the following voted:
AYE: Bailey, Baldridge, Barber, Brownlee, Collison, Shaw, Slife, Zumbach, Petersen.
NAY: None.
ABSENT: None.
The motion passed.

LINDQUIST CENTER -- PHASE II. The board was requested to approve selection of an architect for the project, Skidmore & Owings & Merrill, Chicago, Illinois, and approve a contract for architectural services with the above-named firm for a fixed fee of $220,000 plus reimbursement for the usual out-of-pocket expenses.

The Board Office reported that the 1976 legislature appropriated $600,000 for planning for three buildings at Regents universities. The board allocated $300,000 to planning the Lindquist Center -- Phase II project. The construction funds have been requested as a deficiency appropriation request in the amount of $5,640,000 from the 1977 legislature.

The university reported that it anticipates that initial construction contracts on the project could be awarded as early as March 1, 1977, with all contracts being awarded by July, 1977, and project completion in December of 1978.

The university presented the board with the following selection process it followed:

1. The Iowa Chapter of the AIA was invited to advise all Iowa architects that the University was to select an architect for this project.

2. Twenty firms expressed an initial interest in being considered for the commission.
3. The project team selected five firms from the above response to be interviewed by the Architectural Selection Committee. The architect for LCM - Phase I, Skidmore, Owings & Merrill, were also invited to interview. All firms selected for interview were judged to be capable of performing the required services.

4. All firms to be interviewed participated with the project team in a briefing session in which the organization for and the process to be used with the project were explained.

5. The Architectural Selection Committee held interviews with the six pre-selected firms and recommended the architect recommended above.

MOTION: Mr. Barber moved the board approve selection of an architect for the project, Skidmore, Owings & Merrill, Chicago, Illinois, and approve a contract for architectural services with the above-named firm for a fixed fee of $220,000 plus reimbursement for the usual out-of-pocket expenses. Mrs. Collison seconded the motion and it passed unanimously.

President Petersen asked board members and institutional executives if there were additional matters to be discussed relating to the State University of Iowa. There were no other matters brought up for discussion.
The following business pertaining to Iowa State University was transacted on Thursday, October 14, 1976.

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

Thomas B. Thielen as Vice President for Student Affairs, and Associate Professor of Education. Salary as budgeted, 12 months' basis, plus annuity, effective January 1, 1977.

President Parks noted that a very thorough and exhaustive search was done for a person to fill this position and expressed pleasure that Mr. Thielen agreed to come to Iowa State University.

MOTION: Mr. Zumbach moved the board approve the appointment as shown above. Mrs. Collison seconded the motion and it passed unanimously.

The following business pertaining to Iowa State University was transacted on Friday, October 15, 1976.

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

CALENDAR CHANGE FOR THE 1976 HOMECOMING WEEKEND. The board was requested to accept the proposed calendar change for the 1976 Homecoming weekend.

The university reported that upon the recommendation by the Homecoming Committee, the Senate of the Government of the Student Body and the Executive Committee of the Faculty Council endorsed a change in the 1976 Homecoming weekend dates. The Homecoming weekend will begin after the close of evening classes on Thursday, October 28. Classes will commence again on Monday morning, November 1. This change has been approved for the 1976 Homecoming weekend only.

MOTION: Mr. Baldridge moved the board accept the calendar change for the 1976 Homecoming weekend as described above. Mr. Zumbach seconded the motion and it passed unanimously.

MUSIC BUILDING - SELECTION OF ARCHITECT. The board was requested to grant Iowa State University approval to negotiate and to enter into an agreement with Durrant, Deininger, Dommer, Kramer and Gordon of Dubuque, Iowa, for architectural services for the Music Building.
The university reported that 27 firms responded to the request for architectural services circulated by the Iowa Chapter of the AIA. A university screening committee visited the offices of a selected group of eight firms for interviews. The firm recommended has a staff of 76. Eight of the ten principals in the firm are Iowa State University graduates.

The Board Office reported that the construction cost of the Music Building project is $3,710,000, which would be for a project of approximately 50,000 gross square feet. The project is in the board's askings under deficiency appropriations requests to the 1977 legislature which assumes that the project will be ready to bid by May 1, 1977.

