MEMORANDUM

To: Board of Regents
From: Board Office
Subject: Review of Regent Procedural Guide
Date: January 7, 2002

Recommended Actions:
2. Approve the change in name of the Board of Regents Procedural Guide to the Board of Regents Policy Manual; and
3. Request that the institutions responses to other sections of the Procedural Guide be considered expeditiously to permit scheduling of other Board policies for the Board’s consideration in the near future.

Executive Summary:
- The state and federal laws which affect an organization’s operations in the areas of equal opportunity and affirmative action are in a state of flux.
- The Board Office and Regent institutions have been in the process of reviewing the Board of Regents Procedural Guide (Procedural Guide) with counsel in the Office of the Attorney General for than a year.
- The proposed change in Chapter V ensures compliance with the current law on diversity issues which are binding on the Board and the institutions it governs.
- Many of the procedural aspects in the current Procedural Guide must be adopted by administrative rule in the Iowa Administrative Code (IAC) in order for them to be recognized by some judicial jurisdictions.
- The change in name of the Procedural Guide to the Board of Regents Policy Manual will reflect the change in purpose of the document from describing procedures to identifying policy.
- The Board Office has completed its review and recommended revision of some sections of the Procedural Guide (academic affairs and human resources) which need further institutional review. The institutions are requested to give their review of these sections high priority so that the Board can consider revisions based on institutional and Board Office recommendations.
The Board’s Key Result Area Number 3 is, “Establish policies to encourage continuous improvement of the climate for diversity, and ensure equal educational and employment opportunities.” Chapter V of the Procedural Guide identifies the policies and processes through which the Board governs the institutions to achieve success with its diversity plans.

- (Attachment 3 to this memorandum describes the changes proposed by striking current language and underscoring proposed new language.)
- In 1999 the Governor promulgated Executive Orders No. 8-11 for the purpose of streamlining state government’s administrative rules.
- Each agency is required to review its administrative rules and put them in compliance with current state law.
- In 1998 the Regents learned that some of the procedures identified in the Procedural Guide would not be recognized as binding on employees, students and the public in some state court jurisdictions because they had not been adopted through the rule making process and made a part of the IAC.

- The review and timeline for revision of the IAC required by the Governor’s Executive Orders is inextricably linked to the review and revision of the Procedural Guide.
- The review of the Procedural Guide has focused on consistency with state and federal laws, with policies and practices of the Board of Regents, elimination of redundancy with the IAC, and compliance with the requirement of Iowa Code Chapter 17A: Iowa Administrative Procedures Act.

- The Procedural Guide chapter addressing diversity issues is the first to have completed all facets of interinstitutional review and revision to make it consistent with state and federal law. It is ready for consideration by the Board.

- All chapters of the Procedural Guide are being reviewed and will be brought to the Board for its approval over the next twelve months.
- Procedural Guide sections addressing academic affairs (Chapter VI) and human resources (Chapter IV) have been reviewed and revised with counsel at the institutions and the Office of the Attorney General. Institutional administrators have indicated that additional consultation is needed at the institutional level prior to these revisions being considered by the Board. It is anticipated these sections will be brought to the Board for review and comment in the next three months.
- Procedural Guide sections addressing business functions [Chapters VII (Business Procedures), VIII (Purchasing) and IX (Capital Procedures)] are in the process of review and revision among institutional officials, Board Office staff, and the Office of the Attorney
General. It is anticipated these sections will be brought to the Board for review and comment in the next six months.

- Procedural Guide sections addressing the Board's operations [Chapters I (Board of Regents), II (Meetings), and III (Board Office)] have been reviewed by Board Office staff and are awaiting consultation among Board members and the Board's Executive Director Designate. It is anticipated these sections will be brought to the Board for review and comment in the next four months.

- As administrative procedures are moved from the Procedural Guide to the IAC, the purpose and function of the Procedural Guide will change. Entitling the document the Board of Regents Policy Manual (Policy Manual) will bring the title into consistency with its function.

- The Board Office has been working with institutional legal counsels to complete the Procedural Guide review. When the institutions want other offices to review the proposed revisions, every effort should be made to expedite that review.

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**Analysis:**

- The Governor has called for a review of all agencies administrative rules promulgated in the IAC.
- The Regents have need for a review of the Procedural Guide to ensure that it is consistent with state and federal law and consistent with recent court decisions.

**Review of Procedural Guide links to review of IAC**

- The review process involves consultation among the institutions, Board Office, and the Office of the Attorney General.
- The Board has final authority to approve changes in the Procedural Guide and will review the work of the institutions, Board Office, and Office of the Attorney General and make recommendations for further revision as it sees fit.

**Attorney General and institutions review with Board Office**

- The process of review and revisions is anticipated to be completed by the end of calendar year 2002.

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As the proposed revision of Chapter V of the Procedural Guide is consistent with state and federal law, and as the function of the Procedural Guide will change to a policy manual, the proposed recommendations appear appropriate.

[Signatures]

Charles Wright

Robert J. Barak

5.01 Equal Opportunity Policy (Iowa Administrative Code 681-7.1(262))

It is the policy of the Board of Regents to provide equal opportunity in all aspects of Regent operations to all persons without regard to race, creed, color, religion, sex, national origin, age, status as a veteran of the Vietnam era, or physical or mental disability except where it relates to a bona fide occupational qualification. The Board of Regents and all officials who are responsible to the Board of Regents shall take affirmative action in personnel administration to overcome the effects of past or present practices, policies, or other factors which serve as barriers to equal opportunities. Contractors doing business with the Board of Regents shall take affirmative action to ensure that all persons without regard to race, creed, color, religion, sex, national origin, age, status as a veteran of the Vietnam era or physical or mental disability except where it relates to a bona fide occupational qualification are effectively afforded equal opportunities. Institutions under the governance of the Board of Regents shall provide opportunities for minority and women businesses in the awarding of contracts through a procurement set-aside program as authorized by statute.

A. Definitions.

1. "Actively managed" in the above context means exercising the power to make policy decisions affecting the business.

