

The State Board of Regents met at the University of Iowa, Iowa City, Iowa on Thursday September 16, and Friday September 17, 1976. Those present were:

	<u>Sept. 16</u>	<u>Sept. 17</u>
<b>Members of State Board of Regents:</b>		
Mrs. Petersen, President	All Sessions	All Sessions
Mr. Bailey	All Sessions	All Sessions
Mr. Baldrige	All Sessions	Exc. 3:30 p.m.
Mr. Barber	All Sessions	All Sessions
Mr. Brownlee	All Sessions	Exc. 2:45 p.m.
Mrs. Collison	All Sessions	All Sessions
Mr. Shaw	All Sessions	All Sessions
Mr. Slife	All Sessions	All Sessions
Mr. Zumbach	All Sessions	All Sessions
<b>Office of State Board of Regents:</b>		
Executive Secretary Richey	All Sessions	Exc. 2:45 p.m.
Mr. Abel	All Sessions	Exc. 4:05 p.m.
Mr. Barak	Exc. 3:30 p.m.	
Mr. Caldwell	All Sessions	Exc. 4:05 p.m.
Mr. McMurray	All Sessions	All Sessions
Mrs. Mininger	All Sessions	All Sessions
Mr. Volm		Exc. 3:30 p.m.
Pauline K. Van Ryswyk, Secretary	All Sessions	All Sessions
<b>State University of Iowa:</b>		
President Boyd	All Sessions	All Sessions
Vice President Brodbeck	All Sessions	All Sessions
Vice President Jolliffe	All Sessions	All Sessions
Assistant Vice President Small	Arr. 11:30 a.m.	All Sessions
Director Hawkins	All Sessions	All Sessions
Director Tobin	All Sessions	All Sessions
Associate Director McQuillen	All Sessions	All Sessions
Assistant Dean Jennings	All Sessions	All Sessions
<b>Iowa State University:</b>		
President Parks	All Sessions	Exc. 3:40 p.m.
Vice President Christensen	All Sessions	Exc. 3:40 p.m.
Vice President Hamilton	All Sessions	Exc. 3:40 p.m.
Vice President Moore	All Sessions	Exc. 3:40 p.m.
Assistant Vice President Madden	All Sessions	Exc. 3:40 p.m.
<b>University of Northern Iowa:</b>		
President Kamerick	All Sessions	Exc. 3:50 p.m.
Provost Martin	All Sessions	Exc. 3:50 p.m.
Vice President Stansbury	All Sessions	Exc. 3:50 p.m.
Director Kelly	All Sessions	Exc. 3:50 p.m.
<b>Iowa School for the Deaf:</b>		
Superintendent Giangreco	All Sessions	Exc. 3:45 p.m.
Business Manager Kuehnhold	All Sessions	Exc. 3:45 p.m.
<b>Iowa Braille and Sight Saving School:</b>		
Superintendent Woodcock	All Sessions	Exc. 4:05 p.m.
Business Manager Berry	All Sessions	Exc. 4:05 p.m.

## GENERAL

The following business pertaining to general or miscellaneous items was transacted on Thursday, September 16, 1976.

APPROVAL OF MINUTES OF JULY 15-16, 1976 MEETING. The minutes of the July 15-16, 1976 Board of Regents meeting were approved as corrected.

### COMMITTEE ON EDUCATIONAL COORDINATION.

A. Long-Range Planning and Review Reports. The Board Office reported that during the summer, the Interinstitutional Committee on Long-Range Planning met for the purpose of drafting guidelines for the development of each institution's academic long-range planning report based on the philosophy provided in the report presented last spring. Mr. Barak and Mr. Wolf, representing the Board Office, also participated in this session in which the guidelines were drafted. All have had an opportunity to review this draft and have contributed to its current format.

It was noted that if the guidelines are approved by the board, they will be utilized in preparing individual institutional reports on long-range planning in October.

Vice President Christensen reported that the Interinstitutional Committee on Long-Range Planning hasn't given a thorough review of the proposed long-range planning guidelines due to time pressures. He said that while the committee subscribes to it, generally-speaking, there remain some questions as to whether or not outside groups should be involved in the planning.

President Boyd expressed his feeling about the long-range planning guidelines by saying he is in favor of them as a general concept but added that he still has a lot of reservations. He said he felt the board should be very deliberative about this due to the fact that the Interinstitutional Committee on Long-Range Planning has not had an opportunity to review these guidelines.

A second point raised by President Boyd was a concern that if there would be a suggestion forthcoming that the format used by the University of Iowa in presenting its recent seminar were to be changed, some problems could result.

Vice President Martin reported that the Interinstitutional Committee on Long-Range Planning is interested in the reactions of university graduates and an evaluation study is underway to see how the graduates view the process. He added that the committee seeks responses from employers so there is some indirect involvement from external groups, through graduates. Vice President Martin said he assumes that what the University of Northern Iowa presented in its seminar was similar to what the long-range planning guidelines proposed. He said he didn't feel

the university would be able to change to a new system of reporting long-range plans but noted that what was proposed in the guidelines before the board were similar to what was done by the university at the seminar. He said the proposed guidelines provide for a common approach to be taken by the universities with respect to long-range planning.

Mr. Richey recommended each institution submit in October an outline of its plans as they relate to this overall approach proposed. He said that if they are not done pretty much along the same lines with the same basic kinds of data, it's not going to be worth the paper it's written on.

President Petersen said the problem is one of understanding the timing and appropriateness of the guidelines proposed. She said there is no question but that the needs and interests and concerns of society for the programs of the institutions are important but there is also a concern for the appropriateness and the level and timing of that input in the process.

President Parks expressed reluctance in having the board approve the guidelines prior to the committee's thorough review. He said he feels it is important to leave a large sphere of decision-making to the universities.

President Petersen then asked whether October would provide enough time between now and then for the committee's review. Mr. Richey recommended the time be extended to November so that the review will be done properly.

Regent Slife said the board should consider the philosophical question as to whether it is proposing to approve long-range planning guidelines for purposes of having a useful university instrument or whether it is proposing to approve long-range planning guidelines for fear that if the board doesn't do it, someone else will do it for the board. Mr. Richey said the purpose of the Regents establishing long-range guidelines is part of the board's responsibility in its oversight function. He noted, however, that it is also true that if the board doesn't face that responsibility, someone else will take it.

Mr. Richey said that the concept for long-range academic planning guidelines was approved at the May board meeting with the understanding that each institution was to come back to the board with its plan for carrying out the concepts. He said he wanted to lay to rest the "homogenization" argument going on and emphasized that one of the real purposes of the long-range planning guidelines is to maintain university uniqueness. He said that while there may be some necessary duplication, it definitely is geared along the "unique" line.

B. Iowa State University Curriculum Items. The board was requested to approve Iowa State University program proposals for a Pest Management curriculum, a Bachelor of Science Degree in Nuclear Engineering, and a curriculum in Computer Engineering.

Regent Collison commented with respect to a letter presented to the board from Vice President Brodbeck to Mr. Richey noting that because of the growing interest of students in the area of computer engineering, the anticipated engineering manpower needs in this field, and the increasing amount of

education in computer engineering required of all electrical engineering undergraduates, the University of Iowa College of Engineering is considering changing the name of its electrical engineering program to Electrical and Computer Engineering. Regent Collison said she agreed with the concepts expressed by Vice President Brodbeck with respect to that consideration, particularly in light of long-range planning.

## MOTION:

Mrs. Collison moved the board approve the Iowa State University program proposals for a Pest Management curriculum, a Bachelor of Science Degree in Nuclear Engineering, and a curriculum in Computer Engineering. Mr. Bailey seconded the motion and it passed unanimously.

C. Annual Report of Educational Relations Committee, 1975-76. The board was requested to accept the annual report of the Regents Committee on Educational Relations.

The Board Office reported that the Regents Committee on Educational Relations met as a committee six times during 1975-76. During the year, the activities of the committee consisted of visits to the area schools, refinement of procedures for joint visits with the North Central Association, articulation and cooperation with the area schools, and the examination of Maharishi International University with a view to determining the transferability of credit.

It was noted that there are some inconsistencies in the policies utilized by the Educational Relations Committee and the "Handbook 8," the most recent statement of the committee's policies and procedures. Because of these inconsistencies, the Board Office requested several months ago, via the Interinstitutional Committee on Educational Coordination, that the Education Relations Committee revise "Handbook 8." The Board Office viewed, with some concern, the lack of any mention of the revision of "Handbook 8" to correct these inconsistencies.

The committee noted that next year major matters of concern with the area schools that will be examined more closely will include information concerning the status of teacher certification, student activity fee, budgeting, part-time faculty, recording of credit, use of vocational-technical credit in academic programs, academic standards and application of guidelines to test the achievement of standards. Apparently, the committee intends to follow more closely jointly approved by the Regents and the Department of Public Instruction.

Mr. Richey noted another responsibility of the committee is the determining of the acceptability of credit from other institutions of postsecondary education throughout the state. He said the issue of licensing and approving of postsecondary education agencies will be a major issue. He noted the board has a corollary in the Department of Public Instruction as it determines the acceptability of institutions for veterans to enroll in and receive GI benefits. Mr. Richey went on to say that the board should constantly keep in mind that it has a mechanism for finding out what the other segments of postsecondary education are doing and how the board relates to them.

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Mr. Duane Anderson, State University of Iowa, representing the Committee on Educational Relations, was present to respond to questions. He noted that the committee has been deeply engaged in the problem of transfer of credits. He said the committee hopes that its work in dealing with nontraditional programs will be looked at carefully by the board and some type of a more uniform policy that will be developed.

Regent Collison asked Mr. Anderson about visits to the area schools. Mr. Anderson commented that each institution is visited on an annual basis with only a single visitor from the Regents Committee. The institutions are visited on a five-year cycle by the entire team consisting of Department of Public Instruction representatives, Board of Regents representatives, and the National Accreditation Commission representatives. Regent Collison said she didn't feel that the board has enough kinds of information about the problems that come out of those visits due to the fact that the board sees those problems in a round about way because of the lapses of time between visits. President Petersen informed Regent Collison that the Board Office receives all the reporting information concerning the area school visitations and that board members are welcome to review that material. Mr. Richey added that he will ask Mr. Barak of the Board Office to look into Regent Collison's concern.

In absence of objections, President Petersen accepted the annual report of the Regents Committee on Educational Relations for 1975-76.

IOWA COORDINATING COUNCIL FOR POST HIGH SCHOOL EDUCATION. The board was presented a copy of the minutes of the September 2, 1976 meeting of the Iowa Coordinating Council for Post High School Education. A summary of same was also presented the board compiled by the Board Office.

President Petersen asked if there were additional comments regarding the report and President Boyd, chairperson of the council, said that the next meeting will involve expanded operation with the nontraditional studies. There will be a recommendation coming to the Higher Education Facilities Commission and to the Advisory Committee from the Task Force for a person to be appointed to serve from October 1 to September 30, 1977 to work for the Higher Education Facilities Commission under the direction of the Task Force, which includes Dean Charles Donhowe, a Regents representative, and President Boyd, representing the Coordinating Council. President Boyd said the position would not be a one-year-only position and urged the Regents to give considerable thought to it. President Boyd noted that interviews were held Tuesday morning in Des Moines and added that the board will be contacted as to the person to be appointed shortly. Regent Bailey said the purpose of the position is for application of affirmative action.

Regent Shaw commented with regard to the Committee on Cooperative Action in Council Bluffs. Regent Shaw asked to what extent the Council Bluffs' local noneducational people are involved. He said that he gathered from the report that involvement was mostly with educational persons from outside the area. Vice President Christensen responded that this project is different from that at the Quad-Cities Graduate Studies program because the Quad-Cities Graduate Studies program was initiated by local industry. That is not the case in Council Bluffs. Here, the Coordinating

Council has been giving the initiative. Vice President Christensen said that the Coordinating Council will look into involvement of the local people.

President Parks said he is very much impressed with the leadership President Boyd has given to the Coordinating Council as chairperson.

President Boyd noted an error in the material presented in the board where it indicated that it costs less for non-resident students than resident students and said that it is the other way around, of course.

#### ACCREDITATION REPORTS.

A. Iowa State University - North Central Association. The board was requested to accept the report on accreditation by the North Central Association of Colleges and Schools of Iowa State University.

The Board Office reported that Iowa State University has been notified that the Executive Board of the Commission on Institutions of Higher Education of the North Central Association of Colleges and Schools at its meeting July 21, 1976, took the following action with respect to Iowa State:

To continue accreditation at the Doctor's degree granting level.

To schedule in 1985-86 a comprehensive evaluation.

The board was presented a brief summary of the strengths and weaknesses noted in the Review Committee's report. The Board Office reported the North Central Association's report revealed that Iowa State University is an institution in which Iowans can take considerable pride.

Regent Collison commented pertaining to a problem pointed out by the North Central Association in the College of Science and Humanities. It was reported by the Board Office that the college is geographically dispersed on the campus and the size of the faculty works against the sense of collegiate community. This difficulty does not cause faculty members as much concern as two other problems, however, according to the report. The most frequently expressed complaint has to do with teaching loads and inadequate budgets for expanded enrollments. According to the report, far too many temporary appointments are made late in the summer. The other expressed complaint has to do with limitations on graduate programs. Regent Collison said the board needs to look at good planning with respect to hiring faculty members. Vice President Christensen agreed with Regent Collison in that the late appointment of faculty is a very significant point. He added that this past spring the university reversed the process of late hiring and hopes it is now over that.

Regent Zumbach commented about the report's statements pertaining to internal auditing. Assistant Vice President Madden said that Iowa State has a three-person professional auditing staff and it is now auditing a number of areas within the university. He reported that the university is also audited by the State Auditor.

#### MOTION:

Mr. Baldrige moved the board accept the report on accreditation of Iowa State University presented by the North Central Association. Mrs. Collison seconded the motion and it passed unanimously.

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B. Accreditation of the University of Northern Iowa Museum. The board was presented a copy of the report made by the Accreditation Commission of the American Association of Museums for acceptance.

The Board Office reported that on May 25, 1976 the University of Northern Iowa was informed that after thoughtful deliberation, the Accreditation Commission of the American Association of Museums had agreed that the University of Northern Iowa Museum meets the basic definition of a museum and the standards of operation established by the museum profession and was thereby granted accreditation. Museum accreditation certified that the institution has undergone the rigorous professional examination established by the American Association of Museums through the completion of the detailed written questionnaire and the study of museum operations by a visiting committee of the AAM Accreditation Commission.

Regent Collison expressed appreciation to Dr. Pauline L. Sauer, Director of the University of Northern Iowa Museum, who for the last several years has dedicated her total efforts to the University Museum. President Kamerick said that the university is trying to secure appraisal of Sotheby-Burnet of the museum also.

In absence of objections, President Petersen accepted the report of accreditation of the University of Northern Iowa Museum for the board.

C. School of Music Accreditation, State University of Iowa. The board was requested to accept the visitation report on the University of Iowa's School of Music from the National Association of Schools of Music.

The Board Office reported that on July 8, 1976 the National Association of Schools of Music Commission on Undergraduate Studies and the Commission on Graduate Studies notified the University of Iowa that the commission had approved the continuance of the university in good standing with the following degree listings:

Bachelor of Arts in Music  
Bachelor of Music  
Master of Arts in Music  
Master of Fine Arts in Music  
Doctor of Musical Arts in Performance and Pedagogy  
Doctor of Philosophy in Composition: History and Musicology;  
Music Education; Theory; Music Literature

In its letter of approval, the commission indicated that it wished to commend the university "for the high standards maintained by the music program as outlined in the visitation report." The board was presented a summary of the strengths and weaknesses of the music programs at the University of Iowa.

MOTION:

Mr. Baldrige moved the board accept with great pleasure the visitation report on the University of Iowa's School of Music from the National Association of Schools of Music. Mr. Zumbach seconded the motion and it passed unanimously.

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ANNUAL REPORT ON LAW ENFORCEMENT ACADEMY COUNCIL. The board was requested to accept the annual report on the Law Enforcement Academy Council and express appreciation for Professor Holcomb's work on the council.

The Board Office reported that Professor Richard Holcomb, Director, Bureau of Police Science, University of Iowa, is representative of the council for the Board of Regents. Professor Holcomb was present for discussion.

The Board Office noted that the council held 11 meetings in the past year. The report presented the board highlighted the accomplishments of the Law Enforcement Academy during the year and then referenced the issues which have been before the council during the year.

Regent Collison commented that the Law Enforcement Academy Council seems to have become more open-minded on hiring of women. Regent Collison said that the Commission on the Status of Women says the future of women in law enforcement is improving, especially in respect to physical requirements.

In absence of objections, President Petersen accepted the annual report of the Law Enforcement Academy Council and expressed appreciation to Professor Holcomb for his work on the council.

PROPOSED CAPITAL IMPROVEMENT PROGRAM, 1977-79. The following actions were recommended 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 \$11,610,000. 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 1977-78 totaling \$10,500,000.
  - c. A planning appropriation request in 1977-78 for new construction on five projects totaling \$1,335,000.
  - d. A capital request for 1977-78 and 1978-79 totaling \$26,220,000, of which \$9,905,000 would be requested for 1977-78 and \$16,315,000 requested for 1978-79. The total program recommended is a capital request of the board for \$49,665,000, of which \$11,610,000 is requested for 1976-77; \$21,740,000 for 1977-78; and \$16,315,000 for 1978-79.
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 priority. The projects in the academic revenue bonding authority are listed in priority order and funding of those projects would occur 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. As always, if funds were not made available at the level requested, there would be further opportunities for the board to adjust the priorities of projects when the projects are matched to the actual level of funding proposed.

The Board Office reported that the Board of Regents' institutions submitted capital askings totalling \$85,520,000 before an inflation factor was added. When that inflation factor was added, the real askings of the institutions were \$87,115,000. Mr. Richey noted that the Board Office was recommending a total, including bonding, of about \$49 million.

Mr. Richey pointed out that the Board Office has recommended \$1,300,000 in bonding for hospital utility projects that the board had assumed could be bonded because of educational implications. He said he has been informed the institution prefers to substitute some university proper utility projects for that \$1,300,000 with the hospital aspect of it to be taken care of within the context of the hospital construction program outlined to the board a month ago.

Another point brought out by Mr. Richey was that although the Board Office listed the \$5.5 million computer item for the University of Iowa, it is still subject to some detailed study. He said he will have Mr. Caldwell and Mr. McMurray work with the institution on that over the next month. He added that Mr. Caldwell and Mr. McMurray will bring in a definitive explanation concerning that to the board in October.

Mr. McMurray said he was informed of a mistake in an estimate submitted by Iowa State University which has some additional cost implications. He noted that Iowa State University would go into that when it made its individual presentation.

Mr. McMurray reported that the inflation factor assumed by the Board Office on these askings on resubmitted projects is subject to further definition at the October board meeting. He said there are four issues which need consideration: the dollar level of the board's capital askings; the make-up of the requests in terms of a breakdown between deficiency appropriations, bonding and the 1977-79 capital askings; bonding authority limited to university utility needs; the priority order of the askings.

President Petersen then directed board members' attention to the individual capital askings of the institutions.

#### State University of Iowa

The university submitted 14 projects in two categories totalling \$5,640,000 as a deficiency appropriation and \$10,570,000 as its other projects. In addition, the university submitted two projects as an initiation of the state health services project division of the university's request. These two projects total \$1,375,000.

The Board Office reported that the deficiency appropriation request is for the Lindquist Center for Measurement--Phase II construction. The university is proceeding quite rapidly in the planning of this structure and expects to be ready to go to bid with the first contract as early as February, 1977. If this schedule is to be attained, it will be necessary for the legislature to make a deficiency appropriation for this project as early as possible in the 1977 Session. It is also intended that the project will be completed not later than December of 1978. For that reason, the university requested and the Board Office included in the 1978-79 portion of the recommendation the movable equipment for this project, so that the building can be equipped when occupied in December of 1978.

The rest of the general university projects was reflective of the critical need for remodeling and utility funds for the university. At the University of Iowa, as well as the other institutions, there are literally millions of square feet of space which remains virtually untouched since the buildings were occupied 30 to 50 years ago. This includes the wiring, equipment and basic condition of offices and classrooms in those buildings. The space which was included in these askings for renovation in Macbride Hall and the Chemistry/Botany Building has to rank as some of the worst space utilized in 1976 by any university or college in the nation. The third remodeling project, Eastlawn, involves remodeling a presently vacant structure which is somewhat removed from the current campus circulation pattern. Only the basement is presently being utilized and that by the State Archaeologist.

The University of Iowa has a number of critical utility projects including as its first priority in the general university project listing, the reconstruction of Boiler No. 8. This boiler is nearly ten years old and has now reached the stage where its operation is very unreliable because of leaks that continually develop. If this boiler were reconstructed in 1977-78, it will then be imperative that Boiler No. 7 be reconstructed shortly thereafter. That will require a later capital request of an equally critical nature.

Other projects include the replacement of the electrical substations serving the University Hospitals which was listed under the state health services project portion of the request. This project would construct two new substations to serve the University Hospitals and provide a reliable source of electrical power supply to this hospital as compared to the existing system which is susceptible to breakdown at any time.

The Board Office reported that the only new building proposed on the University of Iowa list at this time was a request for planning funds for Old Armory replacement. It would be impossible to relocate the television and motion picture programs that are now housed in that facility in another existing building. The university requested planning funds during the coming biennium and the actual construction dollars would be determined after this planning was completed. Based upon the planning request, the size of the facility is in the magnitude of 150,000 to 160,000 gross square feet at a current dollar cost exceeding \$11,000,000.

The university presented as its fourth highest need a replacement of the teaching and research main-frame computer. This is the academic computer and would be replaced because the university finds it is increasingly

expensive to maintain, is now functioning at maximum capacity and is incapable of responding to new user needs. The computer was installed nine years ago. This is the one project on the capital askings of the institution for which there has not been time to analyze fully. The Board Office noted that it had not determined its priority within the list as of this point. It was noted that a study would be conducted on that issue and a recommendation would be brought to the board in October as to both placement on the list and priority within that list.

In addition to the projects contained in the capital askings of the institution for 1977-79, the university indicated a future desire for consideration on five additional new buildings, 16 major remodeling projects, and 19 utility projects, for which dollar costs are available and an additional 17 utility projects for which dollar costs are not available. It was noted by the Board Office that the relative constraint level of the University of Iowa's capital askings for 1977-79 should not be misconstrued to mean that this is by any means an exhaustive list of the needs on that campus.

President Boyd said he was very much in favor of trying to look at the separate bonding statute for the hospital to try to come at those facilities. He said, however, that he thinks a certain amount of caution should be exercised because conservativeness in bonding should also be looked at. President Petersen asked President Boyd if he was suggesting that the bonding for the utility in connection with the hospital be handled separately and in the category of general health services. President Boyd recommended examination of the separate bonding statute for the hospital which the university used for the North Tower project. He said that would be better support than obtaining the money through academic bonding. He said the whole thrust of the hospital is service rather than instruction and research.

President Petersen asked if it complicates the matter for the board to go to the legislature with two variations on bonding.

President Boyd responded affirmatively by stating that there would have to be a certain amount of groundwork laid but he felt it would be better to go in that direction sooner rather than later. He said the question is when should it be done. President Petersen said that for the moment the board will lay the matter aside for further study.

President Petersen asked if there were additional comments regarding the University of Iowa request. Assistant Dean Jennings noted that the University of Iowa, at its recent seminar, laid out capital needs including utilities required now and in the future. Under the concept of no bonding and putting them in the board's capital list, the University of Iowa excluded several utility projects from the capital list. He said that the University of Iowa supports the capital appropriation listing as prepared by the Board Office for the university but noted there are at least another four or five utility projects that are very necessary now but in the context of realistic capital askings, they were excluded. He said, however, that if there is bonding, possibly those projects could be covered through that alternative.

Iowa State University

The Board Office reported that Iowa State University listed projects totalling \$37,344,000. In the deficiency category would be the construction funds for the Quadrangle Remodeling--Phase I and for the construction of a Music Building. Both of these projects received planning funds from the 1976 Session and is anticipated that both projects will be ready to bid by May 15, 1977. The Board Office based its recommendation of inclusion of those projects on the deficiency list with the understanding that those projects would be ready to bid by that date. If the university can not maintain that schedule, those projects would need to be removed from the deficiency askings and placed in priority with the 1977-78 capital requests. The university has also requested four additional buildings, two of which the Board Office recommended for inclusion in the capital requests.

The Board Office reported that there remains a space deficit on the campus of about 50,000 to 80,000 gross square feet excluding the need for additional library space despite the amount of space currently under construction and just opened at the university.

The horticulture building would construct about 32,000 gross square feet which would reduce by that amount the space deficit mentioned above as shown on the space projection model. The other two new buildings at Iowa State are at the bottom of its priority listing and funding of those buildings was not recommended within the next biennium.