President Parks asked if the board would grant Iowa State University permission to have Mr. Richey sign the contract if all proceeds satisfactorily, so that the university doesn't need to wait for approval until next board meeting.

MOTION: Mr. Baldridge moved the board grant Iowa State University approval to negotiate and to enter into an agreement with Durrant, Deininger, Dommer, Kramer and Gordon for architectural services for the Music Building, subject to the contract being satisfactory to the Board Office, and if that occurs, the executive secretary would be authorized to approve the contract followed by later board ratification. Mrs. Collison seconded the motion. The motion carried.

VETERINARY QUADRANGLE - SELECTION OF ARCHITECT. The board was requested to grant Iowa State University approval to negotiate and to enter into an agreement with the firm of Frevert, Ramsey, Drey, Des Moines, Iowa, for the Quadrangle Remodeling, Phase I project.

The university noted that 32 firms indicated an interest in this project. Nine of those were interviewed by a committee in visits to their offices. The university added that the firm of Frevert, Ramsey, Drey is experienced in remodeling and renovation work. The Diagnostic Laboratory and the Biomedical Building, two of the buildings that make up the Quadrangle, were designed by this firm.

President Parks requested the board grant Mr. Richey authority to sign the contract prior to the next board meeting so that design could move right along.

MOTION: Mr. Zumbach moved the board grant Iowa State University approval to negotiate and to enter into an agreement with the firm of Frevert, Ramsey, Drey for the Quadrangle remodeling,
subject to the contract being satisfactory to the Board Office, and if that occurs, the executive secretary would be authorized to approve the contract, followed by later board ratification. Mr. Brownlee seconded the motion, and it passed unanimously.

PROPOSED ADMINISTRATIVE RULES FOR THE IOWA ADMINISTRATIVE CODE. The board was requested to approve rules which are proposed for inclusion with the Regent administrative rules in the Iowa Administrative Code.

The Board Office stated that Section 17A.3 of the Code of Iowa requires each agency or designated subdivision to: "adopt as a rule a description of the organization of the agency which states the general course and method of its operations, and the methods by which and location where the public may obtain information or make submissions or requests" and "adopt rules of practice setting forth the nature and requirements of all formal and informal procedures available to the public, including a description of all forms and instructions that are to be used by the public in dealing with the agency."

A copy of the proposed rule is on file in the Board Office.

MOTION: Mr. Bailey moved the board approve the rules presented to the board proposed for inclusion with the Regent administrative rules in the Iowa Administrative Code. Mrs. Collison seconded the motion, and it passed unanimously.

MUTUAL AID AGREEMENT - STORY COUNTY/AMES/IOWA STATE UNIVERSITY. The board was requested to approve a resolution authorizing Iowa State University to enter into a mutual aid agreement with the city of Ames and Story County in the event of a natural disaster, enemy attack, civil disturbance, or other emergency.

The university reported that for some time it has been meeting with representatives of the city of Ames, the Story County Board of Supervisors and representatives from the Iowa Office of Disaster Services, to develop an emergency operations plan that could be placed in operation primarily in the event of a natural disaster. In detailing specific responsibilities and activities in the case of an emergency, for proper coordination, assistance and optimum utilization of resources, it is advisable for the city of Ames, Iowa State University and Story County to adopt a mutual aid agreement as provided under Chapter 28E of the Code of Iowa. The agreement does not obligate the university to any financial commitments without its prior approval.
MOTION:

Mr. Baldridge moved the board approve the following resolution authorizing Iowa State University to enter into a mutual aid agreement with the city of Ames and Story County in the event of a natural disaster, enemy attack, civil disturbance, or other emergency. Mr. Zumbach seconded the motion, and it passed unanimously.