2. "Affirmative action" means action appropriate to overcome the effects of past or present practices, policies, or other barriers to equal opportunity.

3. "Bona fide occupational qualification" means a qualification reasonably necessary to the normal function of a position in the operation of a particular business. The concept of the bona fide occupational qualification is narrow in scope and will not be applied to include the mere preference or convenience of the employer.

4. "Minority person" means an individual who is a Black, Hispanic, Asian or Pacific Islander, American Indian or Alaskan native.

5. "Operated" in the above context means being actively involved in the day-to-day management of the business.

6. "Protected classes" shall mean racial or ethnic minorities, and groups who are protected under federal and state laws because of their creed, color, religion, sex, national origin, age, status as a veteran of the Vietnam era, or physical or mental disability.
7. "Small business" means any enterprise which is located in this state, which is operated for profit under a single management, and which has either fewer than 20 employees or an annual gross income of less than 3 million dollars ($3,000,000) computed as the average of the 3 preceding fiscal years. This definition does not apply to any program or activity for which a definition for small business is provided for the program or activity by federal law or regulation or other state law.

8. "Targeted small business" means a small business which is 51 percent or more owned, operated, and actively managed by 1 or more women or minority persons.

B. Administration of Equal Opportunity Policy

1. In order to carry out the purposes of the policy, the Regent Equal Opportunity Compliance Office has been established at the Old Historical Building, Des Moines, Iowa. The coordination of the policy shall be the primary responsibility of the equal opportunity compliance officer, who in consultation with Regent institutions will act under the general supervision of the executive director of the Board.

2. The emphasis in the administration of the policy shall be to coordinate equal opportunity and affirmative action at Regent institutions and the Board Office and to require equal opportunity and affirmative action by contractors who do business with the Board of Regents and its institutions. In administering the policy the equal opportunity compliance officer shall monitor utilization of minority and women business enterprises as sources of supplies, equipment, construction, and services. (Board of Regents Minutes July 16, 1986, pp. 13-17; October 15-16, 1986, pp. 319-323)

5.02 Equal Opportunity (Iowa Administrative Code 681-7.2(262))

A. Affirmative Action

The Board of Regents and all officials who are responsible to the Board of Regents shall appoint, assign, and advance employees on the basis of merit and fitness. Each institution under the Board of Regents shall promulgate a clear and unambiguous written policy of nondiscrimination and shall adopt an affirmative action program containing goals and time specifications in personnel administration. Each institution shall submit its annual affirmative action report to the Board between December 15 and December 31 each year. The Board shall submit its affirmative action report to the Department of Management by January 31 of each year.
B. Personnel Administration

1. Each institution and the Board Office shall regularly review its personnel practices and procedures with a view to correcting personnel practices and procedures which may contribute to discrimination in appointment, assignment, or advancement. Each institution shall conduct programs of job orientation and provide training and organizational structure for upward mobility and shall place emphasis upon fair practices. Each institution shall also bar from all employment application forms any inquiry as to race, creed, color, religion, sex, national origin, age, status as a veteran of the Vietnam era, or physical or mental disability, except for statistical purposes, unless it relates to a bona fide occupational qualification. The employment practices of the Board of Regents shall be in strict conformity to the provisions of all federal and state laws, executive orders, and rules and regulations of the Board of Regents and of its institutions which pertain to equal opportunity and affirmative action.

2. The Board of Regents shall develop a procedure to permit appointment of appropriately certified disabled applicants pursuant to 1986 Iowa Acts, Senate File 2175, Section 221. (Board of Regents Minutes July 16, 1986, pp. 13-17; October 15-16, 1986, pp. 319-323)

5.03 Employment Services (Iowa Administrative Code 681-7.3(262))

All officials responsible to the Board of Regents, who provide referral services for public or private employers, shall refuse to fill any job order which violates federal and state laws, executive orders, and rules and regulations of the Board of Regents and of its institutions which pertain to equal opportunity and affirmative action.

This rule is intended to implement Executive Order Number 15 of 1973. (Board of Regents Minutes July 16, 1986, pp. 13-17; October 15-16, 1986, pp. 319-323)

5.04 State Educational, Counseling, and Training Programs (Iowa Administrative Code 681-7.4(262))

All educational and vocational guidance programs and their essential components, counseling and testing and all on-the-job training programs for the employees of Regent institutions and the Board Office shall be administered in accordance with the provisions of all federal and state laws, executive orders, and rules and regulations of the Board of Regents and of its institutions which pertain to equal opportunity and affirmative action. Every official responsible for the implementation of such programs shall be charged with the duty of seeking to provide equal opportunity for all, regardless of race, creed, color, religion, sex, national origin, age, status as a veteran of the Vietnam era, or physical or mental disability except where it relates to bona fide occupational qualification.

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This rule is intended to implement Executive Order Number 15 of 1973. (Board of Regents Minutes July 16, 1986, pp. 13-17; October 15-16, 1986, pp. 319-323)

5.05 State Services and Facilities (Iowa Administrative Code 681-7.5(262))

Equal treatment shall be guaranteed by all institutions of the Board of Regents in providing their services to the public, and equal treatment shall be guaranteed in the use of their facilities.

Those in charge of the various institutions shall take especial care that no institutional facility is used in the furtherance of any discriminatory practices. (Board of Regents Minutes July 16, 1986, pp. 13-17; October 15-16, 1986, pp. 319-323)

5.06 Contract Compliance (Iowa Administrative Code 681-7.6(262))

A. Equal Opportunity

The State Board of Regents and the institutions under its jurisdiction are responsible for the administration and promotion of equal opportunity in contracts and services and the prohibition of discriminatory and unfair practices within any program administered by institutions under the Board of Regents receiving or benefiting from state financial assistance in whole or in part. Every official responsible to the Board of Regents who is authorized to make contracts or subcontracts for public works or for goods or services shall cause to be inserted into every such contract or subcontract a clause in which the contractor or subcontractor is prohibited from engaging in discriminatory practices forbidden by federal and state laws, executive order, and rules and regulations of the Board of Regents and of its institutions which pertain to equal opportunity and affirmative action. Contractors, vendors, and suppliers shall further be required to submit or have on file with the Board of Regents' Equal Opportunity Compliance Office a copy of their affirmative action program containing goals and time specifications. These contractual provisions shall be fully monitored and enforced. Any breach of them shall be regarded as a material breach of contract.