The university had two projects on its list for utilities. The more urgent of the two involved continuation of a program for central chilling on the campus. The Design Center, Meats Laboratory and Seeds Laboratory will be added to the system before 1978 and at that time the chiller will be fully loaded and there will be no reserve for peak loads. Because of operation at maximum capacity, it is expected that this equipment will be more prone to mechanical failure, and if such failure would occur now, it would mean that the Iowa State Center would be without any chilling. In addition, the university is unable to put any additional buildings on this chiller and a decision needs to be reached this biennium as to whether or not to proceed with central chilling so that the project budgets for Music, Quadrangle remodeling and Library addition, to name those on the top of the Iowa State University list, can be properly adjusted as necessary to accommodate absorption chilling equipment in each of those buildings. The cost of doing so is approximately double those of a central system, and the university would not have the standby capacity, which is necessary in case of mechanical failure of the initial 5,000 ton chiller. It appeared that this item was one of those "no alternative" utility projects.

The university had a number of major remodeling projects on its list. The most important of these involved the remodeling of the Old Veterinary Medicine Facilities. Phase I of this project is housing portions of the College of Education and the Department of Psychology in unremodeled space. Phase II is the former Veterinary Medicine Clinic space and would house the Industrial Education portion of the College of Education, which is currently scattered all over the campus including use of a building located approximately three miles from the campus and has caused the college to spend about \$3,000 per year for transportation costs alone to transport students to the facility. All of the Quadrangle space can

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be made into excellent space for the College of Education and the Department of Psychology and this remodeling can be done at about 50% of the cost of new construction. The other remodeling projects involved renovation of Beardshear Hall, renovation of the auditorium in Curtiss Hall, total renovation of McKay Hall. The university also indicated a need to renovate space in the Engineering Annex Building when architecture moves to new space in the Design Center.

A special need at Iowa State was a \$375,000 request for demolition of Old Botany Hall, when it is vacated of its present tenants, Seeds Laboratory and Psychology; and demolition of old Clyde Williams Field, so that space can be more properly used for recreation and intramural activities.

Although the list of Iowa State University's needs was not all-inclusive, its level of \$37 million was well beyond the ability of the state to respond in a single biennium.

President Petersen opened the floor to discussion by Iowa State University officials. President Parks stressed the need for space at Iowa State University. He complimented the Board Office for having done an extraordinarily good job of condensing the capital requests in a fair way. In addition, President Parks noted that in terms of the university's quality and its need for quality for the future, a better library facility is essential. President Parks said the university would prefer to have the legislature appropriate the full amount for two new additions to the library. He called board members' attention to the Board Office recommendation that planning money of \$300,000 be asked of the legislature for planning Phase I of the library. He requested that amount be changed to \$600,000 for planning for Phases I and II of the library. He said he feels it makes sense that two additions should be planned together rather than separately. President Parks said he would be agreeable for asking for planning money for Phases I and II and just getting construction money for Phase I so that planning could begin.

#### University of Northern Iowa

The Board Office noted that the University of Northern Iowa submitted a capital list with 18 projects totalling \$27,103,000. The first priority is to replace the coal-fired boiler. Without this replacement, the university does not have dependable capacity. The Board Office considered this critical for this project to be initiated as soon as possible and put planning under the deficiency appropriations request with the hope that perhaps bids on the equipment portion of this need could be taken as early as September of 1977. The funds for construction of the facility needed to house this boiler will be requested in the 1979-81 biennium.

The second priority on the list presented by the university was university costs now assumed to be involved with the reconstruction of Hudson Road through the west campus. The university needs to relocate a number of utilities directly because of this reconstruction and build an overpass and an underpass because the road will be a four-lane highway

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making a virtual separation through the campus, which can not be bridged without an overpass and an underpass. At this point the university has had no success in getting the Department of Transportation to assume any of these \$575,000 costs and the Department of Transportation has indicated that the university should give it the land necessary for this reconstruction.

The third priority on the university's list was to complete the Speech/Art Complex which would be the construction of about 67,000 gross square feet for the Art Department.

The university had on its capital priority list four additional buildings, none of which could be justified on the basis of the model results. Actually the Speech/Art--Phase II project can not be justified from that standpoint, either. In the Board Office's judgment, however, the space now occupied by art in the Arts and Industries Building could, once remodeled for new tenants, be excellent space for any number of other programs on campus while it does not serve, according to the university, the needs of art.

A number of remodeling projects can wait until the Speech/Art Complex is finished and a general reallocation of space on that campus occurs. The only exception is the urgent necessity to preserve the perimeter of the Men's Gymnasium which has deteriorated to a shocking level. The university also has a number of utility projects which should be initiated at an early date which were recommended for funding.

Vice President Stansbury commented with respect to funding for the Speech/Art Complex. He said that if the university can build Phase II of that complex then the university can utilize the Arts and Industries Building. He said the university needs to get the Art Department out of the Arts and Industries Building into Phase II of the Speech/Art Complex and relocate Home Economics into that building.

Vice President Stansbury commented to the board with regard to the facilities model. He noted that the facilities model generates the space that is needed for the institutions. He said the university has been very fortunate to have been able to build buildings on its campus in recent years. He noted that the university has been building faster than it has been getting utilities to hook them up. He expressed pleasure that that point was recognized by the Board Office. He called the board's attention to the university's standing on the facilities model. He said the things that are troublesome to the university at present are that the model assumes some things that aren't necessarily able to be met at present. He said that the model indicates the amount of space for a professional's office and it so happens that in Baker Hall, for instance, a dorm room is a little too big for a single professional office and is too small for two offices. He said that if the university had a sizable RR&A budget that building would be remodeled.

Regent Collison asked about the Hudson Road reconstruction progress. Vice President Stansbury commented that there has been some miscommunication on that project. He said the problem is that Hudson Road is scheduled to be rebuilt in 1978. That will be a major thoroughfare through a sizable section of the university campus. Some way is needed to get pedestrians across this four lane highway. The problem centers around funding as to whether the Department of Transportation or Board of Regents should cover it. Mr. McMurray said the Board Office recommendation assumes that a portion of the costs would be secured from other than state capital appropriations. President Petersen noted that staff work with the Department of Transportation will proceed on this matter.

#### Iowa School for the Deaf

The Board Office reported that the capital askings for Iowa School for the Deaf totals \$2,730,000 in five projects. An inspection by the State Fire Marshal on July 21 also created the need to urgently request \$250,000 to meet fire safety deficiencies noted in the inspection report.

The major items recommended for inclusion for Iowa School for the Deaf in the capital requests was Remodeling of the Girls' Locker Room to equal that provided to the boys and a small addition to the Vocational Building to improve the vocational offerings of the school. The school also has a need for a multi-purpose sports building which would house an indoor pool, bowling alley and other recreational activities. This project needs a great deal more definition before it becomes part of the capital askings of the board, but the Board Office said that hopefully some of that definition could occur in the next two years.

Superintendent Giangreco indicated he had no additional comments at this time.

#### Iowa Braille and Sight Saving School

The board was reminded that the school had a master plan study of all the facilities conducted in 1974. The school has made some progress in implementing some of the recommendations in that plan through use of RR&A funds. However, there has not been any funding in capital funds for implementation of the program. If the program is to be implemented, those funds are going to have to come from capital as it is not possible for the school to make significant progress in a piece-meal fashion. The school requested \$507,000 to virtually complete implementation of the program during the coming biennium. The Board Office recommended a reduction of that amount to \$400,000, which takes into account portions of the program which have already been implemented and also puts the program within an attainable level for a biennium. The Board Office considered this as a relatively high priority especially due to the fact that the school did not receive any funds for capital with the exception of replacement of a heater in the power plant during the past biennium.

Superintendent Woodcock commented as to the Iowa Braille and Sight Saving School's funding request in respect to the total board's askings. He noted that there are \$30 million worth of projects above Iowa Braille's project and stressed the importance of the school's project.

In summary, the Board Office made these comments:

The Board Office recommended a total request for all institutions in the amount of \$49,665,000 which represents a reduction of \$37,450,000 from the institutional requests or funding 57% of that requested by the institutions.

The Board Office responded to the board members' interest of initiation of a bonding program for utility needs by the establishment of such a program in its recommended askings. The Board Office stated that there is a great deal of logic in separating out the utility needs in this manner in that these needs then do not become confused with the more academically-related needs of the institutions and it reflects the approach taken by private industry in meeting such needs through sale of bonds. President Kamerick expressed concern over further bonding for the University of Northern Iowa. It was noted that the cost of this bonding program is discussed under docket item G. D. 7b.

The Facilities Committee has been working for a number of years on the task of developing a means for projecting space needs for the three universities as the prelude to the preparation of ten-year capital programs and biennial capital askings. The first model runs were completed in 1972 using fall, 1971 data. We have had two additional runs culminating in the recently completed model runs utilizing fall, 1975 data. These data were run on two bases:

1. On a so-called steady state base, which indicated what the facility needs were at the institutions as of fall semester or quarter, 1975;
2. A so-called projection model takes data relative to enrollment, faculties, student ratios, etc. on a projected basis for fall, 1985.

An exhaustive explanation of results and recommendations coming out of these model runs will be prepared for the November board meeting, which is when the board will consider the ten-year capital building program of the universities. We have referenced the results in the institutional askings section of this memorandum and, in summary, those results, as far as the steady state model runs are concerned, would be to state that the University of Iowa needs will be met with the construction of the Lindquist Center--Phase II, with the exception of additional physical plant space required. Iowa State University needs will be, for the most part, met with the construction of a Music Building, Library Addition, a Horticulture Addition and one other relatively small building. The University of Northern Iowa has a major space surplus at this time, as mentioned earlier.

The Board Office applied a one-time 7% inflation factor to those projects resubmitted from the 1976-77 request. The 7% base should be viewed as being tentative. Final information on an inflator will be forthcoming at the October meeting and an adjustment can be made at that time as to the askings, if required.

The Board Office listed all of the askings in priority order with exception of the deficiency appropriation where all five projects were to be considered to be of equal priority. The priority list was arrived at through the visits to each institution and through utilization of the model results. The Board Office reported that if the Regents were not to

receive bonding authority, it would be necessary at that time to restructure the priority list to include the utility projects within the overall capital requests priority. The Board Office's priority for bonding at this time was based upon its determination of the urgency of the utility projects themselves in that particular portion of the request.

The Board Office also separated out the planning funds for new construction which was an approach that has been utilized by the last two sessions of the legislature for new construction.

The total Board Office request included 35 projects, including six new buildings, ten utility projects, eight remodeling projects, and two special projects.

Mr. Richey then recommended that discussion of the Board Office's request be opened and noted that he hoped that the discussion would allow the Board Office to come back in October with a pretty-well-agreed-to policy for final decision making.

President Petersen recommended the board first discuss the matter as to whether a division in the capital request is appropriate with respect to the bonding issue. Regent Slife asked whether that is likely to be an acceptable approach. Regent Collison noted that the board has to decide which kind of bonding, also. She said that as far as University of Iowa's transference over to the health sciences she would approve of hospital bonding rather than academic kinds of support in that particular endeavor.

Mr. Richey agreed with Regent Collison but added that if the board goes the route suggested by the State University of Iowa, it immediately adds at least \$1.3 million to the capital list. He noted that President Parks' request of \$600,000 for planning both phases of the library, and an error of \$800,000 in one of the institutional estimates gets the board \$2.5 million above the \$49 million. In view of that, he said the board may have to look at a few other items on the lower list of priorities to stay with a "reasonable" figure.

President Boyd said he appreciates the problem and said that if it is possible to bond for some hospital utilities, and pay it with patient fees, he is willing to go that route. Regent Shaw said he didn't feel there would be anything wrong with the theory of the patients paying for the utilities. Regent Baldrige requested that someone review why utility projects should be or could be rationally bonded as compared to the purchase of electricity, for example.

President Petersen asked Max Hawkins of the State University of Iowa to give the board some idea of what he thought of the possibility of being able to get bonding for the utility portion of the capital request. Mr. Hawkins said that bonding would dramatize the board's need for utilities. He said that when the board asks for utility needs, the legislature realizes that it really needs them.

Regent Baldrige said he favored separating out utility projects in the capital request. He said he presented the capital request to the legislature last session for the board and noted it was extremely difficult to try to present utility needs at the time you say you need academic buildings. Regent Collison concurred with Regent Baldrige.

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Regent Brownlee said he feels the comments made simply point up that the value of separating utilities from other capital needs is a device to get more capital money for the campuses. He said there is certain logic attached to it by the nature of the expenditures, utilities and installation. He requested the institutional officials' comments in this regard.

President Parks said he is very much in favor of separating utilities from other capital needs and asking for bonding for same. He said that although you can not show that every utility project is in some loose sense self-liquidating, as a group they tend to be able to pay for themselves over time more than straight academic buildings do. President Kamerick agreed with President Parks' views on the matter. President Boyd agreed with President Kamerick and President Parks.

Regent Shaw said he feels that the concept of using bonds to further basic utility needs is sound in the sense that you can't operate the enterprise without these activities.

President Petersen said that when the final recommendation comes back to the board she didn't think the board should go beyond \$10.5 million to \$11 million for the total amount of bonding, whether hospital fee replacement or tuition replacement.

MOTION: Mr. Slife moved the board approve submittal to the Governor and legislature a request for academic revenue bonding authority for utility needs of the universities for 1977-78 totalling \$1,335,000. Mr. Brownlee seconded the motion and it passed unanimously.

President Petersen then turned the discussion toward the deficiency appropriation for 1976-77 including five projects totalling \$11,610,000. Regent Collison asked if the amount included for the Lindquist Building includes the amount for project management service that the board contracted for. Mr. McMurray responded those costs were appropriated in 1976.

MOTION: Mr. Baldrige moved the board approve submittal to the Governor and legislature a deficiency/emergency appropriation for 1976-77 which has five projects totalling \$11,610,000. It was understood that the board was requesting this appropriation as early as possible in the 1977 Session, but in any event, no later than March 1, 1977. Mrs. Collison seconded the motion and it passed unanimously.

The board's attention then turned to the planning appropriation request recommended by the Board Office.

Mr. Richey noted that planning appropriations relate to construction appropriations that are in the second year of the biennium. What the board does to the planning money request might affect the total amount the board requests from the legislature. The question is whether the total

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the board indicated of somewhere between \$49 million and \$50 million including \$10.5 million bonding and \$11 million deficiency/emergency are amounts the board feels it can live with. He noted that in the planning appropriation request some projects are quite far down the list that are quite important. Special attention was given to Old Armory, Speech/Art, and Quadrangle Remodeling, Phase II.

President Petersen recommended the board add to the planning appropriation request \$300,000 additional for the Iowa State University Library Addition so Phase II can be planned along with Phase I.

**MOTION:**

Mr. Brownlee moved the board approve submittal to the Governor and legislature: (1) a planning appropriation request in 1977-78 for new construction on five projects totalling \$1,635,000 (which includes an additional \$300,000 for the Library at Iowa State University for Phase II); and (2) a capital request for 1977-78 and 1978-79 totalling \$26,220,000 of which \$9,905,000 would be requested for 1977-78 and \$16,315,000 requested for 1978-79. The total program recommended was a capital request of the board for \$49,965,000, of which \$11,610,000 is requested for 1976-77; \$22,040,000 for 1977-78; and \$16,315,000 for 1978-79. Mr. Barber seconded the motion.

Mr. Richey said the board would have an opportunity at the October board meeting to finalize the figures and the priorities. Mr. Richey noted that the board was now recognizing the fact that it was accepting a capital request of \$49 million.

Regent Shaw emphasized the need to do something with respect to the law school at the State University of Iowa. He said that unless something is done, the board may have a hard time maintaining quality. He said he knows the board wants to keep the school in the forefront from the standpoint of attracting students. It has an excellent reputation but if it continues to operate in the present arrangement and with crowded library conditions, it is less than ideal. Regent Brownlee requested that the University of Iowa start at once to study the options that might be available to solve that problem. He recommended the university come to the board as soon as possible on this matter. It was agreed by the board that the option of building an entirely new facility as opposed to an additional facility would be looked at. All options are to be reviewed for the university to present to the board for the 1979-81 biennium.

President Boyd said he feels the board should look at the whole issue of a law school and whether the board should start building over from scratch. He said that while the board has an outstanding law school at the State University of Iowa, it is very badly housed. He noted that the present university request just expressed the tip of the iceberg. He said that although it is a large figure, it underscores the conservative nature of the request.

**VOTE ON MOTION:**

The motion passed unanimously.

President Petersen asked if there was additional discussion with respect to capital askings. President Boyd said he had an additional matter.

He alerted the board that the State Geologist raised a question of more

space and would like to construct a warehouse at Oakdale. The question was raised by the Geological Survey Board last Friday. He noted that the Governor is chairman of that group. The State Geologist also wants funds to do remodeling in the basement of Calvin Hall. President Boyd reported that the State Geologist is not under the jurisdiction of the Board of Regents but is housed on Board of Regents' property. He noted that if this agency were not housed at the university it would become another responsibility of the state. A comparable situation is the housing of the Des Moines branch of the State Hygienic Laboratory which is going into a new state office building in Des Moines which was built by funds appropriated to the State Department of General Services. President Boyd further noted that on balance there is probably a great deal to be gained by having the Geological Survey on the campus, especially in its interrelationship with the Geology Department.

However, President Boyd noted that every building on the Oakdale Campus belongs to the Board of Regents and there may be some value to continuing that situation in a new building for the Geological Survey although it is complicated because it would not be an academic building. The state would have to build this facility somewhere and we should not discount the notion that they should build these facilities on the campuses if these services are better off in connection with comparable programs of an academic nature. In conclusion, President Boyd noted that he is concerned about building "a dab here and a dab there" on the university land and, further, the university has some warehouse problems that concerns him, also. He finally noted that he brought the matter to the board to appraise it in terms of an impending problem.

Discussion was postponed until discussion regarding the Graduate Opportunities Task Force was completed.

**PRESBYTERIAN CHURCH TRIAL.** The board members, executive secretary, and President Boyd had been served subpoenas ordering them to testify at the Presbyterian Church trial currently being conducted in district court in Johnson County. President Petersen announced that legal counsel had been successful in gaining a continuance. Board members would be informed at a later date of any further developments.

**REPORT OF THE GRADUATE OPPORTUNITIES TASK FORCE.** The board was presented the following recommendations:

1. That the Board of Regents accept a report of the Graduate Opportunities Task Force, considering that it was a preliminary rather than final report.
2. That the board recognize the need for an expanded, as well as uniform, data base as prerequisite to any final decisions regarding the recommendations contained within the report. It was recommended that the board direct that Specific Recommendations #1 and #2, as contained on pages 7 and 8 of the report, be mandated in order to obtain the necessary data.

3. That the Board of Regents delay action with respect to the other recommendations made by the task force until such time as the aforementioned data has been collected and analyzed and, in addition, the task force has resolved those problem areas which were shown below.

The Board Office reported that at its December 1975 meeting the Board of Regents directed the establishment of a Graduate Opportunities Task Force to consist of the three graduate deans and a representative of the Board Office and charged this task force with providing the board with an analysis of the educational expenses incurred by the graduate students at the three Regents universities and an analysis of the resources available to such students to meet academic-year costs. With this charge in mind, the task force established, and the board approved, the following tasks for its work:

1. A review and evaluation of current graduate student financial resources and support opportunities in Iowa's Regents' institutions compared with those of the national and regional graduate student population.
2. A review and evaluation of the effects of economic stress and of changing patterns in external funding arrangements upon the resources and opportunities for Iowa graduate students.
3. A review and evaluation of the resources and opportunities of emerging graduate student populations including women and minority students, part-time continuing education and off-campus students, and students from other nations.
4. A review and evaluation of current policies with regard to qualitative measures for the admission of students into graduate programs in the light of the limited resources available to them.
5. A review and evaluation of materials which provide graduate students with information about financial support opportunities for their education and about vocational placement following their graduation.

The Board Office reported that in order to achieve these objectives the task force collected and analyzed data from the financial aid, graduate college, and business offices of the three institutions and reviewed information derived from a student resources survey conducted in the spring of 1974-75 at the University of Iowa. A number of problems exist with this data. First of all, with respect to the data obtained from the financial aid, graduate college and business offices of the three institutions, it was noted that the data was not uniform, and created numerous problems when comparative analyses were attempted or in the formulation of a model which would apply at all three institutions. Secondly, the survey instrument used at the University of Iowa to identify information with respect to graduate students and their need for financial aid needs need to reviewed and modified with respect to definitions used, questions asked, and the usefulness of information generated. Similar instruments need to be developed and utilized at the other two Regents institutions in order to preclude decisions based upon data from a group of responses which may not be representative of all graduate students in the three Regents universities.

Dean Duane Priestersbach, University of Iowa, was present for discussion. He represented the University of Iowa on the Graduate Opportunities Task Force.

Dean Priestersbach reported that many persons at the three universities participated in assembling the data for the report presented to the board. He noted that the preparation, however, particularly Part A, was largely the responsibility of the State University of Iowa. The version of the report presented to the board, he noted, was finally edited after the meeting of the task force on September 3. There was not time for the representatives of all three institutions to agree on specific edits that were presumably agreed to on September 3 due to tough deadlines. He said he felt the board should know that there is not agreement on all specific aspects of this version of the report.

Dean Priestersbach noted that the three institutions have different missions and different programs, different histories. He said that the data in the report underscored some of those differences. He said the task force did not deprive those differences. He said that the task force feels that they appropriately reflect some of the uniquenesses of each university. He said the task force looked at expenses and found some differences between the universities primarily in the category of housing and food.

It was stated by Dean Priestersbach that the task force hopes that the board's discussion of the report would not set any dollar implications at this time but would discuss the validity of some of the parameters of the model. For example, the board should consider to what degree it has an obligation to provide graduate education for qualified residents of the state and to what degree should we be concerned about possible

restrictions that financial requirements impose. Should the task force be concerned about the disparity of the level of expenses of graduate education at the three institutions? He cited those questions as some of the general philosophical questions that have come up on the task force.

Speaking to the comments made by the Board Office by way of the green memorandum on the report, Dean Spriestersbach noted that the task force did have some difficulty in bringing data in a common format together. He said that regardless of the precision of the data, the critical issue remains in what are the elements of the conceptual model with which the task force should work. He said the cost of developing the data systems most relevant to institutional needs will not be trivial and will take months, if not years to accomplish. He said he feels it is unrealistic that the task force could report back to the board during the coming semester as the Board Office recommended.

The Board Office noted that the task force recommended that all graduate students at all three Regents universities should be financed according to the model which they presented. The Board Office felt that unless a ceiling is placed upon the number of graduate students so financed, that the financial demands of such a model upon Regents resources would be unrealistic given the current and projected financial state of affairs. The task force proposed a highly attractive financial package for all graduate students attending Regents universities and one easily could imagine that this package might attract a large number of qualified graduate students to the Regents universities. However, the Board Office felt that it would be hard to imagine that a doubling of graduate students could be meaningfully absorbed by the institutions into such areas as teaching assistantships or research assistantships in order to satisfy the requirements of the model for 70% of a doctoral student's expenses being met by institutional salaries. The Board Office recommended that the task force seriously consider a numerical ceiling to the number of graduates supported by this formula. It also recommended that the task force review the assumptions which it made prior to analyzing the then available data, as well as generating and analyzing new, more extensive and uniform data which may well alter the recommendations which were in the report presented the board.

In response to the above Board Office request, Dean Spriestersbach noted that the Board Office implied that large amounts of dollars are involved. He said that if the board adopted the figures used to test the model, the additional resources would amount to only \$350 a student. He said that the task force tried to identify problems related to the support of graduate students that to its knowledge have not been addressed as directly anywhere else. He said the task force feels that it is possible and appropriate for the state of Iowa to take a leadership position in coming to grips with some of the issues stated in the report.

Dean Daniel Zaffarano, Iowa State University, was also present as a representative of the task force, for comments. He said he hoped the board would accept the report as evidence that the task force has been working, with the understanding that a more final report will be forthcoming. He noted that he does not support some of the recommendations in the report but requested input from the board on these matters. He

recommended the board treat the report as a working paper. He told the board what the model implications are. He said the report starts out with a concept that if there is an undergraduate student in Iowa, an Iowa resident, who wants to go to a Regents institution to study in a field where there is no available support, the state of Iowa should feel that that student deserves some minimal level of support for graduate study. He said that while that is an interesting concept, he wasn't sure he could defend it to the legislature. He said that if the board would do it for the graduate student, how about the senior student? He said students should be allowed to study in the fields of their choice. He cited examples, however, of the high amount of support for students in some fields. He also noted the enormous differences in the amount of support for different programs. He requested board input on what level of support and for whom should be available for students.

Dean Ray Hoops of the University of Northern Iowa, a member of the task force, emphasized the points of Dean Priestersbach. He said that the inflationary nature of the model would be very difficult to justify if other states are looked at in which the general level of support is considerably higher. He said that the task force realizes that while the model won't solve the serious problems that some universities face, the task force likes to view it as a "non-erosive model."

In view of the task force's views of the report as being not final, Mr. Richey recommended the board defer action on the report at this time for further analysis and study to try to resolve the differences noted.

Regent Collison said that she felt the report was quite comprehensive. She expressed appreciation for the report because it was the first one addressed that had selectivity and a pooling of resources to make a joint program possible. She said that the board should recognize that there was not a difference of opinion among the three deans as much as a different approach to the problem.