RESOLUTION NO. _____

IN SUPPORT OF THE STORY COUNTY/CITY OF AMES/IOWA STATE UNIVERSITY MUTUAL AID AGREEMENT

WHEREAS the Iowa State Board of Regents recognizes the need to provide for mutual aid and assistance between Story County, the City of Ames and Iowa State University, in the event of natural disaster, enemy attack, civil disturbance or other emergency; and

WHEREAS, toward that end there has been prepared a Story County/City of Ames/Iowa State University Mutual Aid Agreement in accordance with Chapter 28E of the Code of Iowa, (1975), a copy of which is attached hereto, and

WHEREAS, the Story County/Municipal Civil Defense Agency has duly recommended approval of said Agreement;

NOW, THEREFORE, BE IT RESOLVED BY the Iowa State Board of Regents that said Agreement is approved, that the Iowa State University of Science and Technology wishes to participate therein and R. Wayne Richey, Executive Secretary is authorized and directed to execute said Agreement on behalf of the Iowa State Board of Regents for the benefit of Iowa State University of Science & Technology.
REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. Executive Secretary Richey reported the Register of Capital Improvement Business Transactions for the period of September 17 through October 15, 1976 had been received by him, was in order, and recommended approval. He recommended the board also take specific action to reject the bid received on Division VIII—Steam Generator #4 and Auxiliary Equipment project.

The following construction contract award was presented the board for ratification:

Steam Generator #4 and Auxiliary Equipment - Division VII - Installation of Ash Conveying Equipment
Awards to: The Waldinger Corporation, Des Moines, Iowa
$31,150.00

The board was requested to reject the following bid:

Steam Generator #4 and Auxiliary Equipment - Division VIII - Structural Alterations for Ash Conveying Equipment
$34,640.00

The university took bids on September 27 and received only one bid. This bid exceeded the engineer's estimate by more than 100%. The university felt that since only one bid was received, that it was not representative of a competitive bidding situation and that the work could be secured for a considerably lower price. The university recommended that the board reject the bid and authorize the university to negotiate for a lower price.

The university proposed to negotiate with the Jamison Company and at least one other contractor as it does anticipate that this work can be secured for a figure close to $20,000. The university also requested that the board approve a procedure whereby the university can submit this contract based on negotiations to the executive secretary for his approval at the earliest possible date, since it is necessary to complete this work during the next six weeks. This procedure is within the board's statutory authorization in Section 262.36 which provides that if in the judgment of the board bids received are not acceptable, the board may reject all bids and proceed with the construction, repair or improvements by such method as the board may determine.

The following revised or amended project budgets were submitted for board approval:

Steam Generator #4 and Auxiliary Equipment
$38,730.00

The Board Office reported that this budget reflects the award made by the executive secretary on Division VII and shows that there is still some $38,730 reserved for future contracts of which there are two. This project is still within budget and is expected to remain that way.

Utilities - Water Main Extension to Animal Science Teaching Farm $33,500.00
The Board Office stated that the board approved a $50,000 project at its September meeting with the understanding that bids would be received and a contract awarded for installation of the new water main.

The university
has now determined that the complete job could be performed more quickly and economically by physical plant forces. There is some urgency in completing the project before winter.

Utilities - Turbine Generator #5 Repair
Source of Funds: Overhead Reimbursement for Use of Facilities

$117,000

For a number of reasons more explicitly detailed in material presented the board by the university, this work was delayed until May 1976 although it was approved as an $80,000 project in July of 1975. It was decided in May that certain items needed replacement or shop repair.

The following new project was recommended for approval:

Accessibility Modifications for Orthopedically Handicapped
Source of Funds: 66th G.A. Capital Appropriation

$130,000.00

This project will bring ten additional buildings into the fully accessible category at Iowa State University and will begin a program of accessibility for six additional buildings through exterior ramping. When this program is completed, the university will have approximately 43.6% of its space accessible.

The Board Office noted that it is intended that the work will be performed on an individual building and item basis by physical plant forces or by quotation and purchase order and will be completed by June of 1977.

MOTION: Mr. Barber moved the board approve the Register of Capital Improvement Business Transactions for the period of September 17 through October 15, 1976; ratify the award of contract on the Steam Generator #4 and Auxiliary Equipment - Division VII - Installation of Ash Conveying Equipment Project; reject the bid on the Steam Generator #4 and Auxiliary Equipment - Division VIII - Structural Alterations for Ash Conveying Equipment Project and approve a procedure whereby the university can submit this contract based on negotiations to the executive secretary for his approval at the earliest possible date, since it is necessary to complete this work during the next six weeks; approve the above revised or amended project budgets; approve the new project; and authorize the executive secretary to sign all necessary documents. Mr. Baldridge seconded the motion and it passed unanimously.