1. Compliance shall be determined by a comprehensive review and evaluation of a contractor's employment policies and practices and shall depend on an analysis of all relevant factors, including the following:

   a. The contractor's publicly stated and posted policy regarding equal opportunity.

   b. The contractor's external dealings with unions, employment agencies, newspapers, and other sources of employees.
c. The methods by which and places where the contractor seeks to recruit employees.

d. The contractor's use of tests and qualifications for positions which are job related and not culturally biased.

e. Classification and compensation plans which apply equally to all employees.

f. Training programs which provide all persons including those in the protected classes with an equal opportunity to qualify for employment and advancement.

g. The contractor's active support of local and national community action programs.

h. The effectiveness of the contractor's affirmative action program as evidenced, in part, by the number or percentage of persons of the protected classes employed at all levels, taking into account the geographical locations of the contractor's work force.

2. The judgment regarding compliance shall be favorable if it is determined that the contractor is working affirmatively toward extending opportunities for members of the protected classes and is not discriminating against these persons. Contractors must be able to demonstrate to the satisfaction of the compliance officer that their affirmative action program is productive.

B. Procedures

1. Contractors will be sent periodically an informative statement explaining the Regents' equal opportunity policy. In the case of construction contracts, the statement constitutes part of the general conditions and bid specifications, and compliance with these is a condition of doing business with Regent institutions. It is the intention of the Regents to be fair and to avoid harassment and unnecessary reporting requirements and to be clear and firm about policy and expectations.

2. Contractors are to submit periodic reports as requested by the Compliance Office. The report forms shall be as brief as possible and designed to elicit relevant information about employment practices. The Compliance Office may request other relevant information from a contractor at any time.

3. The Compliance Office will solicit and compile additional information about present and prospective contractors from any reliable source including Regent institutions, the Iowa Civil Rights Commission, Department of Economic Development, and other state and federal agencies.

4. The Compliance Office shall systematically review the reports and all other available information concerning the employment practices of present and
prospective contractors. Whenever there is reasonable doubt, based on such reports and information, as to whether or not a contractor is discriminating or is failing to take affirmative action in compliance with the Regents' policy, the Compliance Office shall undertake a compliance review of the contractor. Every reasonable effort shall be made to secure compliance through conciliation and persuasion. The burden shall be on the contractor to demonstrate compliance and eligibility to do business with the Regents.

5. The Compliance Office will receive written and signed complaints against a contractor from any person aggrieved by the contractor's alleged discrimination. The Compliance Office shall promptly notify the institution involved of a complaint. The burden shall be on the complainant to prove the truth of the allegations. Cognizance will also be taken of verbal complaints, newspaper reports, and any other legitimate source, and these will be followed up if investigation appears to be justified. Award of contracts may be deferred while an investigation is pending, but executed contracts will not be suspended except in compelling situations.

6. If an investigation or compliance evaluation discloses that a contractor has discriminated or has failed to take affirmative action, the executive director in consultation with Regent institutions may declare the contractor ineligible unless it can otherwise be affirmatively determined that the contractor is able to comply. The executive director shall issue a written notice of ineligibility to the contractor, and give the contractor 30 days to show cause why enforcement proceedings should not be instituted. During the 30-day show cause period, every effort shall be made to effect compliance through the processes of conciliation, mediation, and persuasion.

7. If the contractor fails to show good cause for failure to comply or fails to remedy that failure, the executive director in consultation with Regent institutions may issue a written notice of proposed cancellation or termination of the existing contract or subcontract and debarment from future contracts and subcontracts, giving the contractor 10 days to request a hearing. If a request for hearing has not been received within 10 days from the notice, the contractor may be declared ineligible for future contracts and current contracts may be terminated for default following the approval of the State Board of Regents.

8. Hearings shall be conducted by a hearing examiner appointed by the executive director of the Board from a panel for hearing examiners selected and approved by the Board. The hearing examiner shall submit findings of fact and conclusions to the executive director who shall make final recommendations for final action to the Board of Regents.

9. The equal opportunity compliance officer shall promptly notify the Board of Regents and Regent institutions when such action is pending regarding the suspension, cancellation, or termination of existing contracts or subcontracts and debarment from future contracts and subcontracts.
C. Bidding Requirement

All construction specifications shall include, in the "Instruction to Bidders," the following paragraph: "Bidders shall file with each bid a completed Board of Regents Equal Opportunity Data Reporting Form as included in the specifications or certify on the Certificate of Reporting that they have filed their Annual Equal Opportunity Data Reporting Form with the Board of Regents Equal Opportunity Compliance Office. (Board of Regents Minutes July 16, 1986, pp. 13-17; October 15-16, 1986, pp. 319-323)

5.07 Targeted Small Business (Iowa Administrative Code 681-7.7(73 GA, Ch. 315))

A. Procurement Goal Program

It is the policy of the Board of Regents to provide contract opportunities to targeted small businesses (TSB's). Institutions governed by the Board of Regents shall seek, pursuant to the Iowa Targeted Small Business Procurement Act, 1989 Iowa Acts Chapter 315, Section 20, and Board policy, to contract with "targeted small businesses" as sources of supplies, equipment, construction, and services. All laws and rules pertaining to solicitations, bid evaluations, and contract awards apply to targeted small businesses.

Regent institutions in consultation with the Board Office shall develop a program for awarding contracts to targeted small businesses. Regent institutions may divide total purchases, for services or goods, into tasks or quantities when it is economically feasible and allows maximum targeted small business participation.

B. Construction Contracts

Regent institutions are authorized to negotiate or obtain competitive bids from targeted small businesses on construction contracts under conditions specified. Regent institutions may request the assistance of the Department of Economic Development or the Department of Management in the negotiation of a contract price.