Discussion centered around Dean Zaffarano's point about support for students and what a minimal amount should be. Concern for support of graduate students was particularly addressed. Regent Bailey said that that concept is contrary to what has been expressed by some legislators. They have a problem even providing support for undergraduates. Regent Bailey said that the board may possibly be influenced in its decision in this matter by what other states are doing. He said that he presumed some thinking was that in the resident's area the funds available would be largely in the nature of scholarships as opposed to a payment for services rendered. He said that at the doctorate level payment would be mostly that for services rendered. He added that he also was concerned with the "blanket" approach that any student would possibly receive at least so much in the form of a scholarship regardless of his family or personal wealth.

Regent Zumbach noted that one of the parameters mentioned was that if a graduate student was "qualified" he would receive a minimal amount of support. He asked what constitutes a "qualified" graduate student. Dean Hoops responded by saying that there are problems in defining the relationship between meritocracy and the area of need. He said the

tuition must be balanced. He noted that a philosophical question is involved in whether you support students who are very qualified who have no need or do you support students based on need whereby you may be put in a position of supporting some students who ought not be in a graduate school. He noted that had not been addressed in the document presented the board. Regent Zumbach said he tends to lean in the direction of giving support to encourage excellence and attract top students in the graduate area.

Regent Shaw indicated he favors support in the graduate level and undergraduate level on a need basis. He also commented that the report seemed to lean toward the conclusion that the part-time student isn't full-time because of some financial limitations. He said he suspects in many cases the part-time student is probably better off financially than the full-time student.

Regent Shaw also commented that with other things equal, he felt that people should be able to move through graduate work as rapidly as possible. He said he doesn't feel there is any person in having a person spend five or six years if he or she could accomplish same in three years. He said the board should look very carefully to make sure that it grants fair compensation for work performed by people in these roles as part-time students, full-time students, graduate and undergraduate students. He said the board needs to look at the individualized approach rather than the gross approach.

President Boyd said he doesn't believe there should be as much control on programs in the private sector as in the public sector. He made a case that a grant program would have to be applicable across the board.

Regent Bailey said he also feels, as Regent Zumbach, that the caliber of the student has a good bit to do with the status of the graduate programs and said he is inclined to go with the concept of providing funds for certain very high caliber to-be-desired students, regardless of need. He said students should be permitted to make their own choice in the field they wish to learn but said he wasn't sure the board could be justified in using taxpayers' money to support students in areas that aren't going to be an asset to society. He said that the board, as an agency that is tax-supported, has to take those concepts into consideration.

President Petersen said the board needs to look at the needs expressed in the report with respect to funding in conjunction with the overall Regents needs. She noted that the board has to decide which things should be funded.

Dean Sprifestersbach expressed appreciation for the task force for the comments and concerns raised by members of the board on the report presented it. President Petersen noted that discussion of the matter should continue on the task force.

President Boyd said that obviously there is going to be an action that's going to have great implications on aid for students which is the tuition issue. Another issue President Boyd raised was the effect non-traditional studies will play in respect to student aid.

PROPOSED CAPITAL IMPROVEMENT PROGRAM, 1977-79 (continued).

B. Tuition Replacement Request for 1977-79 Biennium. The Board Office recommended the board request appropriations for tuition replacement requirements for payment of debts on outstanding existing revenue bonds during the 1977-79 biennium as follows:

F.Y. 1977-78	\$3,180,000
F.Y. 1978-79	\$3,055,000

and amend the request in October to include tuition replacement requirements on new bonding authority as requested for 1977.

The Board Office reported that state funds are used after application of interest earnings from investment of bond proceeds and annual federal interest subsidy grants. About one-third of the debt service has been funded from non-state funds with the remaining two-thirds coming from tuition replacement appropriations.

The Board Office provided members of the board with the following information:

Debt service payments to be made in F.Y. 1977-78 total \$3,390,985 of which \$1,730,000 will go toward retirement of the bonds. The institutions have estimated that there will be income from sinking and reserve fund interest income of \$145,228 and \$66,874 coming from federal interest subsidy grant receipts. This \$212,102 then is subtracted from the debt service need to arrive at the net state request of \$3,180,000.

For 1978-79, total debt service payments of \$3,288,240 will have to be made. The other income will stay at \$66,874 for federal interest grant receipts but will increase to \$165,703 for sinking and reserve fund interest income. The total other income then for F.Y. 1978-79 will be \$232,577 and when this amount is subtracted from the debt service it yields a tuition replacement request of \$3,055,000.

By the end of the 1977-79 biennium some \$12,390,000 of the \$34,780,000 principal will have been retired. The request for state tuition replacement appropriations for presently outstanding bonds has now begun to decline and will continue to do so annually hereafter.

The Board Office also reported that because state funds are utilized last and because earnings have constantly exceeded appropriations, due primarily to slower construction schedules, almost \$2.5 million of the state appropriated funds have been reverted by the board. The fund requests made hereafter are somewhat tighter than heretofore because there will be no construction fund income after the current fiscal year for these bonds. Failure to provide these appropriations for replacement of tuition income used for debt service for outstanding academic revenue bonds would cause an unanticipated increase in tuition at each of the three universities.

It was also noted that the tuition replacement needs for presently outstanding bonds are declining at the rate of about \$125,000 annually. It would be the Board Office's intent to try to level out the tuition replacement requirements for about the next 4 to 5 years at \$3.6 million

annually. It is probable that this can be accomplished through the addition of a new \$10 million authority and still leave some flexibility for further authorization for utility requirements during the 1979-81 biennium.

As reported in the docket memorandum on capital improvement projects, discussed earlier, it was proposed that new bonding authority of about \$10 million be requested for utility needs of the universities. These bonds would probably be sold between September of 1977 and March of 1978. Approximately half of the dollar amounts involved in these projects would have a relatively slow cash takedown. On those projects the board could probably earn through investments of the bond proceeds an amount equal to its interest requirements during a good part of the 1977-79 biennium.

MOTION:

Mr. Baldrige 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:  
F.Y. 1977-78     \$3,180,000  
F.Y. 1978-79     \$3,055,000 and amend the request in October to include tuition replacement requirements on new bonding authority as requested for 1977. Mr. Slife seconded the motion and it passed unanimously.

C. State Plan for Regents' Universities and Iowa School for the Deaf Accessibility for the Orthopedically Handicapped. It was recommended that the board request the Governor to provide state funds totalling \$935,000 for implementation of Phase II of this statewide need at Board of Regents' institutions. The Board of Regents would advocate this program in budget presentations before various groups including the Governor and the legislature, but the request would not be a direct part of the Board of Regents' 1977-79 capital request.

The institutional allocation of the request proposed was 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	<u>\$935,000</u>

The Board Office noted that a complete plan to make all the principal academic/administrative space at the Board of Regents' universities and the Iowa School for the Deaf accessible for the physically handicapped was proposed. It was proposed that 152 buildings at the universities and seven buildings at Iowa School for the Deaf would by the fall of 1982 be accessible according to the following criteria:

1. One accessible entrance/exit point to each building.
2. Access to all or selected levels of multi-level buildings using elevators, lifts or ramps.
3. One accessible public restroom per building per sex.
4. One accessible water fountain per building.

Total cost of the modifications expressed in 1976 dollars is \$2,685,000 of which \$500,000 has already been appropriated and was allocated by the board at its July meeting.

The 1977-79 asking has these features:

1. It would make modifications to 33 buildings totaling 2.3 million gross square feet. This would make accessible an additional 17.9% of the space at the Regents' universities and would mean that about 75% of the space at the Regents' universities would be accessible upon the completion of the 1977-79 program.
2. Eighty-six percent of the space at the University of Iowa would be accessible including virtually all of the major student-use buildings, with the exception of Art according to the priorities previously established by the institution. It would complete the program of accessibility at the University of Northern Iowa, with 93% of its space accessible. It would continue the program at Iowa State University to the extent necessary to bring that institution over the 50% level in accessibility and would, more importantly, open up or complete accessibility needs for programs in child development, sociology, anthropology, food technology, physical education, engineering administration, mechanical engineering and the primary administrative building, Beardshear Hall.
3. It would begin a program of accessibility for Iowa School for the Deaf. This school has initiated an accessibility program through use of RR&A funds and has constructed ramps for a number of buildings on the campus. However, nothing has been done to date to provide restroom facilities, water fountains or internal building modifications so that accessibility can be gained beyond the first floor. The Iowa School for the Deaf program has a tentative cost estimate in 1976 dollars of \$135,000. Resources of the universities will be utilized to aid in developing a complete program of handicapped accessibility for that school over the next two to three months. This program will be based upon the same criteria as assumed for the universities.

MOTION:

Mr. Zumbach moved the board request the Governor to provide state funds totalling \$935,000 for implementation of Phase II of this statewide need at the Board of Regents' institutions. The Board of Regents would advocate this program in budget presentations before various groups including the Governor and the legislature, but the request would not be a direct

part of the Board of Regents' 1977-79 capital request. The institutional allocation of the request was proposed as follows:

University of Iowa	\$280,000
Iowa State University	400,000
University of Northern Iowa	225,000
Iowa School for the Deaf	<u>30,000</u>
TOTAL	<u>\$935,000</u>

Mrs. Collison seconded the motion.

Mr. McMurray noted that there would need to be two askings in future biennia to complete the program by 1982.

VOTE ON MOTION: The motion passed unanimously.

D. Energy Conservation Proposal. The board was requested to accept the energy conservation proposal presented it for transmittal to the State Comptroller for his consideration for funding along with similar projects for other state agencies.

The Board Office reported that an ad hoc interinstitutional committee was formed and has prepared an energy conservation proposal which indicated a potential for savings in fuel and purchased electricity of approximately \$3.8 million per year by installing computerized central control facilities and retrofitting building equipment to program lighting and to control automatically heating, ventilating and air conditioning equipment including power demand, run time optimization, outdoor makeup, and reheat. Such savings would be realized with a full implementation cost for the three universities of approximately \$15 million.

The Board Office reported that it should be recognized that there is a real savings in actual dollars which should pay off the investment in facilities within approximately four years. Modest expenditures can result in significant savings. Consequently, the proposal contained a tentative funding schedule over a five-year period which would allow some savings to be made during an initial period as experience is developed and during further implementation throughout the five-year period.

Regent Collison asked if the University of Northern Iowa is in a position to hook on with Iowa State's or the University of Iowa's system computer-wise to help it with the systems convert. Mr. Caldwell of the Board Office said it will be possible. It will have to go through the telephone system to make sure it would operate at all times.

In absence of objections, President Petersen accepted the energy conservation proposal presented the board for transmittal to the State Comptroller for his consideration for funding along with similar projects for other state agencies.

E. Appearance of Iowa Horticultural Society Representative. President Petersen recognized Mr. Jim Boesen, President, Iowa State Horticulture Society, to speak on the present facilities of the Department of Horticulture at Iowa State University.

Mr. Boesen emphasized the fact that the facilities relating to horticulture are extremely inadequate at Iowa State. With the exception of the greenhouse area itself, the classrooms, offices, study areas, and lab space are overcrowded, in need of extensive maintenance, and in some cases a hazard to the safety of the students and faculty. He said consideration should be given to bringing the Horticulture Department's facilities up to date. He urged the board to give this priority status this year.

President Petersen informed Mr. Boesen that a copy of the letter he sent to her requesting better facilities for horticulture at Iowa State had been reproduced and distributed to members of the board as well as a statement from Lloyd Platt of Platt's Nursery and Garden Center, Bettendorf, Iowa.

President Petersen thanked Mr. Boesen for his concern and support for the horticulture facilities.

Mr. McMurray noted a correction in the Board Office memorandum relative to the horticulture addition. He said the figure of 10,000 gross square feet recommended for new construction should be 32,000 gross square feet. President Petersen said that correction, however, does not change the dollar amount requested.

TUITION POLICY FOR THE 1977-79 BIENNIUM. The board was requested to adopt as its tuition policy guidelines for the 1977-79 biennium that the "Principles and Guidelines for Establishing Tuition Rates at Regent Institutions," which the board approved for the current biennium at its April 1974 meeting. Those principles and guidelines were as follows:

1. Authority to set tuition rates should rest with the Board of Regents for efficient good management of the institutions.
2. The state should maintain and advance the quality of education.
3. The tuition rate should be low as possible to maintain accessibility for students.

4. Tuition rates should be flexible and reasonable with respect to the share of costs borne by students and parents with the following guidelines:
  - a. Tuition should be set for the biennium.
  - b. Tuition should be set for at least six months to one year before it goes into effect.
  - c. Tuition rate increases should recognize inflation.
  - d. Tuition rates should be reasonable in comparison with rates charged by institutions in the 11-state area.
  - e. Aggregate institutional tuition should bear a reasonable relationship to the total cost of instruction.
  - f. Some differential in tuition rate for higher cost graduate and professional programs should be provided, keeping accessibility in mind.
  - g. Tuition adjustments, when required, should be in the range of \$50 to \$150 for residents and \$100 to \$300 for nonresidents.
  - h. In the case of tuition increases, a considerable portion of the income generated should be provided for student aid.
  - i. Total costs for the student should be considered.

The Board Office reported that the board's 1974 guidelines reflected concern that tuition recognize other variables besides cost of instruction. Thus, the proposed principles and guidelines would relate tuition not only to cost of instruction, but also to past, present and projected inflation rates, comparative tuition rates charged by institutions in the 11-state area, and the total cost to the student to attend one of the Regents institutions of higher education. It was noted that the tuition recommendations which will be brought to the board at its forthcoming October meeting will take into account all these variables rather than relying solely upon one or the other. Those recommendations would reflect a "low tuition" policy, will be proposed for the 1977-79 biennium, and would reflect tuition adjustments within the ranges established by the principles and guidelines presented the board in the docket memorandum.

Regent Shaw asked about the list with which Iowa's tuition was compared to other schools' tuitions. Mr. Richey said schools in the 11-state area were used for comparison purposes. Regent Barber asked if there will be an updating on some information the board had about a year ago about tuitions in Iowa's private institutions. Mr. Richey said the Board Office can get that information for the board. Regent Slife requested a report on the board's tuition going back 10-15 years. Mr. Richey said that will also be provided for the board's information. Regent Zumbach asked Mr. Richey to have the Board Office summarize a number of articles on the impact on raises of tuition and Mr. Richey said that will also be brought back to the board. Mr. Richey said that the Board Office will also compare the percentage increase in appropriations as compared to percentage increase in tuition over the last four years.

President Petersen asked board members if they had any disagreements with continuing to use the principles and guidelines the board has as a policy matter for setting tuition for the next biennium. Regent Barber

stated he feels the board is a bit contradictory when it says tuition rate increases should recognize inflation on the one hand when it adjusts tuition only once every two years. On the other hand, the board wants tuition adjustments to be in relatively nominal increments. He said it's unfortunate that inflation only increases in relatively nominal increments. President Petersen said if the board continues to use its policy, it is up to the board to articulate the variety of bases upon which it makes those decisions.

Regent Barber asked a question by saying that a low tuition policy implies a high level of support without regard to need. He said he sometimes hears, however, the same people wanting a low tuition policy who also favor aid in terms of need. He said this is contradictory. He encouraged giving aid to the persons who need it.

Another matter raised by Regent Barber was if consideration has ever been given to attract, retain and maintain excellence on the part of the faculty. He asked if consideration has ever been given to some kind of reduced tuition rate for faculty offspring. He said he feels that would be a relatively inexpensive way to make the universities in Iowa a more attractive place in which to teach. President Boyd said that has been explored. He noted that tuition, however, is only one aspect of the total cost for the student. Housing and books have to be paid for, also, by the student. He said that in 1969 the question of sliding tuition was explored. He said all kinds of arguments for giving a reduced tuition rate for faculty offspring have arisen.

President Parks said he would like to see faculty get a break in tuition but said he could argue the other side of the point as well. He said that as a taxpayer he could say faculty members' children can live at home already, so why should they be given an additional break? He said that as president of a university he favors giving faculty an advantage in tuition but as a public policy he said he could not favor it.

President Kamerick also spoke relating to Regent Barber's point and lent his support on the side of giving faculty a reduced tuition rate for their children. He noted that there has been considerable interest in that type of thing at the University of Northern Iowa.

Vice President Christensen commented that four to five years ago the Iowa State University Faculty Council studied the matter of granting faculty members a reduced tuition rate for their children but it was turned down because of the unequal fringe benefit aspect of it. President Parks added that some fringe benefits are worth twice their cost. Vice President Christensen said that at the present time, however, the merit system staff of the university is raising this issue for consideration again.

Regent Shaw said consideration should also be given to the fact that if reduced tuition rates would be granted, possibly children would feel "forced" to attend a particular school to get a fringe benefit program.

## MOTION:

Mr. Baldrige moved the board adopt as its tuition policy guidelines for the 1977-79 biennium the "Principles and Guidelines for Establishing Tuition Rates at Regent Institutions," which the board approved for the current biennium at its April 1974 meeting. The principles and guidelines were identified above. Mr. Slife seconded the motion.

Regent Collison brought up discussion relating to the total costs for the student. She said that while it sounds good to consider student aid with student costs, last time around she assumed that it would be fairly easy to put increased income into student aid but she became somewhat disenchanted with the whole thing because it is so interrelated with the federal program with other areas of aid in the university, which causes those elements to be fairly hard to identify. President Petersen said she feels that those who can support the lower tuition concept have looked pretty thoroughly at what the various student aid programs have and said the board should be reminded that when it looks at an upward change in tuition, it needs to be sure that a portion is refigured back into the student aid program. Regent Collison requested a study be done to consider the detrimental effects on the total of student aid by the tuition policy for the 1977-79 biennium.

President Boyd noted a difference of opinion as to how much of the tuition increase should go into student aid. Some board members indicated desire to provide an "equal" portion of the income generated in the case of tuition increases should be provided for student aid. Mr. Richey commented that "a considerable portion" was the phrase used in the guidelines presented the board because he felt the word "considerable" was a strong enough word.

## VOTE ON MOTION:

The motion passed unanimously.

STUDENT REQUEST ON CHANGE IN PLACE OF NEXT REGENTS' MEETING. Ms. Jill Wagner, Iowa State University, requested the board change the location of the October board meeting to Ames. She noted that the meeting was currently scheduled for Council Bluffs October 14-15. her discussion on tuition will again come up in October and recommended that a more central location such as Ames be considered due to great student interest in the matter. President Petersen said that was being taken under consideration.

BOARD OFFICE BUDGET REQUEST, 1977-79. The board was requested to grant tentative approval for a budget request of \$468,849 in 1977-78 and \$473,394 in 1978-79 for operation of the Regents' Board Office budget during the 1977-79 biennium.

The Board Office's proposed budget request of \$468,849 for 1977-78 is an increase of \$44,204 or 10.4% over the approved budget for 1976-77. If the employment relations function is funded wholly from appropriations instead of institutional assessments, the required appropriations of

\$345,188 represent an increase of \$87,588 or 34% over the current year. That function accounts for \$68,900 of the proposed increase in appropriation, leaving \$18,688 for increased cost for other activities.

The Board Office reported that the request did not include, at this time, any funds for increases in salary rates. Salaries were budgeted at the annualized rate as of June 30, 1977. Recurring cost items assumed 6% price inflation except for board members' per diem, which is fixed at \$40. The remainder of the budget growth was for employment relations, an additional clerical position to be shared by the general office and the merit unit and \$1,550 additional for specific equipment items.

The Board Office budget request was divided into several categories:

#### Employment Relations Function

The Board Office reported that the employment relations function was budgeted at \$40,000 for 1976-77, funded entirely by assessments on the three universities. The salary for the current year was budgeted at the same rate as the State Director of Employment Relations. Mr. Richey reported that he assumed, for budget planning purposes, that the position will be filled on December 1, 1976, and that the salary savings will either be used for contractual services including transcripts of hearings or returned to the institutions.

The budget for 1977-78 proposed to the board assumed a secretarial position which will be needed regardless of whether an intermediate level professional position is utilized. It was noted that a position was also budgeted for an employment relations associate at the intermediate level with the understanding that it will be utilized only upon specific approval of the board after demonstration of need.

The total budgeted cost for the employment relations associate, including travel, telephone, equipment, etc., was \$17,094 after allowance for salary shrinkage. The full cost of the employment relations function should be funded directly by the state from appropriations because the state imposed the added work load by legislation.

#### Regents Merit System Unit

The Board Office proposed a budget for the Regents Merit Unit for 1977-78 in the amount of \$108,831 as compared to \$107,020 for the current year. In addition, the merit unit would share a proposed new clerical position in the general office. The total cost of the position is estimated to be \$7,929 compensation, \$300 telephone and \$850 for equipment. It would be financed by appropriations, whereas the remainder of the budget is funded by payments from the institutions.

The Board Office stated that the merit unit has one secretary for four professional positions. It was recommended that relief be given through transfer of a portion of the \$2,000 budgeted for contractual services for additional help.

#### Board Office Proper

It was noted that except for the clerical position and related expense and the 6% inflation factor mentioned above, the proposed budget for 1977-78 for the Board Office proper remained unchanged from the current year.

Equal Employment Opportunity Compliance Unit

The Board Office noted that the only increase shown for the unit was for a 6% price increase. The salary of the secretary was budgeted at the merit system-step expected within the current scale as of June 30, 1977.

1978-79

The Board Office reported that the proposed budget for 1978-79 was \$473,394 as compared to \$468,849 in 1977-78. The net increase of \$4,545 included about \$3,000 for less shrinkage in salaries in the employment relations and 6% for price inflation in supplies and services. The increase for price inflation was offset by a reduction of \$3,810 for equipment.

Regent Baldrige expressed reservations about the amount budgeted for the employment relations function, whether it would be enough. Mr. Richey said there is no way to know what's going to entail in terms of work load on collective bargaining matters. Mr. Richey added that there is no question that it is going to take a full-time person for collective bargaining and added that the degree of organization that takes place under the Collective Bargaining Act will determine whether another staff person will be needed.

Mr. Richey commented with respect to the Board Office recommendation for more clerical/secretarial help. He noted the secretarial staff urgently needs more assistance because of the heavy work load. He commended the secretarial staff in handling the heavy work load and crowded working conditions.

MOTION: Mr. Baldrige moved the board tentatively approve a budget request of \$468,849 in 1977-78 and \$473,394 in 1978-79 for operation of the Regents' Board Office budget during the 1977-79 biennium. Mr. Slife seconded the motion.

Regent Slife asked if the recruiting process has begun for the employment relations function. Mr. Richey noted that the job description was included in the docket material for approval and if there are no serious questions, advertisement for the position would begin next week.

VOTE ON MOTION: The motion passed unanimously.

LEGISLATIVE PROGRAM FOR 1977 SESSION. The Board Office reminded board members and institutional officials to transmit any proposals for legislation or positions on legislation for the 1977 Session to the Board Office at the earliest opportunity. It was noted that the subject would be docketed in October and it is planned that the legislative program would be adopted finally by the board in November.

Regent Collison requested that the board's legislative liaisons again lobby for the bill removing residency requirements for external degree programs. She reported that it died in committee last session.

PERSONNEL/PAYROLL INFORMATION SYSTEMS. The board was requested to authorize the Board Office to engage Integral Systems, Inc. to provide consulting services in the areas of payroll and personnel at a total cost not to exceed \$12,500 to develop a detailed plan for the definition, analysis and design of a system to satisfy the requirements of the University of Iowa, Iowa State University, the University of Northern Iowa and the Iowa Board of Regents, as well as the requirements of the state of Iowa.

The Board Office reported that in 1974 the State Comptroller appointed a State Payroll Revision Committee to explore ways in which personnel and payroll information could be standardized across all state agencies such that information could be furnished to answer "accurately the questions of the legislators and others." The Regents' institutions have been represented on the State Payroll Revision Committee by Mr. Brcka of the University of Iowa and Mr. Mosier of Iowa State University.

The objectives of this system as defined by the committee and its director are to develop a statewide automated personnel management information system that will provide information gathering and analytical reporting in such areas as the following: affirmative action reporting, collective bargaining, personnel planning and management, budgetary administrative control, payroll administration, legislative and executive decision-making information, merit employment recruiting and selection, employee mailing lists, direct deposit option for payroll, human resource skills inventory, and employee history.

The committee issued a recommendation on March 25, 1976 that the Regents' institutions engaged a consulting firm to study the personnel/payroll information requirements. The Board Office reported that the Regents' institutions have investigated the availability of consulting firms with expertise in personnel/payroll systems for institutions of higher education and found that Integral Systems, Inc. has demonstrated the capability in developing systems for large universities and state systems of higher education in California, Colorado and other locations.

This matter has been discussed at a meeting with the presidents and superintendents. It was the general consensus that the interinstitutional system should be developed and remain under the control of the Board of Regents with a capability for responding to the needs at the state level by utilizing translation programs to provide the information in a format suitable for use in the state computer. It was felt that the personnel/payroll system should be uniform within the Regents' system.

It was recognized that the total program would involve these phases:

1. An initial definition phase at a cost of not to exceed \$12,500.
2. A phase to develop a uniform system among the institutions.
3. A phase wherein each institution would have to develop internal systems to fit with the uniform system.

The Board Office reported that the cost would be shared by the universities on a 40%, 40%, 20% basis for the State University of Iowa, Iowa State University and the University of Northern Iowa, respectively.