SNEDECOR HALL - FIRE DAMAGE. The university requested the board approve submittal to the State Executive Council of a request to authorize the university Physical Plant to proceed with making the necessary repairs.
The university reported that on September 25, 1976, Snedecor Hall, which houses the Statistical Laboratory, received fire damage to several rooms. The Ames Fire Department believes it was caused by an electrical equipment failure.

The university stated that in order to restore the building to its normal function at the earliest time Iowa State University will file the appropriate claim with the State Executive Council and proceed with repairing the damage by the method authorized by the council.

The Physical Plant at the University believes it would be less costly and more efficient to utilize university staff for those repairs. If the work were done by contract it would be necessary to develop complete plans and specifications and take formal bids, thus delaying the start of repairs for approximately two months and increasing the cost by $7,400. However, on past losses, the Executive Council has been reluctant to approve reimbursement for internal university labor charges, even though existing accounting procedures require all physical plant charges to be made to an appropriate source of funds. By utilizing force labor total estimated cost of repairs and replacements could be held under $40,000.

MOTION: Mrs. Collison moved the board approve submittal of a request to the State Executive Council to provide funding for the Snedecor Hall fire damage and to authorize the university Physical Plant to proceed with making the necessary repairs. Mr. Bailey seconded the motion, and it passed unanimously.

President Petersen asked board members and institutional executives if there were additional matters to be brought up for discussion concerning Iowa State University. There were no additional matters brought up for discussion.
UNIVERSITY OF NORTHERN IOWA

The following business pertaining to the University of Northern Iowa was transacted on Friday, October 15, 1976.

REGISTER OF PERSONNEL CHANGES. The board was requested to approve the September Register of Personnel Changes with the following notation:

Appointment: Ira Tolbert, Director Graduate EOP, Annual Salary - $16,500, effective September 14, 1976

In absence of objections, President Petersen approved the Register of Personnel Changes for the month of September 1976 for the University of Northern Iowa.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. Executive Secretary Richey reported the Register of Capital Improvement Business Transactions for the period of September 15-30, 1976 had been received by him, was in order, and recommended approval.

The following new project was recommended for approval:

**Building Modifications for Handicapped Accessibility**

$70,000

The board allocated $70,000 of the $500,000 appropriation for this purpose to the University of Northern Iowa. The project will be completed by the start of school in fall, 1977.

Mr. McMurray said that these funds will be used to make nine additional buildings fully accessible to the orthopedically handicapped, meaning that the university will have some 62.8% of its space accessible upon the completion of this project.

MOTION: Mrs. Collison moved the board approve the Register of Capital Improvement Business Transactions for the period of September 15-30, 1976, approve the new project, and authorize the executive secretary to sign all necessary documents. Mr. Zumbach seconded the motion and it passed unanimously.

AMENDMENT TO ARCHITECT'S CONTRACT. The board was requested to approve an amendment in the architectural contract with the firm of Brown Healey Bock of Cedar Rapids, Iowa, on the architectural services for the Speech/Art Complex at the University of Northern Iowa which does the following:
1. Increases the maximum compensation from $210,665 to $262,118.

2. Puts contract administration costs provided by the architect and his mechanical consultant on a "pass through" basis beginning October 1, 1976 through conclusion of the project, estimated to be fall of 1977. Such contract administration costs are to be paid monthly on the basis of verification of costs incurred in the prior month by the architect for contract administration. A maximum of $24,000 is placed upon this portion of the contract.