1. Regent institutions are authorized to obtain competitive bids from targeted small businesses on construction contracts.

2. Regent institutions shall encourage targeted small business contractors to submit bids as prime contractors on capital projects.

Regent institutions are authorized to establish targeted small business participation goals for construction contracts that are publicly bid on a competitive basis. On contracts for which targeted small business participation goals are encouraged, the targeted small business participation goal shall be clearly identified in the special conditions of the contract documents. Satisfaction of the participation goal may be achieved through targeted small business participation in a contract as a prime contractor or subcontractor, provided that only that portion of the contract price
accruing to the targeted small business for work performed shall be used to determine whether the participation goal has been met.

On construction contracts competitively bid for which a participation goal is indicated, each bidder who is not a targeted small business shall submit with the bid the name(s) of targeted small business(es) to whom a subcontract will be awarded, a description of the work to be performed, and the dollar amount assigned to the work to be performed. The prime contractor shall sign a statement attesting to this provision.

Regent institutions shall require the prime contractor to make a good faith effort to utilize targeted small businesses. The prime contractor shall maintain, and provide upon request, documentation as to what good faith efforts were undertaken to utilize targeted small businesses. Good faith effort may include, but not be limited to:

1. Prime contractor's efforts to locate minority and women-owned businesses.
2. Prime contractor's efforts to make minority and women-owned businesses aware of contracting opportunities.
3. The prime contractor's initiatives to encourage and develop TSB's, taking into account the availability of TSB's to work on state-assisted contracts.
4. Prime contractor's efforts to increase the participation of minority and women-owned businesses in the contractor's state-assisted contract.

C. Supply, Service, and Equipment Contracts

Regent institutions are authorized to negotiate or obtain competitive bids from targeted small businesses on supply, service, and equipment purchase orders or contracts under conditions specified. Regent institutions may use any or all of the following procedures to encourage targeted small business participation to the maximum extent possible.

1. Identify purchases that offer potential targeted small business participation.

2. Identify targeted small businesses who can participate in the purchasing contract.

3. Send proposals and invitations to bid to targeted small businesses who can participate in the purchasing contract.

Regent institutions shall encourage targeted small business(es) to submit bids or quotations on supply, service, and equipment solicitations.

Regent institutions may:
1. Identify significant state purchasing commodities that are void of targeted small business participation.

2. Identify targeted small businesses that have the potential to develop in these areas.

3. Refer targeted small businesses who have potential or have expressed interest in these purchasing areas to the Iowa Department of Economic Development.

D. Certified Targeted Small Businesses

Only those targeted small businesses that have been certified by the Department of Inspections and Appeals shall be eligible as part of the targeted small business program to participate in the Regents' program. Application to participate in the Regents' program may be made by completing a vendor/contractor application form available from the Iowa Department of Economic Development, Small Business Section, 200 East Grand Avenue, Des Moines, Iowa 50309, or from Regent institutions.

E. Assistance to Targeted Small Business

Regent institutions shall cooperate with the director of the Department of Economic Development in the director's efforts to carry out the responsibility to develop and make available in all areas of the state, programs to offer and deliver concentrated, in-depth advice and services to assist targeted small businesses, as set forth in 1989 Iowa Acts, 73 G.A. Chapter 315. The advice and services shall extend to all areas of business management in its practical application, including but not limited to accounting, engineering, drafting, grant writing, obtaining financing, locating bond markets, market analysis, and projections of profit and loss.

F. Performance Standards

Targeted small businesses shall meet the required performance standards, procurement specifications, and the purchasing procedures of Regent institutions.

Determination of performance capability may include consideration of some or all of the following: production capacity, financial capacity, technical competence, timely delivery and service capabilities.
G. Inability to Perform

When the institution determines that a targeted small business is unable to perform under a contract, the Executive Director of the Board of Regents, the Regent Equal Opportunity Compliance Officer, and the Director of the Department of Economic Development shall be informed.

Nothing in this rule shall prohibit the institution from pursuing remedies set forth in contractual agreements entered into between the institution and the targeted small business where the institution reasonably determines that the targeted small business is unable to perform.

H. Reporting

The institutions shall notify the Executive Director of anticipated purchasing requirements and shall provide additional information as required by statute no later than August 10 and quarterly thereafter. The Board shall receive and review anticipated purchasing requirements by the institutions on a quarterly basis. The Executive Director shall notify the Department of Economic Development and the Department of Management of anticipated purchases and recommended goals no later than August 15 of each fiscal year and quarterly thereafter.


5.08 Committee on Affirmative Action and Equal Opportunity (Board of Regents Minutes May 16-17, 1990, p. 626)

(See Section 1.07E. of this Guide.)

5.09 Equal Opportunity and Merit System

A. All vacant positions at the institutions shall be advertised publicly for at least five working days, except where there is a viable Merit System register.

B. The Board encourages broad recruitment by the institutions designed to attract minority and female applicants.

C. The Board encourages each institution to develop training programs for its employees.
D. The Board directs that a system be established for regular reporting of applicants rejected by employing departments. (Board of Regents Minutes December 13-14, 1973, p. 377)
V. EQUAL OPPORTUNITY, AFFIRMATIVE ACTION, AND TARGETED SMALL BUSINESS

5.01 Equal Opportunity Policy (Iowa Administrative Code, 681, Chapter 7.1(262))

It is the policy of the Board of Regents, State of Iowa, to provide equal opportunity in all aspects of Regent operations to all persons without regard to race, creed, color, religion, sex, national origin, age, status as a veteran of the Vietnam era, or physical or mental disability except where it relates to a bona fide occupational qualification. The Board of Regents and all officials who are responsible to the Board of Regents shall take affirmative action in personnel administration to overcome the effects of past or present practices, policies, or other factors which serve as barriers to equal opportunities. Contractors doing business with the Board of Regents shall take affirmative action to ensure that all persons without regard to race, creed, color, religion, sex, national origin, age, status as a veteran of the Vietnam era or physical or mental disability except where it relates to a bona fide occupational qualification are effectively afforded equal opportunities. Institutions under the governance of the Board of Regents shall provide opportunities for minority and women businesses in the awarding of contracts through a procurement goal program as authorized by statute.