## MOTION:

Mr. Zumbach moved the board authorize the Board Office to engage Integral Systems, Inc. to provide consulting services in the areas of payroll and personnel at a total cost not to exceed \$12,500 to develop a detailed plan for the definition, analysis and design of a system to satisfy the requirements of the University of Iowa, Iowa State University, the University of Northern Iowa and the Iowa Board of Regents, as well as the requirements of the state of Iowa. Mr. Bailey seconded the motion.

Vice President Moore noted that the \$12,500 would be the initial cost involved in the project. Mr. Richey said the second phase would probably cost \$40,000 to \$50,000 to develop the system. Vice President Moore said in addition to time and effort, the project will cost well over \$100,000.

President Boyd commented that data themselves do not necessarily tell the whole story. He said that you don't want to ask for so much information, either, that it becomes an invasion of privacy.

Regent Collison said she would like to insure that personnel departments at each of the universities be involved in any decision-making process prior to implementation of the personnel/payroll information system.

## VOTE ON MOTION:

The motion passed unanimously.

**BANKING COMMITTEE REPORT.** Regent Bailey provided the board with an oral report of the Banking Committee meeting held September 15, 1976 at the University of Iowa. He said the basic reason for the meeting was discussion of whether or not the Board of Regents and Regents institutions should seek authorization from the legislature to expand their area of investments. He said at the present time statute requires that the institutions invest at the highest level of income that is commensurate with safety. He said that the board has been protected by statute up to now. The institutions requested a broadening of their investment authority to that provided for the State Treasurer. Mr. Richey asked if the Banking Committee proposal would be part of the board's legislative program. He recommended the board not take action today since it will presumably be part of the legislative program, anyway. He noted considerable discussion on the matter and recommended the pros and cons of expansion of investment authority be assessed at the time of the legislative program as to whether it should be included or not.

Other matters discussed by the Banking Committee were: review of annual and quarterly reports on Analysis of Portfolio, discussion and development of a semi-annual report on endowments, escrow agreements, requests from banks.

**TIME OF MEETING.** President Petersen noted that the board would be meeting in public session tomorrow at 8:30 a.m. rather than at 9:00 a.m.

EXECUTIVE SESSION. President Petersen reported there were several matters to be discussed in executive session: strategy in connection with collective bargaining, to receive advice from the board's attorney on a personnel matter at the State University of Iowa, and a personnel matter at Iowa State University.

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

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

NAY: None.

ABSENT: None.

The board, having voted in the affirmative by at least a two-thirds majority, resolved to meet in executive session beginning at 4:20 p.m. and arose therefrom at 6:00 p.m.

The following business pertaining to general or miscellaneous items was transacted on Friday, September 17, 1976.

BUDGET REQUEST FOR 1977-79. The board was requested to tentatively approve a preliminary budget request of \$292.4 million and \$305.8 million for 1977-78 and 1978-79, respectively, subject to revision to include enrollment increase costs, salaries and salary-related items, and the net effect on tuition income after adjustment for student activities expenditures and student aid. The recommended budget request consisted of the following expenditure additions:

Expenditure <u>Budget</u>	Starting Base		
	<u>1976-77</u>	<u>1977-78</u>	<u>1978-79</u>
Starting Base		\$274,456	\$292,376
Federal Funds Loss		3,842	
Faculty and Institutional Officials	\$105,789		
Professional and Scientific Salaries	46,211		
General Service Staff Salaries	63,475		
Other Payroll Cost			
General Expense			
Fuel and Purchased Electricity	12,370	1,143	2,862
Other General Expense	37,792	4,535	4,233
Equipment	2,456	1,996	1,073
Library Books	3,753	451	421
Repairs, Replacements & Alterations	2,610	1,286	1,584
Special Needs		4,667	3,249
Total Additions		<u>17,920</u>	<u>13,422</u>
Total Budget	<u>274,456</u>	<u>292,376</u>	<u>305,798</u>

The Board Office reported that enrollment increase costs, salaries and salary-related costs, and tuition income will be considered at the October meeting of the board. It was noted that the figures developed at this time did not include the impact on the budget of those three items.

The Board Office recommendation for the budget request for 1977-78 and 1978-79 was for additions of \$17.9 and \$13.4 million, respectively. This would provide a budget level of \$292.4 million and \$305.8 million for each respective year in comparison with a starting base of \$274.5 million. These budgets would require support by state appropriations of \$192.4 million and \$203.0 million for 1977-78 and 1978-79, respectively, which amounts to increases of 7.8% and 5.5%, excluding additional costs for salaries and enrollment increase costs. On the same basis, excluding enrollment increase costs, the institutional request included additions of \$34.1 million and \$20.4 million as additions for each of the respective years. The Board Office recommendation represented a \$39.3 million reduction in the institutional request for the biennium. This amount recognizes that the addition for the first year of the biennium was an additional cost for the second year of the biennium as well.

In general, the Board Office reported that the recommendation contained greater emphasis on the funding for so-called "non-personnel" items, although salaries and wages for personnel continue to be of high priority. A serious condition exists on the campuses relative to funding for general expense and modernizing equipment to serve adequately the instructional programs. Furthermore, a serious need exists for RR&A funding to properly maintain the buildings. Consideration was given in the special needs item to provide additional funding for Iowa State University to offset the trend toward a relatively lower unit cost of undergraduate instruction than the other two universities in spite of the greater proportion of instruction of science and technology which requires laboratory work with a lower student-faculty ratio.

The following paragraphs provided a brief statement on each of the components of the expenditure and income budgets.

#### Starting Base

The Board Office reported that the total starting base budget for 1976-77 for each institution was as approved in the final budget by the Board of Regents. The equipment starting base figure for Iowa State University was less than the final budget by \$40,000 but agreed with the detailed line budget. It was noted that the Iowa State University equipment budget was significantly above the budget which would be derived from the 9% increase from appropriations due to considerable additional funding from enrollment increase due to the serious need for equipment.

The Board Office reported that the starting base included \$2.2 million, \$0.5 million and \$.08 million for the University of Iowa, Iowa State University and the University of Northern Iowa for a total of \$2.8 million for additional federal funds losses in 1976-77. Those were the figures estimated by the institutions of definite losses in the current fiscal year. The figures were included in the starting base in order to avoid the confusion of having to ask for appropriations for the additional losses again for 1977-78. It was added that the Comptroller's Office has recognized the desirability of including the additional losses for 1976-77

in the base for the above reason but has not approved a specific number.

#### Federal Funds losses for 1977-78

The recommendation included state funding to replace additional federal funds losses which are anticipated for 1977-78 in the amounts of \$2.8 million, \$0.8 million and \$0.2 million for the University of Iowa, Iowa State University and the University of Northern Iowa, respectively, for a total of \$3.8 million. This amount brings the total over the four-year period, 1974-75 through 1977-78, to a cumulative total of about \$10.5 million.

#### Enrollment Increase Costs

It was noted that enrollment increase costs would be considered at the October board meeting.

#### Economic Conditions

The State Comptroller has stated recently that the 1976-77 level of appropriations is approximately \$1,285 million and the estimated receipts are approximately \$1,157 million. With a 7.5% growth in revenue, receipts would be \$1,244 million in 1977-78 and \$1,337 million in 1978-79. These amounts and an estimated balance at June 30, 1977 of approximately \$100 million are what would be available for the 1977-79 biennium.

The Board Office stated that the inflation rate as measured by increase in the Consumer Price Index over a year ago has come down to approximately 6% and to about 5% for the Wholesale Price Index. Refinement of the Wholesale Price Index has been used for consideration of general expense by taking the component for Industrial Commodities except for fuel. Even more detailed components of the Wholesale Price Index have been used for various components of purchases by the university system in Ohio for comparison purposes.

#### Salaries and Wages

The Board Office stated that salaries and wages will be considered at the October board meeting.

#### Fuel and Purchased Electricity

The recommendation included budget requests in the amount of \$13,513,000 and \$16,375,000 for 1977-78 and 1978-79, respectively, as submitted by the institutions. The corresponding budget additions for each respective year were \$1,143,000 and \$2,862,000.

It was believed that only a modest increase in price will be experienced in 1977-78 but that prices will be greater in 1978-79 as more large users of fuel switch to coal throughout the country and as prices on other types of fuel trend upward as a consequence of removal of price controls.

#### General Expense - Other

The recommendation included a 12% increase for 1977-78 and a 10% increase for 1978-79, as compared with the institutional request of 25% and 10% for each respective year. The recommendation would provide a 55% cumulative increase over the period 1973-74 through 1978-79 as compared with a cumulative increase over the same period of 74% for the institutional budget request.

### Equipment

The recommendation included calculations based on 5% of June 30, 1975 inventory as requested by the institutions, but proposed to phase in at three-quarters of formula for 1977-78 and full formula for 1978-79 those organizational units which require considerable additional funding to reach full formula. Those organizational units included the General University, Psychiatric Hospital and State Hygienic Laboratory at the University of Iowa and the General University and Experiment Station at Iowa State University. All other organizational units including University Hospital, Hospital School, Oakdale Campus, Cooperative Extension, University of Northern Iowa, Iowa School for the Deaf and Iowa Braille and Sight Saving School would be budgeted at full formula for both 1977-78 and 1978-79.

### Library Books

The Board Office recommendation provided an increase of \$451,000 and an additional \$421,000 for 1977-78 and 1978-79, respectively, over a starting base of \$3,753,000. The recommendation was based on a 12% increase for 1977-78 and a 10% increase for 1978-79 in order to keep abreast with inflation. The institutional request was based on a 16% per year increase due to inflation.

### Repairs, Replacements and Alterations

The Board Office recommendation was based on a 7% per year budget increase for hospital units to keep abreast of increases in cost of construction, formula costs of 22¢/square foot, 31¢/square foot and 40¢/square foot for 1977-78, 1978-79 and 1979-80, for the University of Iowa, Iowa State University and the University of Northern Iowa; 18¢/square foot, 26¢/square foot and 34¢/square foot for each respective year for Iowa School for the Deaf and Iowa Braille and Sight Saving School; and 15¢/square foot, 20¢/square foot for 1977-78 and 1978-79, respectively, to initiate an RR&A program for the Agricultural Experiment Station.

The amounts for the universities and the special schools provided a three-year phase-in to actual formula costs of 40¢/square foot for the universities and 34¢/square foot for the special schools. The formula costs recognized building costs of \$60/square foot for the universities and \$50/square foot for the special schools.

It was reported that application of those calculation procedures provided for an increase of \$1,286,000 for 1977-78 and an additional increase of \$1,584,000 for 1978-79 over the starting base of \$2,610,000. That represents a significant increase in funding for RR&A and was believed to be needed to properly maintain buildings in order to avoid more rapid deterioration and greater costs at a later date.

### Special Needs

The Board Office recommendation included \$4.7 million for 1977-78 and an additional \$3.2 million for 1978-79. The institutional request was based on each organizational unit developing up to a maximum of 5% of the total starting base in special needs for each year of the 1977-79 biennium for review and consideration by the Board of Regents.

### Student Fee Income

The Board Office reported that student fee income as a component of institutional income offsets a portion of the budget and affects the state appropriations requested. Based on current tuition rates and early

estimates of enrollment, tuition income was estimated at \$42.1 million and \$42.8 million for 1977-78 and 1978-79, respectively, as compared with an estimate of \$40.7 million for 1976-77. Those incomes were used in both the institutional request and the Board Office recommendation. It was added that revised figures for tuition fee income will be prepared, based on any changes in tuition rates which may be adopted by the board and the latest enrollment estimates as submitted for the October board meeting.

#### Institutional Income

A separate memorandum was presented the board relating institutional income other than the student fee income discussed above. A significant consideration in that memorandum was the proposal for a reserve account to accumulate any indirect cost of recovery in excess of budget. The reserve is to protect against risks of loss of recovery of indirect costs, due to changes in federal government procedures. It should also provide a more stable level of budgeting with less concern that estimates of indirect cost in the "other income" components of institutional income are not estimated with reasonable accuracy. Further analysis of the institutional incomes will be performed before the October board meeting.

The Board Office reported it believed that the recommendation for a \$17.9 million increase for 1977-78 and an additional \$13.4 million increase in 1978-79 represented a reasonable appraisal of the needs of the institutions, compared to appropriate prospects, balanced those needs throughout the Regents' system, and corrected areas of under-funding of general expense, equipment and RR&A within each of the institutions.

Mr. Richey said the total budget proposed by the Board Office for preliminary review for 1977-78 totalled \$292,376 for 1977-78, representing a 6.5% increase over the budget of the current year and would require a 7.7% increase in appropriations. To give board members some frame of reference, he said that it costs \$2,155,000 on a budget basis to provide a 1% increase in the funding available for salaries.

#### A. Federal Funds Losses

The board was requested to take the following actions by the Board Office:

- 1) That the estimated additional losses in federal funds for 1976-77 in the amounts of \$2,228,551, \$464,407, \$77,461, for the University of Iowa, Iowa State University and the University of Northern Iowa, respectively, be included in the starting base for the 1977-79 budget request.
- 2) That the estimated additional losses in 1977-78 in the amounts of \$2,789,678, \$843,942, and \$208,344 for the University of Iowa, Iowa State University and the University of Northern Iowa, respectively, be included in the budget request for 1977-78.

The institutional estimates of federal funds for instructional purposes indicate a continuing phase-out of such funding which has been anticipated. The estimates of additional losses in 1976-77 and 1977-78 were shown below along with the allocations from state appropriations for 1974-75 and 1975-76:

September 16-17, 1976

<u>Institution</u>	<u>Allocated</u> <u>1974-75</u>	<u>Allocated</u> <u>1975-76</u>	<u>Estimated</u> <u>Add'nal</u> <u>Losses</u> <u>1976-77</u>	<u>Estimated</u> <u>Add'nal</u> <u>Losses</u> <u>1977-78</u>
University of Iowa	\$1,448,699	\$1,696,799	\$2,228,551	\$2,789,678
Iowa State University	211,509	447,060	464,407	843,942
University of Northern Iowa	52,005	29,839	77,461	208,344
Total	<u>\$1,712,213</u>	<u>\$2,173,698</u>	<u>\$2,770,419</u>	<u>\$3,841,964</u>

The Board Office reported that estimates by Iowa School for the Deaf and Iowa Braille and Sight Saving School indicated that federal funding should exceed the 1972-73 base year. In the event that unforeseen losses should materialize for either of those two schools, an allocation from state appropriations to cover such losses should be made.

The Board Office reported that the estimates shown above of additional losses in 1976-77 were quite firm for all three universities. Iowa State University stated its losses on both a minimum and maximum basis for 1976-77 because of its concern that there may be further losses occurring than stated in the above minimum figure. The Board Office felt that it was best to state the minimum figure for the additional losses in 1976-77, deal with any increase in those losses should it materialize, and show the remaining programs as losses in 1977-78 in order to be included in the budget request for 1977-78.

Mr. Richey noted that the State Comptroller informed him by letter dated July 15, 1976 of an amount of \$2 million which will be available for the Board of Regents should it be needed for federal fund losses. For fiscal year 1977 the federal fund loss contingency appropriation for all state government federal losses is \$2.9 million. Mr. Richey noted that the State Comptroller wrote that while no funds would be allocated from the appropriation until late in the year, the State Comptroller informed him early so that the institutions could make any necessary adjustments.

It was recommended by the Board Office that in order to avoid a separate request for \$2.8 million for 1976-77 losses to provide a continuation of these programs through 1977-78 and the confusion related thereto, that the \$2.8 million be included in the starting base. The \$2.8 million is less than the \$2.9 million appropriated and Mr. Richey noted that in the event that other state agencies do not claim replacement of federal funds losses an amount above the \$2 million allowed by the State Comptroller may become available. Mr. Richey noted that he'd asked the institutions to budget into their starting bases the federal funds losses for the current year the amount of \$2,770,000 despite the State Comptroller's letter that the board could only get \$2 million. He noted that there has been no indication of any other state agency requesting funds for federal losses. Mr. Richey said the Board Office will be transmitting any information relating to federal funds losses for the institutions upon which the board acts to the State Comptroller immediately. He said the Board Office will be working with the State Comptroller and his staff to get a complete understanding with respect to the federal funds loss situation.

Assistant to President Walsh, Iowa State University, reminded members of the board that the matter of federal funds losses could become a very sensitive area.- He added that the Legislative Council has authorized a study of federal funds losses of all agencies including the Board of Regents. He noted that the Legislative Council passed a resolution at its last meeting specifically authorizing that all federal funds losses be put into a computer bank that it is creating as well as have them put on its agenda for discussion with Congressmen and state legislative leaders who have met with the Congressional delegation in Washington on Monday and Tuesday of this week.

President Petersen said she feels the board has been well-supported in the replacement of federal funds losses by Iowa's legislature for the fiscal years 1974-75 through 1976-77. She said she feels certain because of the nature of the programs and their centrality to the teaching function of the Regents institutions that the board will be able to get the funds requested. She added there are many very fine programs that have been supported by the federal government which aren't included in the request and she said the board will continue to report those to the legislature.

Mr. Richey noted there is a shift in funds because the board's total federal fund receipts are not decreasing.

President Boyd said there is a lot of entrepreneurship involved which the board must not interfere with.

**MOTION:**

Mr. Bailey moved that the estimated additional losses in federal funds for 1976-77 in the amounts of \$2,228,551, \$464,407, \$77,461 for the University of Iowa, Iowa State University and the University of Northern Iowa, respectively, be included in the starting base for the 1977-79 budget request. Mrs. Collison seconded the motion.

Vice President Moore reemphasized Iowa State's position with respect to federal funds losses by saying the estimated losses listed do not necessarily include the total amount of losses Iowa State may have. He said the amount listed was Iowa State's minimum estimate of losses it already knows about. President Petersen said the board has established a policy that these programs of which the universities are experiencing federal funds losses are central to the institutions. She said that the board has committed itself to those programs and will do its best to continue carrying out that responsibility.

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

Mr. Richey noted that the federal funds losses are "soft" figures because there is no way to know at this point what the actual losses will be.

MOTION: Mrs. Collison moved that the estimated additional losses in 1977-78 in the amounts of \$2,789,678, \$843,942, and \$208,344 for the University of Iowa, Iowa State University and the University of Northern Iowa, respectively, be included in the budget request for 1977-78. Mr. Bailey seconded the motion and it passed unanimously.

B. Budget Request for Enrollment Growth for 1977-79 Biennium. The Board Office recommended that discussion on enrollment growth be deferred until the October board meeting. Mr. Richey said he doesn't know what the board's estimates are going to be but said he would be surprised if the state funding portion of that represented more than a 1% growth in appropriations for the first year of the biennium. He said a 1% growth would amount to \$1.9 million.

C. Economic Conditions. The board was provided with a memorandum to update it with various economic indicators on price changes. The Board Office also provided expectations with regard to inflationary conditions as projections of the Consumer Price Index and the Wholesale Price Index for the 1977-79 budget biennium.

The Board Office reported that expenditures and appropriations as a percent of personal income after a decline during 1972-73 and 1973-74 have returned to prior levels. A significant part of the decline was the result of reductions in capital expenditures and appropriations. State appropriations in 1975-76 as a percent of personal income was equal to the level of 1970-71 and 1971-72. About half of the drop in expenditures as a percent of personal income between 1970-71 and 1974-75 came in general program operations.

Early 1976 predictions for growth in real Gross National Product were pegged in the 5%-6% range. The revised 9.2% result for the first quarter of 1976 has dropped dramatically to a more moderate 4.4% increase for the second quarter of 1976. Real Gross National Product growth for 1976-77 was forecast to be in the 5%-6% range. Expectations are that real Gross National Product growth after 1976-77 will diminish to the more sustainable long-run growth level of 3%-4%. That, of course, is contingent upon the level of inflation and other factors, i.e., capital investment, energy availability, etc.

The State Comptroller estimated revenue for the state government in 1976-77 to be approximately \$1,157,000,000. Current projections for the 1977-79 biennium were based on a 7.5% increase as provided by the State Comptroller's Office in his budget guidelines, which will yield revenues of \$1,244,000,000 in 1977-78 and \$1,336,000,000 in 1978-79.

The Board Office reported that the annual projections for the Wholesale Price Index and the Consumer Price Index in 1976 represent the current inflationary trend. For 1977-78, the 6% increase in the Consumer Price Index equates with the high point of the 4%-6% range projected by many economic analysts, which they consider to be firm irrespective of political changes in the upcoming presidential election. Beyond 1978, projections become more uncertain due to the potential for changes in economic factors and political conditions. A 6.5% Consumer Price Index projection was forecast for 1978-79 allowing for the greater possibility of inflation occurring. The Wholesale Price Index is expected to continue its downward trend in 1976-77 at the 5.0% rate. The Wholesale Price 108

Index should remain at about the 5.5% rate of annual increase during 1977-78 but projections, due to greater uncertainty in economic factors, indicate the possibility of a sharp rise in 1978 to 7%.

Regent Collison said she didn't feel the board should underestimate the effect of inflation even though some figures do show there may be a drop.

D. Development of Salary Policy for 1977-79 Biennium. The Board Office was unable to complete its review and analysis of salary policy for the 1977-79 biennium in time for the board meeting and it was noted that action on this aspect of the request would be taken up at the October meeting.

E. Fuel and Purchased Electricity. The board was requested to approve the fuel and purchased electricity budget requests as submitted by the institutions for \$13,513,000 in 1977-78 and for \$16,375,000 for 1978-79.

The Board Office reported that the fuel and purchased electricity budget requested by the institutions for 1977-78 and 1978-79 was \$13,513,000 and \$16,375,000 respectively. That represented an overall percentage increase for 1977-78 over 1976-77 of 9% and 23% for 1978-79 over 1977-78. The overall institutional request for 1977-78 was composed of projected increases and decreases for individual institutions. The source of those individual differences in requests resulted from: 1) altered consumption requirements by individual institution; 2) variation in cost of obtaining supplies; 3) availability of supplies of the various energy sources utilized by the institutions; and 4) shifts from one energy source to another (e.g., from gas to coal or oil).

Director Hawkins, University of Iowa, noted that the board has a policy now established as "pass-through" and anything saved through that policy the board can use to spend for other costs. He said he hoped that policy could be maintained. Mr. Caldwell said that while there is plenty of coal on the market now and coal prices are rising gradually, two years from now he expects coal prices to rise dramatically as large users convert from gas to coal. Mr. Richey said the Board Office should analyze differences in estimated cost growth in the budget presentation next month for the board.

MOTION:

Mr. Brownlee moved that the Board of Regents approve the fuel and purchased electricity budget requests as submitted by the institutions for \$13,513,000 in 1977-78 and for \$16,375,000 for 1978-79. Mr. Shaw seconded the motion and it passed unanimously.

Regent Shaw said he hoped consideration for fuel and purchased electricity needs was realized in view of the unusually warm winter this past year. Mr. Richey said the Board Office was conscious of that in making the estimates.

F. General Expense - Other. The board was requested to approve a budget request for General Expense - Other in the amount of \$42,327,040 for 1977-78 and \$46,559,744 for 1978-79. This represents an increase of \$4,535,040 for 1977-78 and \$4,232,704 for 1978-79, respectively.

The Board Office reported that the impact of the 1973-75 inflation on prices paid for institutional purchases of items in the category of General Expense - Other has been recognized by the institutions in the magnitude of their request of 25% and 10% increases for 1977-78 and 1978-79, respectively. Price

increases are not evenly spread over the entire spectrum of products in this category; consequently, the effects of inflation have been more severe in particular areas such as chemical and allied products. The sharpest component increase in the Wholesale Price Index-Industrial Commodities was recorded for fuels and related products and power.

The Board Office reported that the University Purchases Index appeared to lag by about 18 to 24 months behind changes in the Wholesale Price Index. Consequently, it is currently running a little over 6% for 1976-77 and is expected to drop further in 1977-78 to 5% following the pattern of the Wholesale Price Index. Because forecasts for 1978-79 are uncertain, the projection for 1978-79 was increased to 6% to allow for a greater rate of inflation following the projected trend for the Wholesale Price Index.

The Board Office recommendation for a 12% increase in 1977-78 and a 10% increase in 1978-79 would keep the cumulative increase in General Expense within close proximity to the projected cumulative inflationary increases for these years relative to 1973-74.

**MOTION:** Mr. Bailey moved the board approve a budget request for General Expense - Other in the amount of \$42,327,040 for 1977-78 and \$46,559,744 for 1978-79. This represents an increase of \$4,535,040 for 1977-78 and \$4,232,704 for 1978-79, respectively. Mr. Baldrige seconded the motion.

Vice President Moore commented with respect to Table I presented the board for General Expense - Other and said that it is not valid because purchasing power lost in 1973-74 and 1974-75 is gone and when you add 5% to that you are not regaining your purchasing power. He said it isn't valid in real buying power.

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

G. Equipment Budget Requests for 1977-78 and 1978-79. The following actions were recommended by the Board Office for board approval:

1. That the formula for calculating the equipment budget requests for 1977-78 and 1978-79 be based on 5% of June 30, 1975 inventory value.
2. That General university, Psychiatric Hospital, and State Hygienic Laboratory at University of Iowa and General University and Experiment Station at Iowa State University be phased in at three-quarters of formula for 1977-78 and full formula for 1978-79.
3. That other organizational units, including University Hospitals, Hospital School, Oakdale Campus, Cooperative Extension, University of Northern Iowa, Iowa School for the Deaf, and Iowa Braille and Sight Saving School, be budgeted at full formula for both 1977-78 and 1978-79.