The Board Office reported that on February 18, 1974, the firm of Brown Healey Bock of Cedar Rapids, Iowa, entered into an agreement for architectural services for the construction of the Speech/Art Building at the University of Northern Iowa. At that time it was believed that the project costs would be $3,500,000. As the board is aware, this project ran into some financial difficulty from the start which has necessitated requesting additional funds from the 1975 and 1976 legislatures. The total project costs are now $7,096,000. The project has also increased greatly in complexity from its initial stages to its current construction stage in that it houses the speech department, speech pathology, the campus radio stations, a theatre and art gallery space. Most of the problems as regards this project are now behind the board as the project is well on its way to completion with said completion expected by next fall.

The project architect requested consideration for additional compensation on the project because of its complexity, first in January of 1976. This was done in accordance with Section 9.13 of the board's Procedural Guide which deals with disputes with architects. The University of Northern Iowa brought the Board Office in on the matter in August. Several meetings were held with the architects and with the university and all parties have agreed that there should be additional compensation for the architect. The matter would be implemented through a formal contract amendment signed by the architect and the State Board of Regents and it would be understood that no further requests for compensation on this project would be honored or considered.

MOTION: Mrs. Collison moved the board approve an amendment in the architectural contract with the firm of Brown Healey Bock of Cedar Rapids, Iowa, on the architectural services for the Speech/Art Complex at the University of Northern Iowa which does the following: 1) increases the maximum compensation from $210,665 to $262,118; and 2) puts contract administration costs provided by the architect and his mechanical consultant on a "pass through" basis beginning October 1, 1976 through the conclusion of the project, estimated to be fall of 1977. Such contract administration costs are to be paid monthly on the basis of verification of costs incurred in the prior month by the architect for contract administration. A maximum ceiling of $24,000 is placed upon this portion of the contract. Mr. Baldridge seconded the motion and it passed unanimously.
STUDENT INTEREST INVESTMENT FOUNDATION - PROPOSAL. The board was requested to approve the request by the University of Northern Iowa Student Association for a collection of a voluntary fee of $1.00 per academic year semester for the Student Interest Investment Foundation. The fee would be collected on a negative checkoff basis beginning spring, 1977.

The Board Office noted that the University of Northern Iowa Student Association proposed the organization of the Student Interest Foundation which would be supported by a voluntary fee collected by the university for the foundation. According to the university, the funds collected would be deposited in an account in the university foundation. The proposal called for the funds to be accumulated at interest for a five-year period before they would be used for any projects. The University of Northern Iowa Foundation would be responsible for the investment of the funds.

The proposal was developed by the University of Northern Iowa Student Association in order to secure funds for various activities which would expand the organization's output to students, such as travel opportunities, coop and discount sales, rental referral programs, etc. The concept, including provision for collection of a mandatory $1.00 fee per semester, was placed before the student body in March of 1976 in the form of a petition. More than half of the students then enrolled signed the petition.

The university reported it has been advised that there appear to be no problems with this proposal in its present form according to its legal counsel.

MOTION: Mr. Zumbach moved the board approve the request by the University of Northern Iowa Student Association for a collection of a voluntary fee of $1.00 per academic year semester for the Student Interest Investment Foundation. The fee would be collected on a negative checkoff basis beginning spring, 1977. Mr. Bailey seconded the motion.

Regent Slife asked if the University of Northern Iowa has negative checkoff for ISPIRG. President Kamerick responded affirmatively.

Regent Shaw said he couldn't see the desirability of building up this fund rather than spending the money when collected. He said students would be paying for as long as five years before any benefit could be received and by then students would be graduated before they would benefit.

MOTION: Mr. Baldridge moved the board approve the request by the University of Northern Iowa Student Association for a collection of a voluntary fee of $1.00 per academic year semester for the Student Interest Investment Foundation. The fee would be collected on a negative checkoff basis beginning spring, 1977. Mrs. Collison seconded the motion and it carried with Regents Barber and Shaw voting nay.
President Petersen asked board members and institutional executives if there were additional matters to be discussed relating to the University of Northern Iowa. There were no additional matters discussed.
The university reported that 27 firms responded to the request for architectural services circulated by the Iowa Chapter of the AIA. A university screening committee visited the offices of a selected group of eight firms for interviews. The firm recommended has a staff of 76. Eight of the ten principals in the firm are Iowa State University graduates.