Equal Opportunity, Affirmative Action and TSB procedures established by the Board of Regents, State of Iowa, are contained in the Iowa Administrative Code, 681, Chapter 7.

5.02 Equal Opportunity (Iowa Administrative Code, 681, Chapter 7.2(262))

A. Affirmative Action

The Board of Regents, State of Iowa, and all officials who are responsible to the Board of Regents shall appoint, assign, and advance employees on the basis of merit and fitness. Each institution under the Board of Regents shall promulgate a clear and unambiguous written policy of nondiscrimination and shall adopt an affirmative action program containing goals and time specifications in personnel administration. Each institution shall submit an annual affirmative action report to the Board. The Board shall submit an annual affirmative action report to the Department of Management.

The universities are considered to be federal contractors for federal reporting purposes and thus must comply with federal law by developing an annual affirmative action compliance program. Federal law also requires the universities to take affirmative action to employ and advance in employment, qualified persons with
disabilities, special disabled veterans and veterans of the Vietnam era. Additionally, to comply with federal and state agency requirements, the universities must prepare the IPEDS Fall Staff Survey, the Vets 100 Report and the EEO/AA Annual Institutional Assurances Certification to the Iowa College Student Aid Commission. Compliance with these requirements, along with the submission of the annual affirmative action report to the Board, helps ensure vigilance by the institutions. As the institutions work to improve continuously the climate for diversity and ensure equal employment and educational opportunity, the Regent Strategic Plan Key Result Area of diversity is fulfilled.

B. Personnel Administration

1. Each institution and the Board Office shall regularly review its personnel practices and procedures with a view to correcting personnel practices and procedures that may contribute to discrimination in appointment, assignment, or advancement. Each institution shall conduct programs of job orientation and provide training and organizational structure for upward mobility and shall place emphasis upon fair practices. Each institution shall also bar from all employment application forms any inquiry as to race, creed, color, religion, sex, national origin, age, status as a veteran of the Vietnam era, or physical or mental disability, except for statistical purposes, unless it relates to a bona fide occupational qualification. The employment practices of the Board of Regents shall be in strict conformity to the provisions of all federal and state laws, executive orders, and rules and regulations of the Board of Regents and of its institutions which pertain to equal opportunity and affirmative action.

2. The Board of Regents shall develop a procedure to permit appointment of appropriately certified disabled applicants pursuant to Iowa Code §19B.2 Equal Opportunity in State Employment in Affirmative Action.

5.03 Employment Services, State Educational, Counseling, Training Programs, State Services and Facilities

All employment services, educational, counseling and job training programs for employees of Regent institutions and the Board Office shall be administered in accordance with law and Regent policy which pertains to equal opportunity and affirmative action. Equal treatment shall also be guaranteed by all institutions of the Board of Regents in providing their services and facilities to the public. (Iowa Administrative Code, 681, Chapter 7.3 - 7.5 (262)
5.04 Contract Compliance (Iowa Administrative Code, 681, Chapter 7.6(262))

A. Equal Opportunity

The Board of Regents, State of Iowa, and the institutions under its jurisdiction are responsible for the administration and promotion of equal opportunity in contracts and services and the prohibition of discriminatory and unfair practices within any program administered by institutions under the Board of Regents receiving or benefiting from state financial assistance in whole or in part. Every official responsible to the Board of Regents who is authorized to make contracts or subcontracts for public works or for goods or services shall cause to be inserted into every such contract or subcontract a clause in which the contractor or subcontractor is prohibited from engaging in discriminatory practices forbidden by federal and state laws, executive order, and rules and regulations of the Board of Regents and of its institutions which pertain to equal opportunity and affirmative action.

Contract Compliance procedures established by the Board of Regents, State of Iowa, are contained in the Iowa Administrative Code, 681, Chapter 7.6.

5.05 Targeted Small Business (Iowa Administrative Code, 681, Chapter 7.7, Iowa Code §§ 73.15-73.21)

A. Procurement Goal Program

It is the policy of the Board of Regents, State of Iowa, to provide contract opportunities to targeted small businesses (TSB's). Institutions governed by the Board of Regents shall seek, pursuant to the Iowa Targeted Small Business Procurement Act, 1989 Iowa Acts Chapter 315, Section 20, Iowa Code. Chapter 73, and Board policy, to contract with “targeted small businesses” as sources of supplies, equipment, construction, and services. All laws and rules pertaining to solicitations, bid evaluations, and contract awards apply to targeted small businesses. Particular attention should be given to considering Targeted Small Businesses for negotiated contracts (purchases under the bid limit) consistent with Iowa Code §73.19.

Targeted Small Business procedures established by the Board of Regents, State of Iowa, are contained in the Iowa Administrative Code, 681, Chapter 7.7.
5.06 Committee on Affirmative Action and Equal Opportunity

A Committee on Affirmative Action and Equal Opportunity is established and shall consist of two representatives from each of the institutions and the Board Office, as appointed by the Board upon nomination of their respective institutional heads and the Board Office. The Committee shall meet periodically to develop common guidelines and general procedures for administration of Regent policies on equal employment opportunities and to exchange pertinent information. The duties and responsibilities of the committee are fully outlined in 1.07F of this Manual.

5.07 Equal Opportunity and Merit System

A. All vacant positions at the institutions shall be advertised publicly for at least five working days, except where there is a viable Merit System register.