The Board Office reported that its recommendation contained little change from the one made in July except for the recommendation to reduce the request by phasing to full formula in the second year of the biennium.

The Board Office reported that the equipment budget requests for the 1975-77 biennium were developed on the basis of a formula which assumed a ten-year depreciation based on inventory value on June 30, 1973. The formula assumes that on the average half of the cost of replacing equipment will be financed from sources other than direct state appropriations. Appropriations for 1976-77 provide for about one-half of formula for the Regents' institutions and about three-quarters of formula for the area schools.

The formula for determining the budget request for equipment could be understated for the following reasons:

- 1) The inventory value was based on original cost rather than replacement cost and
- 2) A formula based on equipment on hand may not reflect adequately equipment need when modernization, program revision and enrollment shifts are considered.

The Board Office reported that based on inventory value as of June 30, 1975 of \$110,503,000, the budget request for 1977-78 and 1978-79 at 5% of inventory value would amount to \$5,525,000 which is a \$3,063,000 increase over the budget for 1976-77. This would increase the equipment budget by 124.7%. The equipment budget is a small component of the total budget and amounts to only 0.9% of the total budget for 1976-77.

The institutions requested that the budgets for 1977-78 and 1978-79 be developed on the basis of the above formula at 5% of inventory value on June 30, 1975. Mr. Richey recommended that the proposed formula of 5% of inventory value on June 30, 1975 be adopted but phased in for those particular organizational units for which such a policy requires an increase of over 35%. It was recommended that three-quarters of formula be applied for such organizational units for 1977-78 and full formula for 1978-79. This would provide funding at a level equal to that provided to the community colleges by appropriation for 1976-77. All other organizational units would be budgeted at full formula for both years, which would require no addition for 1978-79. This recommendation amounts to a reaffirmation of the previous position of the board on needs for a substantial improvement in funding for equipment but phases to full formula over a two-year period and reduces the institutional request by \$1,067,000.

MOTION:

Mr. Barber moved the board approve the following recommendations:

- 1) That the formula for calculating the equipment budget requests for 1977-78 and 1978-79 be based on 5% of June 30, 1975 inventory value;
- 2) That General University, Psychiatric Hospital, and State Hygienic Laboratory at University of Iowa and General University and Experiment Station at Iowa State University be phased in at three-quarters of formula for 1977-78 and full formula for 1978-79;
- 3) That other organizational units, including University Hospitals, Hospital School, Oakdale Campus, Cooperative Extension, University of

Northern Iowa, Iowa School for the Deaf, and Iowa Braille and Sight Saving School be budgeted at full formula for both 1977-78 and 1978-79.

Mr. Brownlee seconded the motion and it passed unanimously.

H. Budget Request for Library Books - 1977-79. The board was requested to approve a budget request for library books of \$4,203,360 for 1977-78 and \$4,624,696 for 1978-79. The request represents an increase for 1977-78 of \$450,360 and \$421,336 for 1978-79.

The interinstitutional request for library books amounted to an increase of 16% per year for each year of the 1977-79 biennium.

The Board Office reported that the most recent data, from the Library Journal, indicated a 12.9% increase in periodicals and 9.7% increase in serials services for 1976. Cost of increase data on library books for 1974 through 1976 was presented to the board in table format. Data on hard cover books was not available at the time of the board meeting. The increase in price for periodicals rose only .3% above the 1975 increase which may indicate a peak in these increases. Serial services continue to display an increasing trend with the increase being 1.7% over that reported in 1975.

President Petersen said the board has made significant strides in the past when different portions of library book needs have been put in special needs. She said the board needs to continue having excellence in its libraries. Mr. Richey recommended a 12% increase the first year and 10% the second year of the biennium. Mr. Richey said that a large portion of the cost increase over recent years has occurred because of the international currency situation. He added that this is one area of the budget where the board has kept up in purchasing power through the support of the Governor and the legislature.

President Parks asked Mr. Richey if he was correct that the universities have received a 15% inflationary increase for this item for at least the last two appropriation periods. Mr. Richey responded affirmatively. President Parks said he would hate to see the level drop below what it is now due to Mr. Richey's recommendation for only a 10% increase a year from now.

Regent Baldridge commented that the cost of newsprint is increasing and will probably be up 20% over the next couple of years. He recommended the Board Office take another look at the institutional requests in view of their needs. Mr. Richey reported that the recommendation from the Board Office was made on the basis of maintaining the acquisition rate.

Assistant Dean Jennings noted that coupled with the growing need for books and periodicals in the institutions is the expansion or explosion of knowledge today. President Boyd concurred with Assistant Dean Jennings in that the board has to reckon with the knowledge explosion of today for students' needs.

MOTION: Mr. Bailey moved the board approve a budget request for library books of \$4,203,360 for 1977-78 and \$4,624,696 for 1978-79. The request represents an increase for 1977-78 of \$450,360 and \$421,336 for 1978-79. Mr. Shaw seconded the motion.

In response to a Regental request to get some 1976 hard book data on the library book needs, Mr. Richey said the Board Office would look into it for the board. Mr. Richey said another look will be taken at the library needs at the universities and the Board Office will try to get as much updated background information as possible for the next board meeting.

VOTE ON MOTION: The motion passed with Collison voting nay.

Regent Collison emphasized the need to reconsider this budget request for library books. She said she feels the library area's quality depends a lot on the acquisition rate.

I. Repairs, Replacements and Alterations. The following recommendations were presented the board by the Board Office:

1. Continue the life-of-building formula for the five primary institutional units and initiate a three-year program to fully fund the life-of-building formula based on current construction costs. This approach creates a need for a budget addition for RR&A for 1977-78 for these five units of \$1,143,410 and an additional amount for 1978-79 of \$1,515,810.
2. Request an inflation increase only for the University Hospitals units at the same inflator used for construction on the capital request which is 7% per year for each year of the coming biennium. This creates a budget addition of \$30,000 for 1977-78 and a budget addition of \$33,000 for 1978-79.
3. Institute an RR&A base for the Iowa State University Agriculture Experiment Station by initiating the life-of-building approach for that space at the 15¢ per square foot level for 1977-78 and 20¢ per square foot for 1978-79 and each year thereafter, based upon a building cost/replacement of \$30 per gross square foot. This recommendation costs \$111,730 in 1977-78 and \$148,970 in 1978-79.

The institutional recommendation on RR&A for these five units was to fully implement the life-of-building formula at the old level of 30¢ per square foot for the universities and 25¢ per square foot for the two special schools in the first year of the next biennium, and to remain at that level for the second year of that biennium. The second year would have some adjustment because of the addition to the base of the second phase of Veterinary Medicine at Iowa State and because there would be an adjustment of the amount going toward building maintenance, as opposed to RR&A, which is based upon 36% of the starting base of RR&A. The institutional recommendation for 1977-78 would be for a budget addition of \$2,067,530 or an overall 95.1% increase in the current starting base for these five units.

In 1978-79 the RR&A budget addition would be an additional \$806,140 which would be 19% greater than the 1977-78 period.

The institutions expressed a strong feeling that the amount of money now budgeted for RR&A is totally inadequate to maintain properly the buildings on campus. The full implementation of the formula at the 30¢ level was reported to be extremely conservative since it assumes that new building costs would be \$45 per square foot when in actuality new building costs can range from \$50 a square foot up to \$95 a square foot. However, the institutions basically agreed that the basic principle of the formula should be implemented prior to seeking an adjustment which would reflect more realistically the cost of construction.

Recognizing the extreme conservatism of the formula, the Board Office proposed and recommended that the board begin a three-year program to phase in the formula at current construction costs. At this time those costs are estimated to be on the average \$60 per square foot for university space and \$50 per gross square foot at the special schools. The three-year approach would take the current level of implementation for the three universities and divide over the three-year period the growth required to reach 40¢ per square foot beginning in 1979-80 and 34¢ per square foot for the special schools. This would be implemented by going to the 22¢ and 18¢ level for 1977-78, 31¢ and 26¢ level for 1978-79 and the 40¢ and 34¢ level for 1979-80. This creates an appropriation addition to RR&A of \$1,143,410 for 1977-78 and an additional \$1,515,810 for 1978-79. The Board Office noted that its recommendation for the five units was about \$1 million below the institutional recommendations for 1977-78 and about \$290,000 below their recommendations for 1978-79.

Two other RR&A elements had Board Office recommendations. The first of these was the four University Hospital units in Iowa City. The Board Office recommended that those units which are not under the life-of-building formula receive an inflation increase only at the same inflator used for construction on the capital requests, which is 7% per year. That amount, as in capital, would be subject to adjustment after Engineering News Record makes its forecast prior to the October board meeting.

The second element was the initiation of an RR&A base for the Iowa State University Agriculture Experiment Station. The board was reminded that about \$78,000 was requested for this purpose as a special need during the 1976 Session. The institution requested that this space be put in the life-of-building formula at the 30¢ level for each of the next two years and then the level reduced to 15¢ per square foot thereafter. The institutional recommendation was based upon a survey of unmet needs at the Agriculture Experiment Station which indicated that the station has needs totalling about \$450,000. The approach outlined would allow them to meet those needs during the next biennium and thereafter, the 15¢ level would enable the farms to keep up with their needs. The Board Office, however, expressed concern over the use of the life-of-building formula at the 30¢ level for farm buildings. It felt that the 30¢ level might lead some persons to question the basic validity of the formula itself in that it is clearly obvious that this type of space does not cost \$45 a square foot to construction. The Board Office recommended that the life-of-building formula be initiated for the Agriculture Experiment Station at the 15¢ per square foot level for 1977-78 and then increase to 20¢ per square foot for

1978-79 and each year thereafter based upon a building cost for replacement of \$30 per square foot. The result of the Board Office's approach would be that the unmet needs of the Agriculture Experiment Station would be met in a three-year time span, rather than in the two-year period requested by the institution. The Board Office recommendation was consistent with that made for the five basic units with the three-year implementation and phase in of the formula at full funding.

Regent Collison said that the Board Office reported that it needed to make exceptions to the formula used for RR&A and asked if the formula really satisfies the board's usage. Mr. McMurray said he sensed general acceptance of the life-of-building formula by the executive branch during each of the last two years of the biennium. He said it is difficult to determine what the level of acceptance was on the legislative branch side because the first year of the biennium the board was given a set amount of money and then priorities had to be determined for the second year by the board.

Vice President Christensen said he feels the RR&A formula is a good one but said maybe it needs to be pointed out the diversity of different kinds of buildings and how they fit the academic model.

MOTION:

Mrs. Collison moved the board: 1) Continue the life-of-building formula for the five primary institutional units and initiate a three-year program to fully fund the life-of-building formula based on current construction costs. This approach creates a need for a budget addition for RR&A for 1977-78 for these five units of \$1,143,410 and an additional amount for 1978-79 of \$1,515,810. 2) Request an inflation increase only for the University Hospitals units at the same inflator used for construction on the capital request which is 7% per year for each year of the coming biennium. This creates a budget addition of \$30,000 for 1977-78 and a budget addition of \$33,000 for 1978-79. 3) Institute an RR&A base for the Iowa State University Agriculture Experiment Station by initiating the life-of-building approach for that space at the 15¢ per square foot level for 1977-78 and 20¢ per square foot for 1978-79 and each year thereafter, based upon a building cost/replacement of \$30 per gross square foot. This recommendation costs \$111,730 in 1977-78 and \$148,970 in 1978-79. Mr. Bailey seconded the motion and it passed unanimously.

APPEAL FOR ARBITRATION BY SEVEN UNIVERSITY OF IOWA PRINTING SERVICE EMPLOYEES.  
The board was presented the following attachments:

1. Letter from grievants to Mr. W. Wellman, Executive Secretary of the Iowa Executive Council, dated March 19, 1976.
2. First step response dated April 27, 1976 from Mr. R. Thompson to oral grievance.

3. Second step appeal to Mr. J. Simmons dated May 3, 1975, and a reply dated May 10, 1976.
4. Third step appeal to Dean R. Ray dated May 13 and response dated May 18, 1976.
5. Request for arbitration dated May 21, 1976; reply from Mr. Volm dated June 18, 1976, and request to Mr. Richey for board review, dated July 20, 1976.
6. Regents Merit Rules 3.3(2), 3.38, 3.39(2) and 3.39(13).

The board was requested to affirm the decision of the Merit Director and deny the employees' request for arbitration.

The Board Office reported that in the statement of their grievance the employees alleged violation of Merit Rules 3.3(2) Nondiscrimination, 3.38 Review and revision of the pay plan, 3.39(2) Merit increases, and 3.39(13) Pay for apprentices and trainees. The employees noted that some changes in pay grade assignments which were approved in 1975 were made retroactive to July 1, 1974, and they asked in remedy of their complaint that the pay grade changes for their classes, which were approved by the Executive Council in March of 1976 and implemented on April 1, 1976, also be made retroactive to July 1, 1974.

The Board Office stated that in 1975 the Executive Council approved, as an exception to state policy, the retroactive change in the pay grade assignments of several classes. At that time the Board Office was informed that thereafter no changes would be approved retroactively. When the changes in the grade assignments of the grievants' classes were brought to the Executive Council on March 22, 1976, the Board Office was specifically questioned about the effective date, and approval was granted with the understanding that there would be no retroactive implementation.

In his letter denying the grievants' request for arbitration (Attachment 5, letter dated June 18, 1976) the Merit Director noted the futility of such a hearing, because neither the university nor the Regents has the authority to grant the requested remedy.

Mr. Volm noted that the State Appeals Board is a recourse available to employees, and Assistant Vice President Small said it appeared to her that a faster method of getting a resolution of the issue for the employees involved would be to have them go directly to the State Appeals Board rather than have an arbitrator make a decision and not have it enforced. She said the University of Iowa is not unsympathetic to the employees' views that a commitment was made.

Mr. Richey commented that when the board set up the merit system, it set up an arbitrator mechanism to act on the board's behalf rather than have the board hear all employee grievances. He noted that in the situation now before the board, however, the board can't ask an arbitrator to do something

it couldn't do itself. Mr. Richey said Assistant Vice President Small could indicate the board's opinion to the seven employees in that regard. Assistant Vice President Small reported that the employees have chosen a representative of the grievants and said she would research the mechanisms the employees need to use and will then inform the representative of what the proper course of action would be.

MOTION: Mr. Slife moved the board affirm the decision of the Merit Director and deny the employees' request for arbitration. Mr. Zumbach seconded the motion.

Mr. Les Chisholm, Business Manager, AFSCME Local 12, said the grievants outlined their case well and added he hoped that members of the board read it. He said the "authority" point should be properly argued before an arbitrator. He contended that neither the Board of Regents nor the board's executive secretary has the authority to act in contravention. He said the employees have a legitimate dispute on the administration of the merit system and added that they have not received a hearing on the merits of their dispute. He requested the board not deny them the opportunity for a hearing. Regent Slife said that the board, however, has no authority to rule in favor of retroactive pay in this case so the exercise for a hearing would be meaningless.

Regent Slife asked Mr. Chisholm to explain the commitment he said the board made with respect to retroactive pay. Mr. Chisholm said the board had earlier taken action that any change made as a result of pay grade assignments would take effect July 1, 1974. He said the decision in this case was made later than that date and retroactive pay was not given. Mr. Richey said that Mr. Volm informed him that whether or not a commitment was indeed given by the board has to be researched in some depth. Regent Slife said if a commitment was made, he would be supportive of the commitment.

Mr. Richey said he would not object to certifying the facts to the State Appeals Board involved either on the request of the appeal body or on the request of any party to that hearing.

Regent Slife said he hoped there would be dynamic ongoing review of the administration of the classification system. He said there is no question but that if the board would be faced with retroactive pay every time a change was made in someone's classification or pay grade assignment that the tendency would become that of freezing everyone even if there were inequities. Assistant Vice President Small clarified a point made by Regent Slife by saying the appeals that the board is now concerned with relate only to those that were filed during the time the Robert H. Hayes and Associates firm worked for the board.

VOTE ON MOTION: The motion passed unanimously.

Regent Slife recommended that the board set a time for hearings for employees' grievances rather than have employees and employee representatives wait at board meetings. He noted that schedules are hard to keep due to the board's heavy schedules during meetings and sympathized with employees who must wait patiently for the docket item to come up for

discussion and, in the meantime, miss work. President Petersen noted that in this case there was a miscommunication as to the time for the appeal to be discussed and said the board would try to heed to a more strict schedule with such matters at board meetings.

BUDGET REQUEST FOR 1977-79 (continued).

J. Special Needs Requests. The board was requested to approve additions to the budget in the amounts of \$4,667,000 and \$3,249,000 for 1977-78 and 1978-79, respectively.

The Board Office reported that it attempted to include those programs of highest institutional priority, programs due to prior commitments and programs that seemed mandatory due to legislation or circumstances. Programs were excluded from the Board Office recommendation which duplicated other items in the budget request, such as equipment and RR&A for which an attempt is being made to obtain appropriations on the formula basis which should provide a significant increase in funding. Other programs which previously have been considered with little favorable reaction were excluded and programs of low institutional priority were not included.

Mr. Richey noted that decisions to build new buildings commits the Regents to operate those buildings which are estimated to cost \$2.4 million in 1977-78 and an additional \$1.8 million in 1978-79. He said those figures are a large portion of the recommended amount for all special needs and need to be analyzed thoroughly. He said the institutions need to provide more detailed information with respect to schedule for occupancy and the calculation of the net cost of operating the new buildings after deducting for space eliminated from operations. Mr. Richey said the Board Office staff has not had time to go into the detail required for the amount of money needed to open new buildings.

The Board Office recommended funds be requested to assure accreditation for hospital and health administration, engineering-modernized computer educational lab, educational programs, liberal arts-music and library science, and pharmacy at the University of Iowa, and the business school at the University of Northern Iowa. The accreditation report for Iowa School for the Deaf recommended that teacher aides be added to the staff for which funding was proposed in the amount of \$20,000.

The Board Office recommendation included \$65,000 in 1977-78 for each of the universities for purposes of funding administrative positions under the titles of Accountability, Meeting Requirements Mandated by Social Legislation and Personnel Operations of Management for the University of Iowa, Iowa State University and the University of Northern Iowa, respectively.

Additional power plant turbine operators, at a cost of \$65,000 were included in the Board Office recommendation to assure proper operation of the facility at the University of Iowa. Enrichment of instruction through interdisciplinary programs at the University of Iowa was included in the amount of \$52,650.

Funding for instructional and research use of computers was included for all three universities in the amount of \$0.8 million in 1977-78 and \$0.4 million in 1978-79. The funding for the University of Northern Iowa was recommended for phase-in in the second year by the Board Office in order to accommodate higher priority items in 1977-78.

Another instructional program included for support was the Iowa State University instructional alternatives to a large lecture program wherein the use of media resources on an "instructional system" approach is to be remodeled for instruction in economics at a cost of \$100,000 in 1977-78 and \$150,000 in 1978-79.

The Board Office recommended an amount of \$409,068 be included for the University of Iowa for faculty and staff development to increase knowledge and improve instruction, to improve basic skills of staff and to increase the capability of the university libraries.

The remaining programs included in the Board Office recommendation were unique to the particular organizational unit. The State Hygienic Laboratory has been examining all prenatal sera to determine susceptibility to rubella infection. The susceptibility rate has been found to be about 10%. Funding will no longer be available from the Iowa State Department of Health. Funding was included in the amount of \$50,300 for 1977-78 and an additional \$3,800 for 1978-79. The institutional request for \$54,100 for the second year appeared to be a statement of budget rather than budget addition. The State Hygienic Laboratory also needs equipment to replace obsolete equipment for the Des Moines branch laboratory and the Board Office included funding in the amount of \$27,300 for 1977-78 and deducted in the budget request for 1978-79 to avoid introducing the amount into the starting base.

The Board Office included an amount of \$150,000 for the World Food Institute for Iowa State University in order to follow up on the World Food Conference of 1976 and capitalize on its successes.

The Board Office recommended \$190,000 for the Iowa State Center because the appropriation amounted to about half the \$600,000 approved by the Regents for 1975-76.

The Veterinary Diagnostic Laboratory needs were included by the Board Office in the amounts of \$139,595 and \$74,000 for 1977-78 and 1978-79, respectively, in order to cope with the problems of toxicology that have been developing in recent years with the advent of insecticides, herbicides and pesticides.

The Board Office reported that the recommendation included a higher proportion of special needs funding for Iowa State University relative to the other schools because it was felt that the unit cost at Iowa State University should be somewhat higher because of the larger proportion of science and technology which require considerable laboratory work with a lower student-faculty ratio.

The Board Office stated that the enrollment increase cost category in the budget request provided funds which may be used to respond to needs for internal shifts in enrollment within the institution and development of faculty and improved programs. If enrollments decline, an opportunity

would be provided to shift funds and personnel lines to categories of higher need or to relieve over-extended departments. The inclusion of a federal funds loss category and the replacement of those losses by state appropriations in recent years was in response to a special need of highest priority because of the need to continue ongoing instructional programs.

All equipment-type programs were excluded from the Board Office recommendation excepting for the State Hygienic Laboratory program. All RR&A-type programs including elevator maintenance were also excluded from the Board Office recommendation in view of significant increase in the budget request for RR&A according to a formula based on the number of square feet of building space to be repaired. A similar reason was given for excluding most equipment-type programs.

The Board Office added that programs for the handicapped including those at Iowa School for the Deaf and Iowa Braille and Sight Saving School were being requested separately and were omitted from the recommendation.

Any programs related to financial assistance to students at any level were omitted from the Board Office recommendation.

The Board Office reported that consideration of unit costs was involved in the recommendation for special needs for Iowa School for the Deaf and Iowa Braille and Sight Saving School as it was for the universities. It was noted that the enrollment trends are not completely clear for the two special schools. The amount included for special needs was kept at a modest level for Iowa School for the Deaf and excluded completely for Iowa Braille and Sight Saving School.

The Board Office reported that in general, the recommendation placed a greater emphasis on instruction than on public services. It was felt that greater support of the primary mission of the institutions was in order. It was also felt by the Board Office that a high priority and a continuing priority was placed on salaries for the personnel to assure high quality personnel and impressive performance. The recommendation for the budget request prepared by the Board Office emphasized, to a greater degree, support for the instructional activities in the way of greater funding for general expense, equipment, and RR&A.

President Petersen asked President Kamerick if he had any general comments pertaining to the special needs request. She noted that President Kamerick was chairman of the Budget Committee.

President Kamerick noted that the institutional requests listed under special needs are some of the most important institutional needs.

President Petersen reported that the board would now consider the institutional requests individually.

#### State University of Iowa

President Boyd said he understood the Board Office's reasoning for its recommendation relating to the State University of Iowa's special needs but requested further consideration for inclusion of funds for the

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transportation to the Oakdale Campus. He pointed out that the future development of the Oakdale Campus will depend to a significant extent on the ability to minimize or eliminate the time and inconvenience involved in the distance from the main campus. The university requested additional support in the amount of \$43,000 for 1977-78 to upgrade transit, communication, mail delivery and other related services. He stressed that this need is absolutely essential. Mr. Richey said this matter will be reviewed prior to the October board meeting.

Regent Bailey asked President Boyd if the transportation to Oakdale would be a Cambus operation. President Boyd said it would be a Cambus service to some extent but it may also include mini-busses. He noted, however, that Cambus is funded through student fees and it would not be fair to have students pay for transportation to Oakdale because students wouldn't benefit from the service directly. Regent Bailey commented that some students expressed a concern to him that Cambus does not provide adequate transportation service to the east side of the university campus. He asked if that concern could be considered at the same time the board considered transportation to Oakdale. President Boyd said the problem with the east side of Iowa City's transportation is a somewhat different issue than the linking of the two university campuses. He commented, however, that the city of Iowa City is exploring relationships with city bussing for east side students.

Regent Baldrige brought up discussion relating to the timetable on the initiating broadcasting services from KSUI-FM. The institutional request was for \$76,225 for 1977-78 and was not included in the Board Office recommendation. He asked Mr. Richey to have the Board Office give further study to inclusion of funds for the radio station. He said the federal government provided 75%-80% of the funds for this radio station and contracts have been let. He said that in a sense this request is like operation of a new building. President Boyd concurred with Regent Baldrige's recommendation for inclusion of \$76,225 in the Board Office's recommendation for special needs. He said the radio station has been an outstanding resource in the residence halls for a number of years. Regent Bailey noted that he understands that the radio station was non-functional for a semester because of insufficient funds. Mr. Richey said the Board Office will give this the same type of review in preparation of the October meeting as it gives the opening of new buildings.

Regent Collison raised concern about the special needs for the Psychiatric Hospital. She noted in the institutional request that a line was in the request for the Psychiatric Hospital but no monetary request was made for either year of the biennium. President Boyd said he would check on that with Director John Colloton, University Hospitals and Clinics. A response was later given Regent Collison by Assistant Dean Jennings that there were four positions associated with the Board of Psychiatry and the positions were filled from hospital earnings.