The Board Office reported that the construction cost of the Music Building project is $3,710,000, which would be for a project of approximately 50,000 gross square feet. The project is in the board's askings under deficiency appropriations requests to the 1977 legislature which assumes that the project will be ready to bid by May 1, 1977.

President Parks asked if the board would grant Iowa State University permission to have Mr. Richey sign the contract if all proceeds satisfactorily, so that the university doesn't need to wait for approval until next board meeting.

**MOTION:** Mr. Baldridge moved the board grant Iowa State University approval to negotiate and to enter into an agreement with Durrant, Deininger, Dommer, Kramer and Gordon for architectural services for the Music Building, subject to the contract being satisfactory to the Board Office, and if that occurs, the executive secretary would be authorized to approve the contract followed by later board ratification. Mrs. Collison seconded the motion. The motion carried.

**VETERINARY QUADRANGLE - SELECTION OF ARCHITECT.** The board was requested to grant Iowa State University approval to negotiate and to enter into an agreement with the firm of Frevert, Ramsey, Drey, Des Moines, Iowa, for the Quadrangle Remodeling, Phase I project.

The university noted that 32 firms indicated an interest in this project. Nine of those were interviewed by a committee in visits to their offices. The university added that the firm of Frevert, Ramsey, Drey is experienced in remodeling and renovation work. The Diagnostic Laboratory and the Biomedical Building, two of the buildings that make up the Quadrangle, were designed by this firm.

President Parks requested the board grant Mr. Richey authority to sign the contract prior to the next board meeting so that design could move right along.

**MOTION:** Mr. Zumbach moved the board grant Iowa State University approval to negotiate and to enter into an agreement with the firm of Frevert, Ramsey, Drey for the Quadrangle remodeling,
MOTION:

Mr. Bailey moved the board approve the project, the project budget and direct the institution to proceed with final plans and to take bids on the project for the Food Service Addition. Mr. Shaw seconded the motion and it passed unanimously.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the month of September 1976 were ratified by the board.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. Executive Secretary Richey reported that there were no items on the Register of Capital Improvement Business Transactions for the Iowa School for the Deaf for the month of September 1976.

President Petersen asked board members and institutional executives if there were any additional matters to discuss relating to the Iowa School for the Deaf docket.

LAND SALE. Mr. Richey reported there is a plot of land that the Iowa School for the Deaf owns adjacent to the Standard Service Station for which the institution has no further use. He noted this matter has been discussed in executive session and he recommended that the board declare that piece of property to have no further educational use and authorize its sale. He noted that no bid would be accepted with a bid price of less than $16,000.

MOTION:

Mr. Baldridge moved the board declare a parcel currently used for the benefit of Iowa School for the Deaf to have no further educational value and to put this parcel up for sale on receipt of sealed bids and further stipulate that only bids in excess of $16,000 will be acceptable.

Mr. Shaw seconded the motion and on roll call the following voted:

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

NAY: None.

ABSENT: None.

The motion carried.
Iowa Braille and Sight Saving School

The following business pertaining to the Iowa Braille and Sight Saving School was transacted on Friday, October 15, 1976.

Register of Personnel Changes. The actions reported in the Register of Personnel Changes for the month of September 1976 were ratified by the board.

Application for Membership in North Central Association. The board was requested to approve Iowa Braille and Sight Saving School membership in the North Central Association Commission on Schools.

The board was reminded that at the time it was asked to approve reassessment of accreditation by the National Accreditation Council for Agencies Serving the Blind and Visually Handicapped, Iowa Braille and Sight Saving School indicated that it intended to make a three-pronged accreditation which would involve NAC, the North Central Association of Colleges and Schools, and the Department of Public Instruction.

The school noted that North Central Association of Colleges and Schools provides the following advantages from which the institution could profit:

1. A required self-evaluation and visitation process.

2. The opportunity for the professional staff of member schools to participate as members of NCA evaluation teams has proven to be an excellent in-service experience in observing and evaluating educational programs of other member schools.

3. NCA accreditation provides a yardstick, a collective mark of quality for individual member schools, members of the school community, prospective community members, and other educational institutions.