B. The Board encourages broad recruitment by the institutions designed to attract minority and female applicants.

C. The Board encourages each institution to develop training programs for its employees.

D. The Board directs that a system be established for regular reporting of applicants rejected by employing departments.
V. EQUAL OPPORTUNITY, AFFIRMATIVE ACTION, AND TARGETED SMALL BUSINESS

5.01 Equal Opportunity Policy (Iowa Administrative Code 681-7.1(262))

It is the policy of the Board of Regents to provide equal opportunity in all aspects of Regent operations to all persons without regard to race, creed, color, religion, sex, national origin, age, status as a veteran of the Vietnam era, or physical or mental disability except where it relates to a bona fide occupational qualification. The Board of Regents and all officials who are responsible to the Board of Regents shall take affirmative action in personnel administration to overcome the effects of past or present practices, policies, or other factors which serve as barriers to equal opportunities. Contractors doing business with the Board of Regents shall take affirmative action to ensure that all persons without regard to race, creed, color, religion, sex, national origin, age, status as a veteran of the Vietnam era or physical or mental disability except where it relates to a bona fide occupational qualification are effectively afforded equal opportunities. Institutions under the governance of the Board of Regents shall provide opportunities for minority and women businesses in the awarding of contracts through a procurement set-aside goal program as authorized by statute.

Equal Opportunity, Affirmative Action and TSB procedures established by the Board of Regents, State of Iowa, are contained in the Iowa Administrative Code, 681 IAC, Chapter 7.

A. Definitions:

1. "Actively managed" in the above context means exercising the power to make policy decisions affecting the business.

2. "Affirmative action" means action appropriate to overcome the effects of past or present practices, policies, or other barriers to equal opportunity.

3. "Bona fide occupational qualification" means a qualification reasonably necessary to the normal function of a position in the operation of a particular business. The concept of the bona fide occupational qualification is narrow in scope and will not be applied to include the mere preference or convenience of the employer.

4. "Minority person" means an individual who is a Black, Hispanic, Asian or Pacific Islander, American Indian or Alaskan native.

5. "Operated" in the above context means being actively involved in the day-to-day management of the business.

6. "Protected classes" shall mean racial or ethnic minorities, and groups who are protected under federal and state laws because of their creed, color, religion,
sex, national origin, age, status as a veteran of the Vietnam era, or physical or mental disability.

7. "Small business" means any enterprise which is located in this state, which is operated for profit under a single management, and which has either fewer than 20 employees or an annual gross income of less than 3 million dollars ($3,000,000) computed as the average of the 3 preceding fiscal years. This definition does not apply to any program or activity for which a definition for small business is provided for the program or activity by federal law or regulation or other state law.

8. "Targeted small business" means a small business which is 51 percent or more owned, operated, and actively managed by 1 or more women or minority persons.

B. Administration of Equal Opportunity Policy

1. In order to carry out the purposes of the policy, the Regent Equal Opportunity Compliance Office has been established at the Old Historical Building, Des Moines, Iowa. The coordination of the policy shall be the primary responsibility of the equal opportunity compliance officer, who in consultation with Regent institutions will act under the general supervision of the executive director of the Board.

2. The emphasis in the administration of the policy shall be to coordinate equal opportunity and affirmative action at Regent institutions and the Board Office and to require equal opportunity and affirmative action by contractors who do business with the Board of Regents and its institutions. In administering the policy the equal opportunity compliance officer shall monitor utilization of minority and women business enterprises as sources of supplies, equipment, construction, and services. (Board of Regents Minutes July 16, 1986, pp. 13-17; October 15-16, 1986, pp. 319-323)

5.02 Equal Opportunity (Iowa Administrative Code 681-7.2(262))

A. Affirmative Action

The Board of Regents and all officials who are responsible to the Board of Regents shall appoint, assign, and advance employees on the basis of merit and fitness. Each institution under the Board of Regents shall promulgate a clear and unambiguous written policy of nondiscrimination and shall adopt an affirmative action program containing goals and time specifications in personnel administration. Each institution shall submit an annual affirmative action report to the Board, between December 15 and December 31 each year. The Board shall submit its annual affirmative action report to the Department of Management by January 31 of each year.
The universities are considered to be federal contractors for federal reporting purposes and thus must comply with federal law by developing an annual affirmative action compliance program. Federal law also requires the universities to take affirmative action to employ and advance in employment, qualified persons with disabilities, special disabled veterans and veterans of the Vietnam era. Additionally, to comply with federal and state agency requirements, the universities must prepare the IPEDS Fall Staff Survey, the Vets 100 Report and the EEO/AA Annual Institutional Assurances Certification to the Iowa College Student Aid Commission. Compliance with these requirements, along with the submission of the annual affirmative action report to the Board, helps ensure vigilance by the institutions. As the institutions work to improve continuously the climate for diversity and ensure equal employment and educational opportunity, the Regent Strategic Plan Key Result Area of diversity is fulfilled.
B. Personnel Administration

1. Each institution and the Board Office shall regularly review its personnel practices and procedures with a view to correcting personnel practices and procedures which may contribute to discrimination in appointment, assignment, or advancement. Each institution shall conduct programs of job orientation and provide training and organizational structure for upward mobility and shall place emphasis upon fair practices. Each institution shall also bar from all employment application forms any inquiry as to race, creed, color, religion, sex, national origin, age, status as a veteran of the Vietnam era, or physical or mental disability, except for statistical purposes, unless it relates to a bona fide occupational qualification. The employment practices of the Board of Regents shall be in strict conformity to the provisions of all federal and state laws, executive orders, and rules and regulations of the Board of Regents and of its institutions which pertain to equal opportunity and affirmative action.

2. The Board of Regents shall develop a procedure to permit appointment of appropriately certified disabled applicants pursuant to 1986 Iowa Acts, Senate File 2475, Section 224, Iowa Code §19B.2 Equal Opportunity in State Employment in Affirmative Action. (Board of Regents Minutes July 16, 1986, pp. 13-17; October 15-16, 1986, pp. 319-323)

5.03 Employment Services (Iowa Administrative Code 681-7.3(262))

All officials responsible to the Board of Regents, who provide referral services for public or private employers, shall refuse to fill any job order which violates federal and state laws, executive orders, and rules and regulations of the Board of Regents and of its institutions which pertain to equal opportunity and affirmative action.