President Boyd brought up another matter which he felt should be explored further with the Board Office relating to State Services for Crippled Children. He said state funds are being pulled out from that function. He said he believed there is going to be a proposal from outside the university and the Regents in that regard. President Boyd noted that it is not, in a sense, an educational issue. He added it is hard for the university to know how to assess State Services for Crippled Children because there is nothing comparable to assess it against. He noted that it is basically a health service program but in a somewhat different context than some other health service programs. Mr. Richey suggested

the board try to handle it as a state kind of program as opposed to a Regents program. President Boyd concurred but said there could be a mixed usage between the state and the Regents. He noted that some of the revenue sharing-funds are designed to be used for health service care in the state. Regent Collison said she feels it is a service with an instructional component provided for Iowa's people.

### Iowa State University

President Parks complimented the Board Office for recognizing the universities' needs with respect to special needs. He added a couple of suggestions, however, with respect to Iowa State's needs.

President Parks noted that Iowa State University had as its no. 2 priority item equipment requests in the amount of \$1 million in 1977-78 and \$1,200,000 in 1978-79. President Parks reported that three factors have been at work which make the need for a truly massive "catch up" effort in equipment one of the university's most urgent special needs: inflation, drastically limited allocations, and the onrush of technology which makes teaching tools obsolete at an alarming rate. He reported that the chairman of the Chemistry Department stated that "over the last few years, we have been able to spend only about \$1.00 per student (enrolled in Chemistry courses) of state funds for instructional equipment." The chairman went on to say the figure "is so low as to be almost unbelievable."

President Parks said the needs range from spectrometers (\$65,000) to stand-alone mini-computer systems (\$85,000) to the most sophisticated needs in electrical, nuclear and aerospace engineering, such as a micro-wave laboratory (\$12,000), Integrated Circuits Laboratory (\$45,000) and aerospace wind tunnel (\$21,000). Also urgently needed, President Parks said, is laboratory equipment for teaching and research work in the whole area of society's environmental concerns as well as for additional research needed in the area of producing and processing food.

President Parks said that Iowa State University is oriented around science and technology which causes it to be a tremendously large consumer of expensive equipment which becomes outmoded unbelievably rapidly. He noted that the Board Office provided no recommendation for funding for equipment either year of the biennium. He noted that the institutional request was over and beyond what the equipment formula would yield. He said the equipment being requested is either very expensive or of a new type that's not covered in replacement costs.

President Parks commented with respect to Iowa State University's request for modernizing instructional computing. The institutional request presented the board was for \$285,000 for 1977-78 and \$130,366 for 1978-79. The Board Office recommendation for 1977-78 was for \$285,000 and \$129,666 for 1978-79. He recommended \$100,000 be added to the institutional request for each year of the biennium.

President Parks directed the board's attention to the needs the university noted for the Agricultural Experiment Station. None of the requests were recommended by the Board Office. He said the needs were presented in the best possible documentation form as any of the other needs were but was not successful in gaining the Board Office's

recommendation. He urged the board to consider the needs of the Agricultural Experiment Station.

The Nutrition Aid Program for the Cooperative Extension Service was another item brought up for discussion by President Parks. He noted that none of the Cooperative Extension Service's requests were recommended by the Board Office. He said the Nutrition Aid Program is one of the finest programs that has come along through the land grant college system for many years. The original appropriation permitted Iowa to employ 125 paraprofessionals and develop the program in 25 counties. Today, due to inflation, increased travel allowances and mandated salary increases, it is possible to employ only 50 aides and the program now exists in only 18 counties in a very curtailed manner. The number of families involved at one time has decreased from 4,800 to fewer than 3,000. The program should also be extended to more counties of the state and to expanded areas of subject matter to give Iowa's needy educational help in feeding, housing and clothing their families more adequately. He petitioned the board to recognize the extreme importance of this program. Regent Collison said she feels the board should fund the institution's request because the nutrition area is at stake and the future health of certain segments of our population is not addressed in any other way. She said social workers are not versed in teaching nutrition and they don't have any obligation in teaching it, either. She urged the board to consider this as an instructional need for persons who otherwise would not get that instruction in any other way. Mr. Richey said the Board Office will look into the nutrition area more fully.

Regent Baldrige made a recommendation that the board authorize the Board Office to bring the board a report as to what a 1% increase in the Board Office recommendation for special needs amounting to \$1.9 million for the five institutions would do. He recommended the Board Office work with the institutions and the institutional priorities. Mr. Richey said that will be done.

Regent Baldrige expressed concern about the Board Office's reasoning that it recommended funds for special needs without being duplicative. He specifically commented with reference to special needs items for equipment and RR&A formula requests.

#### University of Northern Iowa

President Kamerick expressed appreciation to the Board Office for recognizing the Business School Accreditation item for the University of Northern Iowa. He noted that while the Board Office concurred with the university's recommendation of \$150,000 for 1977-78, however, it recommended \$50,000 for the second year of the biennium in contrast to the university's recommendation for \$200,000.

President Kamerick noted that the university has opened a number of new buildings and needs money for facilities. The institutional request was for \$110,000 for the first year of the biennium and \$40,000 for the second year. The Board Office recommended no funds. He requested the board give that institutional priority no. 3 further consideration.

President Kamerick said the university has a real problem with respect to the UNI-Dome in that it is a very multi-purpose building and requires considerable expense to make the activities it houses possible. He said

it is used for instruction most every day during the week but sports take a fair share of the facility's usage in the evenings and weekends, etc. - The university reported that the ongoing operations loss of facilities has not been totally funded, particularly in facilities built with nonstate appropriations such as the UNI-Dome. Funds requested by the university under Facilities Operation and Management would cover costs of scheduling personnel, groundspersons for maintenance of playfields, student assistance for operation of the intramural programs and other programs, and general expense costs such as insurance, office operations, etc.

Considerable discussion arose as to funding for the UNI-Dome. Regent Bailey said he feels the legislature should be willing to fund money for facilities costs at the UNI-Dome due to the fact that it was built with nonstate funds. Several board members urged that the legislature be made more informed that the UNI-Dome is a multi-purpose structure rather than just an athletic field.

Mr. Richey noted that every one of the new buildings approved by the board includes cost of opening the facility. Regent Slife recommended that the Board Office look into the matter of UNI-Dome funding for facilities operation and management. He also suggested that the multiplier investment on the building be explored. Mr. Richey said it will be looked into.

Vice President Stansbury presented the board with some material concerning data processing at the university and urged inclusion of the computer request for 1977-78 rather than delaying to the second year as the Board Office recommended. He requested communication on this matter take place between the university and Board Office staff. Mr. Richey said that will be done prior to the October meeting.

#### "Umbrella Request"

The State Extension and Continuing Education Council submitted a following plan and special need request for the biennium of 1977-79. Vice President Christensen called the request an "umbrella request" The request encompassed all the state universities for benefits of all the people of Iowa.

Vice President Christensen submitted the following specific requests: Western Iowa regional field offices--\$43,940 for fiscal year 1976-77, \$87,880 for 1977-78, and \$86,303 for 1978-79. It was recommended that for this coming biennium two regional field offices be established in Western Iowa. It was proposed that a regional field office be established in Sioux City to serve Area XII, IV, III, and the western part of Area V. The regional field coordinator would maintain a regional office in Sioux City and be an employee of the State Extension and Continuing Education Council. This person would be expected to assess needs, coordinate educational programs and represent the Regent institutions in the assigned area. It was recommended that for the 1977-79 biennium a second field office at Council Bluffs serving Areas XIII, XIV, and the western portion of XI be established.

Vice President Christensen reported that funding to maintain the current (1976-77 level) of programming in Western Iowa would need be increased only by an inflation factor. He said it is obvious that the current level of programming is not meeting demand.

Regent Brownlee asked why the location for the first regional field office was recommended to be in the Sioux City area. President Parks said the only reason he could think of as to why the location proposed was so uncentrally located to the areas it would serve was because it may be necessary to utilize the area extension office there for financial reasons. Vice President Christensen said he would check into the reason for the Sioux City location more thoroughly.

Regent Bailey asked if the Sioux City regional field office would be related to non-credit type courses. Vice President Christensen said both credit and non-credit courses would be offered. Vice President Christensen noted that no one at the present time is coordinating the efforts of the three institutions in western Iowa. He said at the present time persons representing each of the institutions take care of that on a part-time ad hoc basis.

Regent Bailey asked for differentiation between the extension office presently at Sioux City and what was being proposed. Vice President Christensen said he didn't know whether the proposed program would be complementing what already exists there but said he would check it out. President Petersen said she feels the board has committed itself through the Coordinating Council to try to reach and service students at a distance from the board's institutions. She said the board must have a concrete proposal to take forward to the legislature for support so the funds can be obtained. Mr. Richey added that the board should address the question of coordination with other segments of postsecondary education in this respect. Mr. Richey said one of the real considerations involved is who operates the proposed program. Vice President Christensen reported that it was proposed that the Sioux City regional office be administered by Iowa State University. Mr. Richey said this matter may take two to three months to be completely understood before submitting the request to the legislature. Vice President Christensen added that this matter will be reviewed again with the task force the end of September. President Boyd said the relationship between the regional office and the commonwealth university will also be looked into and the board will be kept informed of these matters as well.

Mr. Richey recommended that more information come back regarding the proposal for the regional field office in Sioux City come back to the board in November with the understanding that it will then go to the Coordinating Council, return back to the board for action, and transmittal to the Governor.

Vice President Christensen presented four other needs presented by the extension needs. The request was presented the board of an additional appropriation of \$84,000 for the first year of the biennium to support low enrollment classes. The request was predicated upon the establishment of program sequences which will foster some low enrollment courses as people near the end of their programs and upon increased demand. It was noted that during the second year of the biennium, the field coordinators will have had time to assess the extent and nature of cultural needs. It was therefore recommended that the 1976-77 appropriation for low enrollment classes be continued, plus a continuation of the 1977-78 request for an additional \$84,000, and an additional appropriation of \$60,000 be added.

The third request presented by Vice President Christensen involved the Telenet system. He reported that the availability of the Telenet system can add a dimension to the delivery of courses and cultural lectures and debates statewide. Vice President Christensen reported that its value in terms of delivery of courses to Western Iowa and as a tool in connection with the Bachelor of Liberal Studies program far outweighs its relatively minor cost. A request was made of \$12,080 for the first year of the biennium and \$10,080 for the second year to affiliate with the existing Telenet system.

The fourth request presented by Vice President Christensen dealt with a match for federal grants with funds to be administered by the University of Iowa. A request was made for the first year of the biennium of \$50,000 for Title I HEA 1965 and other programs and an equal amount was requested the second year of the biennium.

The final request presented the board by Vice President Christensen related to the Bachelor of Liberal Studies program. He reported that during the first year of the subject biennium, both course development and delivery will be undertaken if funds are made available. The request for administration of the degree was reported to be \$50,190 for the first year of the biennium and \$49,535 for the second year. For course development, advisement of students, and testing the first year, the request was \$365,190 and \$386,585 for the second year. For delivery the request was \$150,000 for the first year and \$300,000 for the second year.

President Petersen then directed board members' attention to special needs requests presented the board by the Iowa School for the Deaf and the Iowa Braille and Sight Saving School.

Mr. Richey noted that the Board Office was quite conservative in its recommendations for special needs funds for Iowa Braille and Sight Saving School and Iowa School for the Deaf. He noted that there is new federal legislation, Education of the Handicapped Act, that apparently is going to carry substantial funding with it for the two schools. He expressed his view that the Board Office's recommendation for conservatism was appropriate in view of the possible impact of this potential new source of funding.

Mr. Richey reported that both the institutions are in a declining enrollment situation. He said that with the declining enrollments there may be opportunities for improvements of the programs within existing reallocation of resources plus the potential new source of funding.

#### Iowa School for the Deaf

Superintendent Giangreco requested two items be reconsidered in relationship to the Board Office recommendation over the institutional request. He noted that Iowa School for the Deaf requested \$15,000 for physical therapy use the first year of the biennium and the Board Office did not provide any funding for that year. He reported that there are about 12 children at the school that need the physical therapy and urged the board reconsider this asking.

The second item of concern raised by Superintendent Giangreco was special parent meeting expenses requested by the institution in the amount of \$10,000 but not recommended by the Board Office. He reported that 126

there is an increasing need to have parents visit the school during the academic year to meet with the school staff regarding the progress of their child or children. This item, if approved, would provide funds to offset the costs of such visitations.

He reported that the school's Title I funds were cut because of declining enrollment. He said the school, however, still has the programs and teachers and auxiliary personnel are still needed. He said he feels the school is ignoring some of its basic needs if it doesn't provide the students with these critical needs.

Business Manager Kuehnhold said that Iowa School for the Deaf is involved in unemployment insurance now. He noted that the institution requested \$72,000 for 1977-78 and the Board Office recommended no funding. He said he looks for an overturning of state legislation to coincide with federal legislation that requires unemployment be paid to summer employees. He noted that was the reasoning for the institution's request. He noted that it had a low priority as far as the school was concerned but said that if legislation necessitates, the school will have to pay summer employees. Regent Slife said if legislation passes in that respect, there is no question but that the school will have to fund it.

Mr. Richey said the Board Office will give further consideration to the requests made by Superintendent Giangreco prior to the October meeting and indicated that the board was now made aware of the unemployment insurance payment possibility.

#### Iowa Braille and Sight Saving School

Superintendent Woodcock said he would like to have the federal legislation reviewed and have it explained to him and how it will be utilized as well as how it will affect Iowa Braille and Sight Saving School under its present structure. He referred to the legislation Mr. Richey referred to earlier which would carry substantial funding for the Iowa School for the Deaf and the Iowa Braille and Sight Saving School. Mr. Richey explained that the Education of the Handicapped Act will make special education for the handicapped available to every eligible child in this country. Superintendent Woodcock asked if money would be coming for the 1977-78 school year. Mr. Richey said he was not certain when the money would come.

Superintendent Woodcock then spoke on Iowa Braille and Sight Saving School's request for special needs. He spoke to the 1977-78 request and added he would be willing to exclude anything from the 1978-79 request with the advent that funding becomes available through the Education of the Handicapped Act.

Iowa Braille and Sight Saving School requested \$75,600 for the extended school year 1977-78. The Board Office recommendation provided no funds for the request. Superintendent Woodcock noted that if the board compared the school's population in 1967 to that in 1976 it would find that there aren't the same number of students but the same number of ounces of energy is still needed to train them. He expressed his concern with working with multiply-impaired youngsters. He reported that the state of Michigan mandated that all multiply-impaired youngsters will have an education offered to them 220 days a year which is equivalent to Superintendent Woodcock's request for the extended school year.

Superintendent Woodcock said the school's accreditation report will be before the board in October and it will also report that every effort has been made to extend the school year and to find ways and means to provide appropriate summer programs on an ongoing basis. He said that if the board can't begin to extend the school year beyond 180 days for the segment of the population that is multiply impaired, he questioned how progress can be made for those youngsters.

Superintendent Woodcock requested the board consider adding all or a large portion of the school's request for the extended school year with the understanding that more justification will be presented to the board next month. The request was for 30 students at 40 days additional training beyond the 180 day school year. Regent Slife asked Superintendent Woodcock if the board could have such an experimental program of a more modest nature. Superintendent Woodcock said that the minimum number of students that would properly benefit from the training would be 15. He said the minimum number of weeks would be six weeks, 30 days. Regent Slife said the cost for 15 students at 30 days would amount to \$28,350 as an experimental project.

Regent Baldrige asked if the funding Superintendent Woodcock requested would be eligible for research grant money. Mr. Richey said he didn't think it would be eligible. He added that it will be explored, however.

Regent Baldrige asked Mr. Woodcock if there would be difficulty in selecting 15 students out of 30. Mr. Richey recommended Superintendent Woodcock select 15 students on an educational need basis. Superintendent Woodcock concurred and said that would present no problem.

Mr. Richey reported that the Board Office will review the issue raised by Superintendent Woodcock before the next meeting and come back with a recommendation.

K. Student Fee Income. The board was requested to tentatively approve present student fee income projections for 1977-79, subject to revision when tuition rates are established for the 1977-79 biennium and to change in enrollment estimates which are to be presented in October.

The Board Office reported that the student fee income for the general universities was estimated utilizing different procedures at each of the institutions. The enrollment estimates upon which student fee income is based were also calculated by estimating procedures which differed at each of the institutions. Assuming that the enrollment estimates for 1977-78 and 1978-79 were correct, the Board Office reported the estimates of student fee income increases for 1977-78 and 1978-79 appeared reasonable for each of the respective institutions. The Board Office reported that tuition rate changes, if any, for the 1977-79 biennium are to be proposed at the October meeting and student fee income was therefore subject to possible revision.

The Board Office requested the institutions provide the Board Office with the latest estimates of the fall 1976 enrollment and any revisions for 1977-78 and 1978-79 for the board's consideration of tuition rates during the 1977-79 biennium.

In a revised recommendation, Mr. Richey proposed that since there will be a review of estimates of student enrollment that will affect income, he suggested the board defer action until the October meeting.

In absence of objections, President Petersen deferred action on student fee income until the October board meeting.

President Kamerick said he didn't want any misunderstanding to arise by what's listed for the University of Northern Iowa's estimated fall enrollment. He said that figure was not the basis on which the University of Northern Iowa's student fee income was prepared. He said the university wouldn't know until next week what the exact fall enrollment figure would be. He reported that the university has more students for this year than it estimated it would have.

President Parks said that Iowa State University has 1,000 less students charged lower fees and was shown to get \$1 million more in fee income than the University of Iowa.

L. Institutional Income. The board was requested to authorize the universities 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.

The Board Office reported that other than student fee income, the institutional income consists of federal funds, sales and services, and other income.

The Board Office reported that 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 were continued in the budget request at the 1976-77 level even though losses of those funds were anticipated.

Both Iowa School for the Deaf and Iowa Braille and Sight Saving School showed identical amounts of \$12,000 of federal funding even though there is a difference in enrollment. The Board Office reported that 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.

The Board Office reported that most of the income from sales and services was 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 showed increases in sales and services for the general university and Agricultural Experiment Station of 5% per year.

The Board Office stated that other income consists primarily of indirect cost recoveries associated with grants and contracts as it pertains to the general universities.

The institutions proposed that a restricted account as a reserve against possible future losses be established. Whenever actual indirect cost recovery is in excess of the budgeted amount, the excess will be accumulated in a reserve account. Whenever the indirect cost recovery is less than the amount budgeted, the loss would be covered by funds transferred from the reserve account.

The institutions proposed that the reserve account be permitted to accumulate funds until it is equal to six months of the actual indirect cost recovery in fiscal year 1976-77. The institutions proposed that indirect cost recoveries in excess of the budget would be expended with board approval for nonrecurring purposes.

The Board Office recommended the institutional proposal be adopted with a slight modification to report to the board when a six-month reserve has been accumulated and present a plan for further accumulation or use of the funds in the context of the risk of losses that exist at the time.

The Board Office noted that the matter has been reviewed with the State Comptroller who concurs that the proposed reserve account is appropriate in view of the risks which are being incurred by the universities.

MOTION:

Mr. Baldrige moved the board authorize the universities 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. Mr. Barber seconded the motion and it passed unanimously.

Regent Baldrige expressed appreciation to the Board Office employees for the tremendous amount of work produced in such a short period of time in

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preparation of the board meeting. President Petersen also expressed appreciation to Board Office staff as well as the institutional staffs for the work presented to the board.

**HIGHER EDUCATION FACILITIES COMMISSION REPORT.** Regent Bailey presented the board with an oral report on the last Higher Education Facilities Commission's meeting.

Regent Bailey briefly reported on the proposed performance and departmental objectives for the Higher Education Facilities Commission for the next biennium.

Regent Bailey said that one subject discussed at the last Higher Education Facilities Commission meeting was implementation of major recommendations developed through statewide comprehensive planning studies on postsecondary education. Also discussed was adequate student aid funding to provide access to institutions and the freedom of choice for students. Mr. Richey asked if some of the commission's objectives were substantially beyond its legal scope. Regent Bailey then noted that the Higher Education Facilities Commission wishes to change its name to be more indicative of its duties outside the realm of "facilities." He added that he would reproduce the notes he had on the last meeting of the Higher Education Facilities Commission and distribute them to the Board Office and board members. Regent Baldrige requested the legal standpoint of the power of the Higher Education Facilities Commission be further analyzed.

Another topic discussed at the commission's meeting involved development of a computerized management system for postsecondary education to be updated annually throughout Higher Education's General Information Survey (HEGIS) and other information gained by the Higher Education Facilities Commission, coordinated with the NCHEMS-State Level Information Base (SLIB).

Regent Bailey said that a proposal was made to establish tuition grant type programs for all college parallel needy students in the area schools, as well as those in the vocational-technical areas. He said there is considerable support from the representative of the area schools on the commission for the concept of extending the tuition grant program to vocational-technical schools although this was not adopted at this point. He said the proposal will be revised and resubmitted for approval.

Mr. Richey said he and Regent Bailey will be discussing the commission's proposals prior to any action that is taken by the commission. President Boyd suggested that this matter be docketed so some policy positions on the matters raised by the Higher Education Facilities Commission can be made. He said the board should consider the role of the Coordinating Council in connection with these matters. President Petersen said she hopes to keep board members and institutional executives better informed of Coordinating Council matters.

**INFORMATION ITEM - JOB DESCRIPTION FOR REGENTS DIRECTOR OF EMPLOYMENT RELATIONS.** The board was presented a job description for the Regents Director of Employment Relations for discussion and comments. Mr. Richey said the Board Office staff met with the institutions and prepared this in draft form. Mr. Richey stressed the importance of the position of employment relations director. He said the Board Office intends to immediately advertise for a person to fill the position upon acceptance of the job description by the board.

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Regent Brownlee said he hoped the minimum requirements for graduation from a particular kind of school wouldn't be too restrictive in the search. He said he feels that excellency could be available outside the education requirements as set out in the job description. Mr. Richey said the intent was not to be too restrictive and pointed out that experience could be substituted for same where appropriate.

Mr. Richey said an interinstitutional search committee and the Board Office will conduct the search for the director of employment relations using the job description presented the board since there were no additions or corrections. He said the administrations and the board will be kept fully informed in the search process.

APPEAL OF IOWA BRAILLE AND SIGHT SAVING SCHOOL TEACHER, D. MICHAEL HIBBS. The board was requested to affirm the decision of the Iowa Braille and Sight Saving School superintendent to reduce the position of Mr. Hibbs from full to three-quarters time.

The Board Office reported that in his letter to President Petersen dated August 26, 1976, and presented to the board for information, Mr. Hibbs noted the reasons that were given to him by Mr. Woodcock for the reductions of his contract:

1. decrease in load through the middle and upper ranges of the Curriculum II/III program, and
2. realignment of resources to more closely match the projected student needs.

Mr. Hibbs questioned the statistical method used by Mr. Woodcock to project enrollment for the 1976-77 school year and stated that he doesn't understand the second reason cited by Mr. Woodcock. Mr. Hibbs claimed that teachers' rights under the school contract are, in essence, negligible, and asked if additional notice should not be given before terminating a teacher's contract. He also asked how the decision to reduce his position would affect the school's students and submitted that the needs of the students would not be met if the reduction occurs.

In support of his decision, Superintendent Woodcock's report included an explanation of the methods used to determine staffing requirements. He noted that a number of meetings on the subject were held with the entire Iowa Braille and Sight Saving School teaching staff and cited additional meetings and correspondence with Mr. Hibbs. The Board Office reported that it appeared that in the exercise of his responsibility for staffing that Mr. Woodcock used sound judgment, was neither arbitrary nor capricious, and observed the procedures specified in the Regents' Procedural Guide for the termination of the teachers' contracts.

The Board Office stated that the recommendation to affirm the superintendent's decision in no way impugned the professional competency of Mr. Hibbs, nor did it question the sincerity of his interests in the school and its students.

## MOTION:

Mr. Bailey moved the board affirm the decision of the Iowa Braille and Sight Saving School superintendent to reduce the position of Mr. D. Michael Hibbs from full to three-quarters time with the understanding that the decision in no way impugns the professional competency of Mr. Hibbs, nor did it question the the sincerity of his interests in the school and its students. Mr. Slife seconded the motion.

## VOTE ON MOTION:

The motion passed unanimously.