4. NCA member schools work to improve themselves by voluntarily meeting or exceeding higher, self-imposed standards for accreditation than those employed by state accrediting agencies.

5. Accreditation permits the school to become part of a regional league of good schools, establishing a credibility that goes beyond its local confines.

6. NCA membership oftentimes provides impetus in obtaining local support, both to help the school attain NCA standards and to move towards broader educational goals.

7. Member schools are afforded opportunity to participate in both regional and state meetings, workshops, and projects sponsored by the NCA for the continued improvement of education.

8. Member schools benefit from various NCA publications.
9. NCA accreditation provides an additional mark of quality for attracting prospective teachers.

MOTION: Mr. Baldridge moved the board approve Iowa Braille and Sight Saving School membership in the North Central Association Commission on Schools. Mrs. Collison seconded the motion and it passed unanimously.

Regent Bailey commended Iowa Braille and Sight Saving School for taking the initiative for involvement.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. Executive Secretary Richey reported that there were no items on the Register of Capital Improvement Business Transactions for the month of September 1976 for Iowa Braille and Sight Saving School.

SENSORY LEARNING AREA PROJECT. The board was requested to approve the development of a contract subject to final approval by the executive secretary with Criteria, Inc., Minneapolis, Minnesota, to design/build a sensory stimulation center for a fixed maximum of $17,950; approve the method of construction set forth by the school whereby four project appointments would be made under the Regents Merit Rules for the workmen to construct the project; approve a project budget of $57,267 funded by Bruesewitz estate funds; provided, however, that other trust accounts may be used until monies are received from the Bruesewitz estate.

The board at its September meeting heard a presentation by Criteria, Inc. on the schematic design for a sensory learning area. The school now proposed to go beyond the schematic phase and actually construct the project. This would be accomplished by entering into a design/build contract with Criteria under which the firm would furnish a project supervisor who would be responsible for completing the design, supervising construction, specifying and selecting materials, developing subcontracts, providing quality control and assuming responsibility for seeing the project is completed in a timely manner. These responsibilities would be carried out for a maximum cost of $17,950.00. The contract would be executed by the executive secretary for the board and will be developed in close cooperation with the Board Office.

The Board Office reported that the project supervisor will supervise four employees of the school who will be brought on under the project appointment method of employment. Such an appointment will not be made for more than six months; however, with the approval of the resident director, it may be extended for one additional six-month period. Any extension beyond one year must be approved by the merit system director on the basis of a limited need that could not otherwise be efficiently and effectively filled. Successive project appointments will not be allowed.

The total cost of the project was estimated to be $57,267. The school has not as yet received monies from the Bruesewitz estate. This estate is in the final stages and it is anticipated that the school will receive close to $60,000. Until such time as those funds are actually received, the
school will utilize other trust funds for this project. Such funds will be repaid when the Bruesewitz monies come in.

The Board Office said this project, in essence, will be accomplished by force labor in much the same way as many projects are carried out at the universities. There is no portion of the budget which exceeds the $10,000 limit which requires the board to take bids except for the contract with Criteria and the project appointments mentioned above. The school intends to follow the Regents Merit Rules in its hiring of the project appointees and the Board Office assumed that the school will follow the board's procurement policy in purchase of the materials for the project.

MOTION:

Mrs. Collison moved the board approve the development of a contract subject to final approval by the executive secretary with Criteria, Inc., Minneapolis, Minnesota, to design/build a sensory stimulation center for a fixed maximum of $17,950; approve the method of construction set forth by the school whereby four project appointments would be made under the Regents Merit Rules for the workmen to construct the project; approve a project budget of $57,267 funded by Bruesewitz estate funds; provided, however, that other trust accounts may be used until monies are received from the Bruesewitz estate. Mr. Zumbach seconded the motion. The motion passed unanimously.

President Petersen asked board members and institutional executives if there were additional matters to be discussed under the Iowa Braille and Sight Saving School portion of the docket. There were no additional matters brought up for discussion.

ADJOURNMENT. The board meeting adjourned at 11:45 a.m. Friday, October 15, 1976 at which time the board went to Iowa State Center to hear President Ford.

R. Wayne Richel, Executive Secretary