This rule is intended to implement Executive Order Number 15 of 1973. (Board of Regents Minutes July 16, 1986, pp. 13-17; October 15-16, 1986, pp. 319-323)

5.04 State Educational, Counseling, and Training Programs (Iowa Administrative Code 681-7.4(262))

All educational and vocational guidance programs and their essential components, counseling and testing and all on-the-job training programs for the employees of Regent institutions and the Board Office shall be administered in accordance with the provisions of all federal and state laws, executive orders, and rules and regulations of the Board of Regents and of its institutions which pertain to equal opportunity and affirmative action. Every official responsible for the implementation of such programs shall be charged with the duty of seeking to provide equal opportunity for all, regardless of race, creed, color, religion, sex, national origin, age, status as a veteran
of the Vietnam era, or physical or mental disability except where it relates to bona fide occupational qualification.

This rule is intended to implement Executive Order Number 15 of 1973. (Board of Regents Minutes July 16, 1986, pp. 13-17; October 15-16, 1986, pp. 319-323)

5.05 State Services and Facilities (Iowa Administrative Code 681-7.5(262))

Equal treatment shall be guaranteed by all institutions of the Board of Regents in providing their services to the public, and equal treatment shall be guaranteed in the use of their facilities.

Those in charge of the various institutions shall take especial care that no institutional facility is used in the furtherance of any discriminatory practices. (Board of Regents Minutes July 16, 1986, pp. 13-17; October 15-16, 1986, pp. 319-323)

5.06 Contract Compliance (Iowa Administrative Code 681-7.6(262))

A. Equal Opportunity

The State Board of Regents and the institutions under its jurisdiction are responsible for the administration and promotion of equal opportunity in contracts and services and the prohibition of discriminatory and unfair practices within any program administered by institutions under the Board of Regents receiving or benefiting from state financial assistance in whole or in part. Every official responsible to the Board of Regents who is authorized to make contracts or subcontracts for public works or for goods or services shall cause to be inserted into every such contract or subcontract a clause in which the contractor or subcontractor is prohibited from engaging in discriminatory practices forbidden by federal and state laws, executive order, and rules and regulations of the Board of Regents and of its institutions which pertain to equal opportunity and affirmative action. Contractors, vendors, and suppliers shall further be required to submit or have on file with the Board of Regents' Equal Opportunity Compliance Office a copy of their affirmative action program containing goals and time specifications. These contractual provisions shall be fully monitored and enforced. Any breach of them shall be regarded as a material breach of contract.

Contract Compliance procedures established by the Board of Regents, State of Iowa, are contained in the Iowa Administrative Code, 681 IAC, Chapter 7.6.

1. Compliance shall be determined by a comprehensive review and evaluation of a contractor's employment policies and practices and shall depend on an analysis of all relevant factors, including the following:

a. The contractor's publicly stated and posted policy regarding equal opportunity.

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b. The contractor’s external dealings with unions, employment agencies, newspapers, and other sources of employees.

c. The methods by which and places where the contractor seeks to recruit employees.

d. The contractor’s use of tests and qualifications for positions which are job related and not culturally biased.

e. Classification and compensation plans which apply equally to all employees.

f. Training programs which provide all persons including those in the protected classes with an equal opportunity to qualify for employment and advancement.

g. The contractor’s active support of local and national community action programs.

h. The effectiveness of the contractor’s affirmative-action program as evidenced, in part, by the number or percentage of persons of the protected classes employed at all levels, taking into account the geographical locations of the contractor’s work force.

2. The judgment regarding compliance shall be favorable if it is determined that the contractor is working affirmatively toward extending opportunities for members of the protected classes and is not discriminating against these persons. Contractors must be able to demonstrate to the satisfaction of the compliance officer that their affirmative-action program is productive.

B. Procedures

1. Contractors will be sent periodically an informative statement explaining the Regents’ equal opportunity policy. In the case of construction contracts, the statement constitutes part of the general conditions and bid specifications, and compliance with these is a condition of doing business with Regents institutions. It is the intention of the Regents to be fair and to avoid harassment and unnecessary reporting requirements and to be clear and firm about policy and expectations.

2. Contractors are to submit periodic reports as requested by the Compliance Office. The report forms shall be as brief as possible and designed to elicit relevant information about employment practices. The Compliance Office may request other relevant information from a contractor at any time.

3. The Compliance Office will solicit and compile additional information about present and prospective contractors from any reliable source including Regents
institutions, the Iowa Civil Rights Commission, Department of Economic Development, and other state and federal agencies.

4. The Compliance Office shall systematically review the reports and all other available information concerning the employment practices of present and prospective contractors. Whenever there is reasonable doubt, based on such reports and information, as to whether or not a contractor is discriminating or is failing to take affirmative action in compliance with the Regents' policy, the Compliance Office shall undertake a compliance review of the contractor. Every reasonable effort shall be made to secure compliance through conciliation and persuasion. The burden shall be on the contractor to demonstrate compliance and eligibility to do business with the Regents.

5. The Compliance Office will receive written and signed complaints against a contractor from any person aggrieved by the contractor's alleged discrimination. The Compliance Office shall promptly notify the institution involved of a complaint. The burden shall be on the complainant to prove the truth of the allegations. Cognizance will also be taken of verbal complaints, newspaper reports, and any other legitimate source, and these will be followed up if investigation appears to be justified. Award of contracts may be deferred while an investigation is pending, but executed contracts will not be suspended except in compelling situations.

6. If an investigation or compliance evaluation discloses that a contractor has discriminated or has failed to take affirmative action, the executive director in consultation with Regent institutions may declare the contractor ineligible unless it can otherwise be affirmatively determined that the contractor is able to comply. The executive director shall issue a written notice of ineligibility to the contractor, and give the contractor 30 days to show cause why enforcement proceedings should not be instituted. During the 30-day show cause period, every effort shall be made to effect compliance through the processes of conciliation, mediation, and persuasion.

7. If the contractor fails to show good cause for failure to comply or fails to remedy that failure, the executive director in consultation with Regent institutions may issue a written notice of proposed cancellation or termination of the existing contract or subcontract and debarment from future contracts and subcontracts, giving the contractor 10 days to request a hearing. If a request for hearing has not been received within 10 days from the notice, the contractor may be declared ineligible for future contracts and current contracts may be terminated for default following the approval of the State Board of Regents.