**UNIVERSITY OF IOWA CLASSIFICATION AND COMPENSATION PLAN FOR PROFESSIONAL AND SCIENTIFIC EMPLOYEES.** The board was requested to accept a report from the University of Iowa concerning its Professional and Scientific Classification and Compensation Plan, with the following notations:

1. In paragraph 2 of the university's report, it is noted that there are currently no employees whose salary exceeds the maximum of their assigned pay grade. It is also assumed, although not noted, that in accordance with the provisions approved by the board for Iowa State University and the University of Northern Iowa, there are no employees whose salaries are below the minimum of their assigned pay grades.
2. The university notes in paragraph 3 of the report that its pay plan for professional employees was established in accordance with the board guidelines for Iowa State University and the University of Northern Iowa, namely that its salary schedule was based on the average (rather than the seventy-fifth percentile) of salaries paid by other employers. In subsequent years the University of Iowa matrix was adjusted only after legislative appropriations were known, and primary emphasis was given to legislative mandates and the availability of funds. The Booz-Allen recommendations for Iowa State University and the University of Northern Iowa propose that surveys of bench mark jobs for the universities' respective salary reference groups (of employers) be conducted periodically and used as the primary basis for the overall adjustment of their salary schedules. While it is recognized that legislative mandate and various other matters such as collective bargaining may influence or dictate the approach to future administration of salary programs, it is suggested that the board direct the universities to consult and agree on, under similar circumstances, a similar approach for using market data as the basis for developing legislative askings.
3. The sixth guideline approved by the board for Iowa State University and the University of Northern Iowa provides for a review of appeals by a university-wide professional and scientific committee, and such committees are being utilized at those two universities. In paragraph 6 of its report, the University of Iowa notes that its procedure is

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somewhat different in that it involves only administrative staff review, but that decisions which an employee feels were made on improper grounds can be grieved through a procedure culminating in a hearing before a three-person panel. If the board determines that this procedure satisfied its guideline for committee review, the same latitude of interpretation should, of course, be extended to Iowa State University and the University of Northern Iowa.

Mr. Volm reminded the members of the board that in June the board accepted reports on the Classification and Compensation Plan for Professional and Scientific Employees for Iowa State University and the University of Northern Iowa from the firm of Booz, Allen & Hamilton. At that time the board asked the State University of Iowa to report on its program vis-a-vis the guidelines that the board approved for the other two universities. He noted there are differences in the detail in this report from the other two but concluded that they are compatible in accordance with the direction of the board.

Regent Bailey noted a recommendation made by Booz, Allen & Hamilton to have market surveys every year with competitors. He expressed disagreement with the recommendation by saying that once a survey is done, that should be sufficient for a longer period than a year. President Petersen said all that was suggested by the consultant firm was that the institutions get together and agree on a system for reviewing and adjusting the plan.

MOTION: Mr. Bailey moved the board accept a report from the University of Iowa concerning its Professional and Scientific Classification and Compensation Plan with the notations listed as no. 1, 2, and 3 above. Mr. Slife seconded the motion.

Regent Collison asked if any employees at the University of Iowa are currently paid below the minimum salary range for their classification. Mr. Volm responded negatively.

VOTE ON MOTION: The motion passed unanimously.

APPEAL BY UNIVERSITY OF IOWA EMPLOYEE, CHARLES J. GILL. The board was requested to deny the request of Mr. Charles J. Gill for review of his discharge from the University of Iowa and thereby let stand the decision of the arbitrator in this matter.

The Board Office reported that Section 4.23 of the Procedural Guide provides, in part, that the board may, in its discretion, grant or deny an employee's request for review.

Mr. Volm reported that the appeal of Mr. Gill, a professional employee, was heard in accordance with the university's grievance procedure for professional employees and arrangements mutually agreed upon by his representative and the university. The ruling of the outside impartial arbitrator at the final step of the institutional procedure upheld the university's action.

**MOTION:** Mr. Baldrige moved the board deny the request of Mr. Charles J. Gill for review of his discharge from the University of Iowa and thereby let stand the decision of the arbitrator in this matter. Mr. Bailey seconded the motion and it passed unanimously.

LEGISLATIVE VISITATIONS. The board was presented the dates of the visitations the Legislative Visitations Committee will be making:

University of Northern Iowa	October 22
University of Iowa	November 12-13
Iowa State University	December 3

No visitations were scheduled for the Iowa Braille and Sight Saving School or the Iowa School for the Deaf.

President Petersen reported that she hoped a Regents representative could attend each of the meetings. She requested board members contact Mrs. Mininger of the Board Office if they can attend.

BOARD OFFICE PERSONNEL REGISTER. The board was requested to ratify the following personnel transactions:

Merit Increase

Joan M. Huss, Secretary II, to \$3.99 per hour after merit evaluation effective July 23, 1976.

Resignation

Norma M. Stratton, Clerk Typist II, effective August 19, 1976.

New Appointment

Lorna J. Schmoranz, Clerk Typist II, \$6,838 annually, plus usual fringe benefits, effective August 17, 1976.

In absence of objections, the actions reported in the Board Office Personnel Register were ratified by the board.

ASSOCIATION OF GOVERNING BOARDS MEETING. The board was informed that the Association of Governing Boards Workshop will be held in St. Louis, Missouri October 18-19, 1976. President Petersen encouraged those board members who have not had an opportunity to go to an Association of Governing Boards meeting to attend. She requested that three board members attend the workshop. Board members were to indicate their interest and plans to attend to Mrs. Mininger.

NEXT MEETINGS. President Petersen noted that a request was made at yesterday's board meeting that the board meeting in October be held in Ames at Iowa State University rather than in Council Bluffs. She said

a recommendation had been made that the Council Bluffs board meeting and Ames board meeting dates be changed.

The revised schedule follows:

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

REINSTATEMENT OF LIABILITY INSURANCE FOR ERRORS AND OMISSIONS COVERAGE UNDER THE NORTH RIVER INSURANCE COMPANY. The board was requested to: 1) accept the proposal from the North River Insurance Company dated August 25, 1976 to reinstate the above captioned policy excluding prior acts; subject to receiving assurance from the Attorney General's Office that any claims filed prior to the inception date of the policy (January 1, 1974) would be covered under the State Tort Claims Act and would not involve any personal liability by a member of the board or staff member of a Regents' institution; 2) instruct the ad hoc insurance committee, in consultation with the executive secretary, to develop a request for a formal Attorney General's opinion regarding the scope of coverage of the Tort Claims Act as it relates to Regents' activities and to identify the specific areas of potential personal and institutional liability which may not be adequately covered under existing legislation.

The Board Office reported that a series of meetings were held between the Regents' ad hoc insurance committee and representatives of LaMair-Mullock-Condon, the Des Moines broker regarding the cancellation of the policy on April 23, 1976 by W. L. Biegler, Inc., "on account of the misstatements in the application for said policy, which misstatements rendered said policy void ab initio." This action was based on two alleged discrimination complaints at the University of Northern Iowa.

The North River Insurance Company agreed to reinstate the policy subject to the following conditions:

1. To exclude those complaints filed with the Equal Employment Opportunity Commission, the Iowa Civil Rights Commission, and the Health, Education and Welfare Department if the complaints were filed prior to the inception date of the policy.
2. To exclude coverage of the two pending University of Northern Iowa complaints.

The Board Office reported that the major concern in accepting the conditions as set forth above is whether board members, institutional executive officers and officials are named as individuals or entities in those matters still pending.

The Board Office stated that 52 allegations as to deprivation of civil rights were filed with the above federal and state agencies from December 18, 1969 to January 1, 1974, the inception date of the policy. Of the original 52 matters, nine are still pending. This includes the two University of Northern Iowa complaints. None of the pending complaint matters names board members, institution heads and officials as individuals. These persons, acting in their official capacities, are named as entities.

Speaking as chairperson of the ad hoc insurance committee, Assistant Vice President Madden said the committee felt its recommendation to be the most appropriate one. He said that clarification from the Attorney General's office was necessary in order to determine the exact scope of the Tort Claims Act.

Regent Bailey asked for clarification on recommended action no. 1. He asked if the committee was recommending the board accept the reinstatement regardless of what the Attorney General says or whether it was suggesting the board hold off. Assistant Vice President Madden responded that if the Attorney General reports that the nine pending cases are not covered, the committee will come back to the board with other alternative recommendations. He commented that when this insurance was taken out the policy application required that all incidents and cases pending be reported. There was a question at that time as to what the cases were and when an incident actually becomes subject to claim as defined by the carrier.

Regent Bailey questioned the recommendation as to seeking an Attorney General's opinion. He said he didn't see any resolution about the nine cases being pertinent, as far as that decision is concerned, and said he has some qualms about asking the Attorney General about coverage of the Tort Claims Act.

Assistant Vice President Madden noted another alternative would be to take exception with the carrier's position. He stated that the carrier might have a strong case in that we had the responsibility to notify the carriers of these incidents.

A Regent then asked when the institutions knew of these cases. Assistant Vice President Madden responded that the policy was intended to be retroactively applicable prior to January of 1974 as long as the action was brought after January. He said the policy is scheduled to terminate January 1, 1977. He said the insurance committee would like some direction as to the board's intentions. He emphasized that the North River Insurance Company has not necessarily indicated that it will renew this policy on January 1 in its present form.

Regent Shaw expressed favor with asking the Attorney General for an opinion in this matter. He said it would be good legislative policy. President Petersen concurred and said the board could maybe get a number of opinions as to what the Tort Claims Act actually covers.

Regent Zumbach asked if there would be a way that the board could get this insurance coverage from January 1974 onward without addressing the waiver. Assistant Vice President Madden responded that would not be possible without litigation. He said the committee has held enough meetings and doesn't think further discussion will yield any further options. He said that under the conditions stated in the application he wasn't convinced that litigation would be the best route.

Regent Slife recommended the coverage be reinstated. He said he was not in favor of asking the Attorney General for an opinion because he said if the Attorney General gives the board an answer it would like to hear, that's all right but if he gives an answer the board doesn't like, that's another story.

Assistant Vice President Madden asked members of the board whether they wanted the committee to seek as comprehensive an insurance program as the markets are willing to underwrite or whether they wanted the committee to coordinate this with the Tort Claims Act. He said insurance could be purchased now but the Attorney General's Office is now telling the committee that it has an administrative problem in dealing with the insurance company. Regent Bailey recommended the board get the insurance provisions of the policy to supplement the Tort Claims Act. He recommended the insurance carrier interpret the Tort Claims Act, formulate its rates, and then charge the board the premium for whatever it is to protect us. President Petersen asked Regent Bailey if he meant accepting the insurance company's interpretation of the Tort Claims Act and Mr. Bailey responded affirmatively, unless the board gets a court decision on the meaning of the Tort Claims Act.

Regent Baldrige said he assumes the nine pending cases are covered under the policy and recommended they be waived and reinstate the policy. Assistant Vice President Madden said the committee's general feeling is that the nine cases are not likely to involve any members of the board as individuals or at the university, although he noted that the committee's not sure what terminals the nine cases will take. He said the actions have been filed with federal and state Equal Employment Opportunity agencies.

MOTION: Mr. Bailey moved the board reinstate the North River Insurance policy excluding the civil rights cases and moved the board ask the ad hoc insurance committee to negotiate to prepare coverage that would wrap around the Tort Claims Act. Mr. Slife seconded the motion.

Regent Bailey noted that the motion did not limit negotiations to the North River Insurance Company.

VOTE ON MOTION: The motion passed unanimously.

AFFILIATED ORGANIZATION REPORT - IOWA STATE UNIVERSITY MEMORIAL UNION ANNUAL REPORT. The board was presented the annual report of the Iowa State University Memorial Union for acceptance.

Regent Collison, member of the organization's board of directors, said she had a copy of the complete report if anyone was interested in reviewing it. Regent Collison asked if anyone was interested in receiving the notes written after each meeting. Mr. Richey and President Petersen requested copies be sent to them.

Regent Collison said Mr. Barak of the Board Office may want to attend the next meeting of the National Student Union Directors. She said she will find out the dates and inform him later.

President Petersen asked board members and institutional executives if there were additional matters to be brought up for discussion relating to general or miscellaneous items.

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COORDINATING COUNCIL. President Boyd raised some concern as to the role of the Coordinating Council in its relation to other segments of higher education. He requested this matter be docketed at some future board meeting. Discussion is found under the Higher Education Facilities Commission report in these minutes.

STATE UNIVERSITY OF IOWA

The following business pertaining to the State University of Iowa was transacted on Friday, September 17, 1976.

REGISTER OF PERSONNEL CHANGES. The following appointment was brought to the attention of the board for approval on the Register of Personnel Changes for July and August 1976:

Gerard Rushton, Director, Health Services, effective July 1, 1976 at \$30,250 annually.

In absence of objections, President Petersen approved the Register of Personnel Changes for July and August 1976 for the board.

APPOINTMENTS. The board was requested to approve the following appointments at the salaries appearing in the 1976-77 budget, or as indicated:

Lowell A. Schoer, Chair, Division of Instructional Design and Technology, College of Education, for a term not to exceed three years.

George A. Chambers, Chair, Division of Educational Administration, College of Education, for a term not to exceed three years.

Lt. Col. George L. Jones III, Head of the Department of Aerospace Military Studies, for term and salary determined and paid by the U.S. Air Force.

Ursula M. Delworth, Director, Counseling Service, and Professor of Counselor Education at an annual salary of \$28,000.

Denis R. Oliver, Director, Physician's Assistant Program, College of Medicine, at an annual salary of \$23,000, replacing Dr. Rex Montgomery who has resigned.

Wayne F. Chadima, Director of the Purchasing Department, Office of Business and Finance.

MOTION:

Mr. Slife moved the board approve the appointments as shown above for the State University of Iowa at the salaries appearing in the 1976-77 budget, or as indicated. Mrs. Collison seconded the motion and it passed unanimously.

ANNUAL REPORT OF RESIGNATIONS. The board was presented a revised report of resignations for the period July 1, 1975 through June 30, 1976 from the State University of Iowa for acceptance.

President Petersen asked Vice President Brodbeck if the report indicated anything unusual from past years' reports and Vice President Brodbeck responded that it is an average-type report.

MOTION: Mr. Bailey moved the board accept the revised report of resignations for the period July 1, 1975 through June 30, 1976 from the State University of Iowa. Mrs. Collison seconded the motion and it passed unanimously.

DEVELOPMENTAL ASSIGNMENTS. The board was requested to approve additional faculty developmental assignments during the 1976-77 academic year.

A listing of additional developmental assignments was presented the board for the 1976-77 academic year which occurred because of special opportunities becoming available. The university reported that there will be no net replacement costs to the university. Vice President Brodbeck noted that the departments involved were very cooperative with respect to these assignments because of the unique opportunities therein.

MOTION: Mr. Barber moved the board approve the university's developmental assignments during the 1976-77 academic year. Mr. Shaw seconded the motion and it passed unanimously.

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

The following construction contract awards were recommended for board ratification, which had been awarded by the executive secretary during the period:

Burge Hall Remodeling, Phase I \$ 54,662.00  
Award to: Paulson Construction Company, West Branch, Iowa

Burge Hall Remodeling, Phase I \$ 25,349.00  
Award to: Universal Climate Control, Inc., Iowa City, Iowa

Burge Hall Remodeling, Phase I \$ 10,898.13  
Award to: Shay Electric, Iowa City, Iowa

University Hospitals--North/East and West Entrance Remodeling \$ 36,287.00  
Award to: O.F. Paulson Construction Company, Cedar Rapids, Iowa

University Hospitals--North/East and West Entrance Remodeling \$ 12,750.00  
Award to: R. M. Boggs Company, Iowa City, Iowa

University Hospitals--Abdominal and Neurological \$147,850.00  
Angiography Suite Remodeling

Award to: Burger Construction Company, Inc., Iowa City, Iowa

University Hospitals--Endoscopy Suite Remodeling \$229,750.00

Award to: O. F. Paulson Construction Company, Cedar Rapids, Iowa

University Hospitals--North/East and West Entrance Remodeling \$ 10,657.00

Award to: Gerard Electric Company, Iowa City, Iowa

The Board Office reported that on July 20 the university took bids on the Post Anesthetic Care Unit Expansion Project at University Hospitals. Because approval of a revised budget was required prior to award of contract, the executive secretary could not award this particular contract. However, because of the long time period until the September Board of Regents meeting, action was taken to poll the board on award of the contract as follows:

Post Anesthetic Care Unit Expansion--University Hospitals \$260,327.00

Award to: Selzer Construction Company, Inc., Iowa City, Iowa

In addition, the board had earlier approved a revised project budget for this project of \$273,327.00, which compared to the original budget of \$255,855.00. Source of funds remained University Hospitals Building Usage Fund. The reason for the increase was that the preliminary estimates were too conservative and that there had been no increase in the scope of the project. These two actions required ratification at this meeting.

The following construction contract recommendations were presented to the board for approval. The Board Office reported that on two projects involving five contracts, a Form C was sent, which is referral of contract awards to the board for action at its next meeting. Projects involved and recommendations were:

Medical Laboratories--Remodel Surgery Research Facilities, \$102,900.00  
Room 321

Award to: O. F. Paulson Construction Company, Cedar Rapids, Iowa

Medical Laboratories--Remodel Surgery Research Facilities, \$149,977.00  
Room 321

Award to: AAA Mechanical Contractors, Inc., Iowa City, Iowa

Medical Laboratories--Remodel Surgery Research Facilities, \$ 34,690.00  
Room 321

Award to: Gerard Electric, Inc., Iowa City, Iowa

Medical Laboratories--Remodel Surgery Research Facilities, \$ 43,589.00  
Room 321

Award to: Hamilton Industries, Two Rivers, Wisconsin

The Board Office reported that the total recommended awards on this project are \$334,593.00. Budgeted for construction was \$279,850.00. It was, therefore, necessary to approve a revised project budget totalling \$410,043.00. The increase of \$54,743.00 from the original budget comes from the Surgery Medical Trust Fund.

The board was also requested to approve the following contract:

Hancher Auditorium-- Office and Catwalk Modifications \$46,988.00  
Award to: Burger Construction Company, Iowa City, Iowa

This award recommendation is some \$6,988.00 over the preliminary construction budget. It was, therefore, recommended that the board approve a revised project budget totalling \$63,588.00, which is \$6,988.00 over the preliminary budget of \$56,600.00.

The following revised budget was presented to the board for approval in addition to the three revised or amended budgets shown above:

University Hospitals--Roy J. Carver Pavilion \$15,997,700.00  
Source of Funds: University Hospitals Building Usage Fund

The last budget revision was approved by the board in 1975 for \$14,980,000.00. The contract was awarded in September, 1975, for \$13,024,000.00. The university now proposed a revised project budget totaling \$15,997,700.00, which represented an increase of \$1,017,700.00 over the current budget. The reason for the increase is to provide for finishing of the 20,252 gross square feet of shell space to provide finished space for a Neuro-Psychiatric Clinic. The increase in expenditures are as follows:

Construction Costs	\$ 888,500.00
Architect's Fees & Construction Management	89,200.00
Contingencies	<u>40,000.00</u>
TOTAL	\$1,017,700.00

The University indicated that the increased space will be subject to competitive bidding. The timing of that bidding will be determined by the construction management process. Source of funds for the increase comes from the University Hospitals Building Usage Fund.

The following new projects were presented for approval:

Hancher Auditorium--Office and Catwalk Modifications \$56,600.00  
Source of Funds: Hancher Auditorium Surplus Fund

University Hospitals--North/East and West Entrance Remodeling \$75,400.00  
Source of Funds: University Hospitals Building Usage Fund

University Hospitals--Pastoral Services Department Remodeling \$22,770.00  
Source of Funds: University Hospitals RR&A

University Hospitals--Inpatient Pharmacy and Pharmacy Office Remodeling \$91,500.00  
Source of Funds: University Hospitals Building Usage Fund

Law Commons/Student Lounge Renovation \$38,160.00  
Source of Funds: Joe B. Tye Fund

University Hospitals--Sixth Floor Operating Rooms and \$668,739.00  
Supporting Facilities Remodeling

Source of Funds: University Hospitals Building Usage Fund

Oakdale Hospital Access Roadways \$42,000.00

Source of Funds: Oakdale RR&A

Steindler House Razing and Site Restoration \$11,300.00

Source of Funds: State Contingency Fund

Regent Bailey asked about the architect's fees and construction management costs of \$89,200.00 for the University Hospitals--Roy J. Carver Pavilion Project. Mr. McMurray reported that an increased degree of construction management was being proposed because of difficulty in coordinating that addition to the project with the current construction.

MOTION:

Mrs. Collison moved the board approve the Register of Capital Improvement Business Transactions for the month of September 1976; ratify award of eight construction construction contracts as shown above; ratify action taken on July 27, 1976 awarding contract on the Post Anesthetic Care Unit Expansion -- University Hospitals Project to Selzer Construction Company, Inc., Iowa City, Iowa; approve the contract awards on the Medical Laboratories -- Remodel Surgery Research Facilities, Room 321 Project as well as the contract award for Hancher Auditorium -- Office and Catwalk Modifications Project; approve the revised and amended project budgets for the four projects mentioned above; approve the eight new projects as shown above; authorize the executive secretary to sign all necessary documents. Mr. Slife seconded the motion and it passed unanimously.

RESOLUTION - COLLEGE OF DENTISTRY - GIFT OF CLASS OF 1923. The board was requested to adopt a resolution stating that the Finance Committee of the Iowa State Board of Education in an action taken on June 21, 1951, accepted a gift of \$2,000 from the Class of 1923, College of Dentistry, as an endowment fund, the income of which is to be used for an annual award or awards to senior or junior dental students selected on the basis of scholastic standing, professional attitude, character and personality, the fund and income to be administered by a committee consisting of the Dean of the College of Dentistry and two members of his faculty.

It was stated that the Class of 1923, College of Dentistry at its reunion on May 3, 1972 determined that it would like to increase its annual awards in amount and number and in order to accomplish this purpose to combine the funds held by the University of Iowa with the additional funds held by the University of Iowa Foundation to which it also contributed over a period of years to be used for similar purposes.

The Class of 1923 requested the University of Iowa business office to transfer all principal and interest held in the name of the class in University Accounts T-016 and W-510 to the University of Iowa Foundation for future administration. Ray B. Mossman, treasurer, University of Iowa, was authorized and directed to make the required transfer by the resolution.

MOTION:

Mr. Barber moved the board adopt a resolution presented the board by the Class of 1923 of the College of Dentistry. Mr. Shaw 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 relating to the University of Iowa's portion of the docket. There were no additional items brought up for discussion.

IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Friday, September 17, 1976.

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

APPOINTMENT OF UNIVERSITY ADMINISTRATORS. The board was requested to approve the following appointments:

Robert C. Summerfelt as Professor and Chairman of the Department of Animal Ecology. The appointment as chairman is to be effective for the period August 16, 1976 to June 30, 1981. Salary \$32,000 per year, twelve months' basis, plus fringe benefits.

Robert J. Looby, Professor and Head of Naval Science and Tactics, effective September 6, 1976. Salary from the United States Navy (rank of captain). This appointment to academic rank is effective only during the period that Captain Looby is assigned to Iowa State University by the United States Navy. Captain Joseph C. Smith, Professor and Head of Naval Science and Tactics, was transferred August 14, 1976.

MOTION:

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

ANNUAL REPORT OF RESIGNATIONS. The board was requested to accept a report of resignations of faculty from Iowa State University during the period July 1, 1975 to June 30, 1976.

Vice President Christensen said the report was a typical listing of faculty resignations.

In absence of objections, President Petersen accepted the report of resignations of faculty from Iowa State University during the period July 1, 1975 to June 30, 1976.

CONTINUATION OF APPOINTMENT. The board was requested to approve the following continuation of appointment:

Dr. Wilbur L. Layton as Vice President for Student Affairs effective September 1, 1976, to serve until the new vice president for student affairs reports for duty. Dr. Layton has served as Vice President for Student Affairs from July 1, 1967.

In absence of objections, President Petersen approved the continuation of appointment for Dr. Wilbur L. Layton as shown above.

LAND TRANSACTION - CORRECTION OF LEGAL DESCRIPTION AND PURCHASE PRICE FOR LAZEAR AND COCHRAN FARMS. The board was requested to approve revised resolutions for the Lazear farm and Cochran farm.

The university reported that in May of 1976 the board approved the purchase of the Lazear and Cochran farms. Unfortunately, the resolutions included the highest of the two appraisal figures rather than the lowest, as well as an error in the description of the Lazear farm. The following corrections therefore were made for board approval:

1. The Lazear farm should be purchased by the university at a price of \$75,000, rather than \$81,000;
2. The Cochran farm should be purchased by the university at a price of \$16,330, rather than \$17,000; and
3. The description of the Lazear farm should read "The North Half of the Southeast Quarter..." rather than the north half of the southwest quarter.

MOTION:

Mr. Shaw moved the board approve the revised resolutions presented the board concerning the Lazear farm and Cochran farm. Mr. Slife seconded the motion and on roll call the following voted:

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

NAY: None.

ABSENT: Baldrige, Brownlee.

The motion carried.

ANNEXATION OF PROPERTY BY THE CITY OF AMES-ANIMAL SCIENCE TEACHING FARM. The board was requested to grant the university approval to request the City of Ames to annex certain property on the Animal Science Teaching Farm as shown on an annexation plat presented the board.

The university proposed that the City of Ames be requested to annex a portion of the Animal Science Teaching Farm in order that water can be extended from the city's main located at the corner of State Avenue and

Oakwood Road. The city requires that water connections can only be made on property which is located within the corporate limits of the city.

It also was noted that the project description and project budget were listed in the current Register of Capital Improvement Business Transactions.

**MOTION:** Mr. Zumbach moved the board grant approval to the university to request the city of Ames to annex certain property on the Animal Science Teaching Farm as shown on an annexation plat presented to the board. Mr. Slife seconded the motion and on roll call the following voted:  
AYE: Bailey, Barber, Collison, Shaw, Slife, Zumbach, Petersen.  
NAY: None.  
ABSENT: Baldrige, Brownlee.  
The motion carried.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. Executive Secretary Richey reported the Register of Capital Improvement Business Transactions for the period of July 16 through September 17, 1976 had been received by him, was in order, and recommended approval.

The following construction contracts were recommended for board ratification:

<u>Beef Nutrition Station -- Beef Confinement Building</u>	<u>\$ 14,500.00</u>
Award to: Schoeneman Brothers, Ames, Iowa	
<u>Women's Gymnasium -- Tennis Court Resurfacing</u>	<u>\$ 16,156.00</u>
Award to: Iowa Road Builders, Des Moines, Iowa	
<u>Division I -- Turbine Generator #3</u>	<u>\$1,354,230.00</u>
Award to: Turbodyne Corporation, Wellsville, New York	

Mr. McMurray reported that the award for Turbine Generator #3 was about \$300,000 below the engineer's estimate for Division I.

The following revised or updated project budgets were presented for approval:

<u>Beef Nutrition Station -- Beef Confinement Building</u>	
The dollar level remained the same as approved by the board in July.	
<u>Women's Gymnasium -- Tennis Court Resurfacing</u>	\$3,495,000.00
The dollar level remained the same as approved by the board in July.	
<u>Turbine Generator #3 &amp; Auxiliary Equipment</u>	<u>\$3,495,000.00</u>
Source of Funds: 66th G.A. Capital Appropriation	
<u>Utilities - Electrostatic Precipitator Additions</u>	<u>\$2,853,000.00</u>
Source of Funds: Anticipated Savings on the Turbine	
Generator #3 Project (For \$363,000 only)	
Rest - Capital Appropriations	

Mr. McMurray reported that the increase for the Electrostatic Precipitator Additions Project covers the installation of a Fly Ash Handling System. This addition is estimated to cost \$363,000. The Board Office took exception with the university's determination that if the turbine generator budget is insufficient to fund this increase, additional funds would probably have to be requested in the 1978 Session of the General Assembly. The Board Office strongly urged at that time that the university fund these increases out of any utility monies accruing to the university from earlier sessions or in the 1977 capital appropriations for utilities, rather than seeking an additional request in the 1978 session.

The university stated that, based on the information available, the precipitators could not be operated successfully without the installation of the Fly Ash Handling System. The university evidently overlooked the need for this system when it submitted its request last spring for the electrostatic precipitator.

The university also requested approval of an increase in the budget ceiling for the engineering services contract on this project increasing that by \$33,000 or to the level of \$174,000 on estimated new cost of construction of \$2,680,000.

The following new projects were recommended for approval:

Utilities - Water Main Extension to the Animal Science Teaching Farm

Source of Funds: Overhead Reimbursement for Use of Facilities      \$50,000

Engineering Research Institute -- Shops Location

Source of Funds: Overhead Reimbursement for Use of Facilities      \$56,200

MOTION:

Mr. Slife moved the board approve the Register of Capital Improvement Business Transactions for the period of July 16 through September 17, 1976; ratify the action taken by the executive secretary in award of the construction contracts described above; approve the revised and amended project budgets shown above; and authorize the executive secretary to sign all necessary documents. Mrs. Collison 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 relating to Iowa State University. There were no additional matters brought up for discussion.

UNIVERSITY OF NORTHERN IOWA

The following business was transacted pertaining to the University of Northern Iowa on Friday, September 17, 1976.

REGISTER OF PERSONNEL CHANGES. The following action was presented for board approval on the Register of Personnel Changes for the months of July and August for the University of Northern Iowa:

Elinor A. Crawford, from Professor, Physical Education for Women Department, to Professor and Acting Head of same, effective August 1, 1976.

In absence of objections, President Petersen approved the Register of Personnel Changes for the months of July and August 1976 for the University of Northern Iowa.

ANNUAL REPORT OF RESIGNATIONS AT THE UNIVERSITY OF NORTHERN IOWA. The board was presented a report of faculty resignations at the University of Northern Iowa which took place over the period of July 1, 1975 to June 30, 1976.

There were 27 resignations in the above-mentioned period of faculty members at the University of Northern Iowa. It was noted by the Board Office that four of the resignations which occurred as a result of faculty members accepting other positions, involved education faculty taking positions with one of the area education agencies within the state of Iowa. As these agencies begin to staff up and actively engage in the tasks for which they were created, the board can expect that there will be additional efforts to employ certain of its educationally-related faculty members.

MOTION: Mr. Barber moved the board accept the report of faculty resignations at the University of Northern Iowa which took place over the period of July 1, 1975 to June 30, 1976.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. Executive Secretary Richey reported that the Register of Capital Improvement Business-Transactions for the period of July 1 to September 14, 1976 had been received by him, was in order, and recommended approval.

The following construction contracts were presented for board ratification:

<u>Graded Stone Base Parking Lots</u>	<u>\$19,480.00</u>
Award to: Assink Brothers, Inc., Cedar Falls, Iowa	
<u>Patch and Seal Coat Parking Lots</u>	<u>\$32,417.00</u>
Award to: Cedar Valley Corporation, Waterloo, Iowa	

<u>West Campus Storm Sewer--Phase II</u>	<u>\$60,050.40</u>
Award to: Hurst Excavating, Inc., Waterloo, Iowa	
<u>Reconstruct Wisconsin Street</u>	<u>\$79,403.48</u>
Award to: Dale J. Clark Co., Waterloo, Iowa	
<u>Towers Dining Area -- Replace Deteriorated Steps</u>	<u>\$19,937.00</u>
Award to: J. G. Miller Construction Company, Waterloo, Iowa	

The board was informed that contract award for the Speech/Art Complex -- Theatrical Lighting Control and Distribution System Project was recommended to Berkey-Colortran, Inc., \$137,487.00. The preliminary estimate for this contract, which is the last contract to be awarded for the Speech/Art--Phase I project, was \$160,000.00.

Mr. McMurray reported that the board needed to waive two unusual circumstances or irregularities as regards the recommended award. One, the bidder did not furnish a complete equipment list. That list has now been received, as originally specified, as well as his letter indicating that the complete equipment list is included in the bid. Two, the specifications provided that the bid holding time would be 45 days. Because of the complexity of analyzing this award, it was not possible to award within the specified time. This firm agreed to extend the time for accepting the bid to 55 days, which will take action beyond the September board meeting.

The following revised project budget was presented for approval:

Field House (UNI-Dome)

The university explained that the Field House budget was being submitted for revision involving a change in funding with a committal of an additional \$565,000.00 in institutional funds with a corresponding decrease in the UNI Foundation funding of \$565,000.00. The total budget remains unchanged at the May 1976 approval level of \$6,715,000. The university explained that this shift in funding allows for it to pay for most of the cost of the flooring, which is to be used for instructional purposes. A side benefit of this shift permits the foundation to apply more of its resources to future projects listed on its centennial campaign. The additional institutional funds come from a commitment of an additional \$435,000 from Income on Treasurer's Temporary Investments and \$130,000 from Non-Dormitory Rental Property Accounts. With this shift in funding source, the source of funding for the project is as follows:

Revenue Bond Sale	\$2,500,000
Institutional Funds	1,610,000
Temporary Investment of Bond Sale Proceeds	240,000
UNI Foundation	<u>2,365,000</u>
TOTAL	<u>\$6,715,000</u>

The following new project was recommended for approval:

<u>Towers Dining Area--Replace Deteriorated Steps</u>	<u>\$25,000.00</u>
Source of Funds: Dormitory System Improvement Fund	

MOTION: Mr. Shaw moved the board approve the Register of Capital Improvement Business Transactions for the period of July 1 to September 14, 1976; ratify award of construction contracts made by the executive secretary; award the contract as shown above and waive the irregularities therein; approve the revised project budget shown above; authorize the executive secretary to sign all necessary documents. Mr. Bailey seconded the motion and it passed unanimously.

RECORDS MANAGEMENT PROGRAM. The board was requested to approve the Records Management Program as adopted by the University of Northern Iowa. President Petersen reported that the board had a summarized version of the Records Management Program in the docket books and also the complete report was distributed to them.

MOTION: Mr. Bailey moved the board approve the Records Management Program as adopted by the University of Northern Iowa. Mr. Zumbach seconded the motion and it passed unanimously.

Vice President Stansbury noted that the University of Northern Iowa benefitted from the work done on records management at Iowa State University in preparing its report. He added that he feels the system will be quite beneficial to the university.

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

## IOWA SCHOOL FOR THE DEAF

The following business pertaining to the Iowa School for the Deaf was transacted on Friday, September 17, 1976.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the months of July and August 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 months of July and August 1976 had been received by him, was in order, and recommended approval.

The single item on the register was a final report on the Campus and Street Lighting Rewiring project which had a final cost of \$25,416.47.

### MOTION:

Mr. Bailey moved the board approve the actions reported in the Register of Capital Improvement Business Transactions for the months of July and August 1976 and authorize the executive secretary to sign all necessary documents. Mrs. Collison seconded the motion and it passed unanimously.

FINAL TITLE I BUDGET FOR 1976-77. The board was requested to approve the final Title I budget for 1976-77 in the amount of \$164,839 as submitted by the institution.

The Board Office reported that the allocation by the Department of Public Instruction for Iowa School for the Deaf for 1976-77 in the amount of \$164,839.54 has been reduced from the allocation in 1975-76 of \$174,291. The reduction in allocation is due to a reduction in enrollment. The total amount of funding for all four Regents' institutions for 1976-77 is identical with the total of \$299,923 in 1975-76. The allocation for 1975-76 and 1976-77 as well as the enrollments for the respective prior years which serve as a basis for the allocations were presented to the board for informational purposes.

The Board Office is attempting to help the Iowa School for the Deaf adjust its budget to conform to resources available and also locate additional sources of funding. The Board Office noted that it has explored the possibility of supplemental Title I funds from other sources. The Department of Public Instruction had indicated that there are no supplemental funds to be anticipated but stated that there are a number of pupils at the Psychiatric Hospital from school districts on a contract basis. The contract pupils may have caused the allocation to Psychiatric Hospital to be overstated for 1976-77. The University of Iowa informed the Board Office that 30.3 pupils are on a contract basis but that the amount allocated of \$21,254 has been fully committed for 1976-77 so that no funds could be made available to reallocate to Iowa School for the Deaf.

The Board of Regents may, however, decide that such reallocation is appropriate when the double funding of contract students is considered in relation to the options available at Iowa School for the Deaf.

Superintendent Giangreco reported that he will prepare a plan before the October board meeting for bringing the expenditures within the available funding and the Board Office will assist in achieving a satisfactory resolution of the budget problem. Mr. Caldwell reported that if other funding can be located the budget can be amended at a later date.

MOTION:

Mrs. Collison moved the board approve the final Title I budget for 1976-77 for Iowa School for the Deaf as submitted by the institution in the amount of \$164,839. Mr. Barber 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 relating to Iowa School for the Deaf. There were no additional matters brought up for discussion.

## IOWA BRAILLE AND SIGHT SAVING SCHOOL

The following business pertaining to Iowa Braille and Sight Saving School was transacted on Friday, September 17, 1976.

ARCHITECT'S PRESENTATION FOR IOWA BRAILLE AND SIGHT SAVING SCHOOL--SENSORY STIMULATION CENTER. Superintendent Woodcock introduced two members of the firm of Criteria, Minneapolis, Minnesota, Mr. Gerald Allen and Mr. Robert Staricka.

Superintendent Woodcock reported that the firm of Criteria was selected to provide planning services for a Sensory Stimulation Center for the school because of the firm's design and construction abilities.

Mr. Allen reported that the intent of the proposed Sensory Stimulation Center is to create the kind of environment for the blind child comparable to that a normal child experiences. He said the center would be used as a play space for children to become confident in using their body. A series of progressive activities were shown by means of a slide presentation by Mr. Allen to the board indicating lofts, rolling and bouncing activities for the children. A model of the proposal was also available for view.

Regent Barber asked what kind of a supervisor/child ratio would be needed for the play area. Mr. Allen reported that it is a free play area and by that he meant that a child's fall would be protected in all cases. There were a series of gates shown to the board whereby a child could not penetrate those unless he or she had certain skills. Mr. Allen described the Sensory Stimulation Center as more of a free-access play ground. Regent Barber asked if there was any possible danger envisioned and Superintendent Woodcock responded negatively.

Regent Collison asked about the materials proposed for the Sensory Stimulation Center and asked why wood was used rather than plastic. Mr. Allen responded that wood was used because it is readily available. Regent Collison asked about maintenance costs for wood over that of plastic. Mr. Staricka said the wood would be double coated with sealant.

Regent Collison asked if any experimentation has been done with the "Bucking Bronco" concept proposed for the center. She expressed concern about the safety of same. It was noted that Superintendent Woodcock had a similar type set-up when he was at the Oregon braille school and no problems were experienced with it. Superintendent Woodcock commented that the next step involved in this proposal is to have staff response and suggestions from Regents, etc. Mr. Staricka added that the proposal before the board is only a conceptual model and items can be added or deleted according to the board's and staff's desires.

Regent Baldrige asked what age children could use the Sensory Stimulation Center. Superintendent Woodcock said pre-school children right on up through junior high school children would be able to enjoy it.

The financing of the proposal was brought up and Superintendent Woodcock commented that the Bruesewitz Estate amounts to approximately \$50,000. He said that while the cost of the Sensory Stimulation Center proposed by the firm of Criteria has not been finalized, the center was designed to fit the \$50,000 parameter.

Mr. Richey asked if cost estimates include forced labor. He asked if the cost estimates will be a total cost including the cost of using the school's Physical Plant staff. Superintendent Woodcock responded that the school's Physical Plant staff that are now on state payroll will not be involved in construction. He proposed that two or three or more temporary positions be made available in the school for skilled carpenters. He said those new employees could be employed as staff of the school for the period of time needed on this project. He said that some of the older students of the school could also be involved in some of the construction. Superintendent Woodcock said he will be presenting a project budget to the board in the future so the school can proceed with the project.

Regent Shaw asked Mr. Staricka to what extent blind adults and staff members were involved in the proposal. Mr. Staricka said that the firm's work began with two visits to the school at which time the staff members forwarded teaching methods to the firm for suggestions. He said the recommendations made by the firm evolve around those suggestions. Superintendent Woodcock added that Iowa Braille and Sight Saving School sent one staff person to Minneapolis for a two and a half to three day period to help understand the proposal better.

Mr. Allen added that the first presentation of the proposal to the staff at Iowa Braille and Sight Saving School was experienced by blindfolding the staff members to better understand the concepts involved.

Mr. Richey urged Mr. Woodcock to work very closely with Mr. McMurray of the Board Office over the next month over the procedures involved due to the fact that there is a law that says when estimated cost of construction is over \$10,000, you have to go through competitive bidding. Mr. Woodcock also noted that the Regents Merit System provides that there may be some way that additional staff persons could be hired as he explained above to eliminate going out for bids on the project. Mr. Richey said that some consultation with the Attorney General's Office may be needed on this matter.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the months of July and August 1976 were ratified by the board.

SUPERINTENDENT'S REPORT OF SCHOOL OPENING. Superintendent Woodcock presented a brief oral report to the board on current activities of the Iowa Braille and Sight Saving School. He said he would present the board with a 25-minute slide presentation about the school at the October board meeting.

In summary, Superintendent Woodcock commented about a letter he sent to members of the board showing the kind of administrative moves that have been made toward stabilizing staff relations.

He said school is well under way. There is some question about the school's population being down or up, depending on whether you count bodies or equivalencies. He noted the school is still using the severity rating scale.

The school's athletic schedule was discussed. He noted the school participates in track, wrestling, and swimming as part of its athletic program. He added that students travel to other states to participate in such events.

Eleven principle findings noted by the National Accreditation Commission were reported by Superintendent Woodcock. They were:

1. The State Board of Regents has exercised commendable leadership in fostering with the State Department of Public Instruction a far-reaching joint operational statement delineating the relationships between residential schools and the area education agencies.
2. The present school administration has introduced a significant measure of management stability after an extended period of changes in the superintendency and amidst the considerable challenges posed by the rapidly shifting needs of the student body.
3. A firm base has been established for providing an effective therapeutic environment for education of all students in keeping with the stated objectives of the school.
4. Extensive revisions have been made in the curriculum to accommodate the individual needs of the students.
5. Senior high school students now have access to courses in local public schools.
6. The diverse competencies and training of the teaching staff in Curriculum I contribute importantly to a quality program for multi-handicapped students.
7. Significant safety improvements have been made in the Main Building and the library has been completely renovated in the heart of educational activities in the Main Building; the adjoining instructional materials center is scheduled for early renovation.
8. A master plan has been developed to guide future plant renovations and expansion.
9. Considerable opportunities have been made available for inservice education of all staff, including familiarization with basic skills of orientation and mobility.

IOWA BRAILLE AND SIGHT SAVING SCHOOL  
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10. Extensive and creative use has been made of school aides to help bridge the gap between classroom activity and residential living.
11. The overall atmosphere within the school is conducive to innovation and high morale.

Principle suggestions put forth by the National Accreditation Commission were also reported by Superintendent Woodcock:

1. The school continue and intensify efforts to serve as a central resource for education of blind and visually handicapped children through the state.
2. Curriculum development and revision be continued with priority being given to Curriculum I (for the 60% of the student population which is multi-handicapped), health education and the other areas presently in process.
3. All curriculum containing a career approach.
4. Every effort be made to extend the school year and to find ways and means to provide appropriate summer programs on an ongoing basis.
5. Taking full advantage of the programs available in the Vinton Public Schools, IBSSS strive to maintain an adequate academic program for those students who find it necessary or desirable to attend the residential school.
6. Accountability be enhanced by publication of an annual report to the public as called for by NAC's standards.

Superintendent Woodcock said there will be a printed document on the findings of the accreditation team presented to members of the board when it is received by the school. He said the school will seek some clarification in language and the entire matter goes to the proper accrediting board for final action.

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

MOTION:

Mrs. Collison moved the board approve the Register of Capital Improvement Business Transactions for the months of July and August 1976 and moved the board authorize the executive secretary to sign all necessary documents. Mr. Bailey seconded the motion and it passed unanimously.

PROPOSED TITLE I BUDGET FOR 1976-77. The board was requested to approve a proposed Title I budget for 1976-77 in the amount of \$53,844 as submitted by Iowa Braille and Sight Saving School.

The Board Officer reported that funding for Iowa Braille and Sight Saving School has been reduced from \$55,113 for 1975-76 to \$53,844 for 1976-77. The program is a continuation of last year's program and will provide two 158

teachers and aides plus a recreational director and aide. Bus drivers and aides also are provided for that portion of the home-going weekend not funded by the transportation bill included in the state budget.

**MOTION:** Mr. Barber moved the board approve the Title I budget proposed by the institution for 1976-77 in the amount of \$53,844. Mr. Zumbach seconded the motion and it passed unanimously.

PROPOSED BUDGET FOR DEAF-BLIND PROGRAM - 1976-77. The board was requested to approve the deaf-blind program for 1976-77 in the amount of \$158,025 as submitted by the institution, if an additional explanation by the superintendent so justified.

The Board Office reported that the proposed program provides a 189-day residential educational program for 12 deaf-blind children, ages 4 to 16. In addition, seven of these children attend a six weeks summer program.

The proposed budget may be compared with the 1975-76 budget of \$83,885 which consisted of \$41,522 from South Central and \$42,364 from the Department of Public Instruction. The greater funding for 1976-77 is due to availability of more money for allocation. The proposed budget improves the existing program without appreciable change in numbers of pupils. A statewide coordinator is included who reports also to the Iowa Advisory Committee for Service to Deaf/Blind Children. The board requested Mr. Woodcock to explain the program improvement in greater detail. Mr. Woodcock reported that the school has held as a high priority item the hiring of a statewide coordinator. He said that that position will perhaps shift to the Department of Public Instruction for funding but for now it is proposed to be under the Iowa Braille and Sight Saving School budget. He stated that the coordinator would not directly serve Iowa Braille and Sight Saving School as the person would work throughout the state for the Department of Public Instruction and other agencies as well.

Mr. Richey cautioned Iowa Braille and Sight Saving School to maintain budget flexibility in case funding for this program is discontinued in the future.

**MOTION:** Mr. Bailey moved the board approve the budget for the deaf-blind program for 1976-77 in the amount of \$158,025 as submitted by the institution. Mrs. Collison seconded the motion and it passed unanimously.

USE OF FACILITIES. The board was requested to ratify action of the executive secretary and the superintendent in approving a contract for use of facilities at the school by the Happy Time Child Care Center.

The board authorized the school at its July meeting to again negotiate a contract for the use of this space with the Happy Time Child Care Center during the 1976-77 school year, with said contract being subject to approval of the executive secretary and ratification by the board in September. It was necessary that this action be taken so that the center could begin operation at the start of the school year in mid-August. 159

The new contract provides for usage by the center from August 15, 1976 to June 15, 1977 on a Monday-to-Friday basis on those days when the Vinton public schools are in session. However, any scheduled dates of usage that the Iowa Braille School is not in operation, the center agrees to accept the facilities with minimal or no heat or seek other facilities on such occasions. The fee for the use of the space is \$900 based on the population of 20 students, which is the level at which the center is presently licensed, plus 10% of any income generated by increased enrollment up to an allowed maximum of 30 students. The provisions relative to food, utilities, insurance and custodial services remain the same. The contract does contain the new provision providing that no smoking will be allowed in the facilities by staff or parents, as this is not one of the areas where smoking is permitted under the school's policy.

Regent Collison asked Superintendent Woodcock if the moisture problem has been taken care of in Palmer Hall. Mr. Woodcock stated the only dampness problem the school has now is in the tunnel.

MOTION: Mrs. Collison moved the board ratify action of the executive secretary and the superintendent in approving a contract for use of facilities at the school by the Happy Time Child Care Center. Mr. Bailey seconded the motion.

Regent Bailey asked a question with respect to insurance. Superintendent Woodcock said that Happy Time Child Care Center is required to have its own insurance and Iowa Braille has that insurance documentation. Mr. Woodcock said the insurance protects the school and the Regents.

VOTE ON MOTION: The motion passed unanimously.

**ENGINEERING SERVICES AGREEMENT FOR DEAERATING FEEDWATER HEATER PROJECT.**  
The board was requested to ratify action of the executive secretary in approving an engineering services agreement with Stanley Consultants, Inc., Muscatine, Iowa, to provide the engineering services in connection with the replacement of the deaerating feedwater heater at the power plant.

The Board Office reported that the school negotiated with the firm of Stanley Consultants, Inc. of Muscatine, Iowa to provide those engineering services. This firm was recommended in view of the school's past experience with them and because this firm has engineered basically all of the present power plant installations and modifications. Because of the firm's familiarity with the school, the firm can minimize time and expense in the preparation of plans and specifications for this particular project.

Services will be compensated for on the basis of the hourly fee schedule of the firm, plus actual out-of-pocket expenses, with the total fee based upon the above not to exceed \$5,000. It was emphasized that it is not anticipated that compensation will be at 10% of the total project cost; but the board may recall that recent history has indicated that the school has had great difficulty in coming up with the necessary funds to

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pay increased architectural and engineering fees due to the fact that those fees have frequently been underestimated in the initial project budget. Therefore, the board has insisted upon a contract which provides for a ceiling on architectural or engineering fees hereafter.

MOTION:

Mrs. Collison moved the board ratify action of the executive secretary in approving an engineering services agreement with Stanley Consultants, Inc., Muscatine, Iowa, to provide the engineering services in connection with the replacement of the deaerating feedwater heater at the power plant. Mr. Bailey seconded the motion and it passed unanimously.

USE OF FACILITIES BY THE VINTON AQUATIC CLUB. The board was requested to approve the Vinton Aquatic Club's usage of the Iowa Braille and Sight Saving School's swimming pool and locker room areas from the hour of 5:45 p.m. to 9:00 p.m. each Thursday from September 30, 1976 through April 14, 1977, with the exception of November 25, December 23 and 30; plus special early morning workouts on selected days; plus two Saturday afternoons to be selected later for competitive meets.

The Iowa Braille and Sight Saving School reported that the Vinton Aquatic Club will pay a fee of \$380.00 which is 10% above last year's fee, for the Thursday use, and \$15.00 per meet for the Saturday use.

The Vinton Aquatic Club will purchase an insurance policy covering the limits as required by the Iowa Braille and Sight Saving School.

MOTION:

Mr. Bailey moved the board approve the Vinton Aquatic Club's request as described above for use of the swimming pool and locker room areas at Iowa Braille and Sight Saving School. Mr. Shaw seconded the motion.

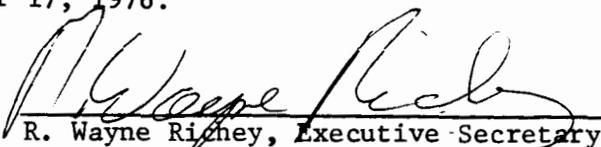
Mr. Woodcock reported that the school increased the cost for the Vinton Aquatic Club's usage because of the increase in fuel costs.

VOTE ON MOTION:

The motion passed unanimously.

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

ADJOURNMENT. The meeting of the State Board of Regents adjourned at 4:15 p.m., Friday, September 17, 1976.

  
R. Wayne Richey, Executive Secretary