8. Hearings shall be conducted by a hearing examiner appointed by the executive director of the Board from a panel for hearing examiners selected and approved by the Board. The hearing examiner shall submit findings of fact and conclusions to the executive director who shall make final recommendations for final action to the Board of Regents.
9. The equal opportunity compliance officer shall promptly notify the Board of Regents and Regent institutions when such action is pending regarding the suspension, cancellation, or termination of existing contracts or subcontracts and debarment from future contracts and subcontracts.

C. Bidding Requirement

All construction specifications shall include, in the "Instructions to Bidders," the following paragraph: "Bidders shall file with each bid a completed Board of Regents Equal Opportunity Data Reporting Form as included in the specifications or certify on the Certificate of Reporting that they have filed their Annual Equal Opportunity Data Reporting Form with the Board of Regents Equal Opportunity Compliance Office. (Board of Regents Minutes July 18, 1986, pp. 13-17; October 15-16, 1986, pp. 319-323)

5.07 Targeted Small Business (Iowa Administrative Code 681-7.7(73 GA, Ch. 315))

A. Procurement Goal Program

It is the policy of the Board of Regents to provide contract opportunities to targeted small businesses (TSB's). Institutions governed by the Board of Regents shall seek, pursuant to the Iowa Targeted Small Business Procurement Act, 1989 Iowa Acts Chapter 315, Section 20, Iowa Code, Chapter 73, and Board policy, to contract with "targeted small businesses" as sources of supplies, equipment, construction, and services. All laws and rules pertaining to solicitations, bid evaluations, and contract awards apply to targeted small businesses.

Targeted Small Business procedures established by the Board of Regents, State of Iowa, are contained in the Iowa Administrative Code, 681 IAC, Chapter 7.7.

Regent institutions in consultation with the Board Office shall develop a program for awarding contracts to targeted small businesses. Regent institutions may divide total purchases, for services or goods, into tasks or quantities when it is economically feasible and allows maximum targeted small-business participation.

B. Construction Contracts

Regent institutions are authorized to negotiate or obtain competitive bids from targeted small businesses on construction contracts under conditions specified. Regent institutions may request the assistance of the Department of Economic Development or the Department of Management in the negotiation of a contract price.

1. Regent institutions are authorized to obtain competitive bids from targeted small businesses on construction contracts.

2. Regent institutions shall encourage targeted small business-contractors to submit bids as prime contractors on capital projects.
Regent institutions are authorized to establish targeted small-business participation goals for construction contracts that are publicly bid on a competitive basis. On contracts for which targeted small-business participation goals are encouraged, the targeted small-business participation goal shall be clearly identified in the special conditions of the contract documents. Satisfaction of the participation goal may be achieved through targeted small-business participation in a contract as a prime contractor or subcontractor, provided that only that portion of the contract price accruing to the targeted small business for work performed shall be used to determine whether the participation goal has been met.

On construction contracts competitively bid for which a participation goal is indicated, each bidder who is not a targeted small-business shall submit with the bid the name(s) of targeted small-business(es) to whom a subcontract will be awarded, a description of the work to be performed, and the dollar amount assigned to the work to be performed. The prime contractor shall sign a statement attesting to this provision.

Regent institutions shall require the prime contractor to make a good-faith effort to utilize targeted small businesses. The prime contractor shall maintain, and provide upon request, documentation as to what good-faith efforts were undertaken to utilize targeted small businesses. Good faith effort may include, but not be limited to:

1. Prime contractor’s efforts to locate minority and women-owned businesses.
2. Prime contractor’s efforts to make minority and women-owned businesses aware of contracting opportunities.
3. The prime contractor’s initiatives to encourage and develop TSB’s, taking into account the availability of TSB’s to work on state-assisted contracts.
4. Prime contractor’s efforts to increase the participation of minority and women-owned businesses in the contractor’s state-assisted contract.

C. Supply, Service, and Equipment Contracts

Regent institutions are authorized to negotiate or obtain competitive bids from targeted small-businesses on supply, service, and equipment purchase orders or contracts under conditions specified. Regent institutions may use any or all of the following procedures to encourage targeted small-business participation to the maximum extent possible.

1. Identify purchases that offer potential targeted small-business participation.
2. Identify targeted small businesses who can participate in the purchasing contract.
3. Send proposals and invitations to bid to targeted small businesses who can participate in the purchasing contract.

Regent institutions shall encourage targeted small business(es) to submit bids or quotations on supply, service, and equipment solicitations.

Regent institutions may:

1. Identify significant state purchasing commodities that are void of targeted small business participation.

2. Identify targeted small businesses that have the potential to develop in these areas.

3. Refer targeted small businesses who have potential or have expressed interest in these purchasing areas to the Iowa Department of Economic Development.

D. Certified Targeted Small Businesses

Only those targeted small businesses that have been certified by the Department of Inspections and Appeals shall be eligible as part of the targeted small business program to participate in the Regents' program. Application to participate in the Regents' program may be made by completing a vendor/contractor application form available from the Iowa Department of Economic Development, Small Business Section, 200 East Grand Avenue, Des Moines, Iowa 50309, or from Regent institutions.

E. Assistance to Targeted Small Business

Regent institutions shall cooperate with the director of the Department of Economic Development in the director's efforts to carry out the responsibility to develop and make available in all areas of the state, programs to offer and deliver concentrated, in-depth advice and services to assist targeted small businesses, as set forth in 1989 Iowa Acts, 73 G.A. Chapter 315. The advice and services shall extend to all areas of business management in its practical application, including but not limited to accounting, engineering, drafting, grant writing, obtaining financing, locating bond markets, market analysis, and projections of profit and loss.

F. Performance Standards

Targeted small businesses shall meet the required performance standards, procurement specifications, and the purchasing procedures of Regent institutions.

Determination of performance capability may include consideration of some or all of the following: production capacity, financial capacity, technical competence, timely delivery and service capabilities.
G. Inability to Perform

When the institution determines that a targeted small business is unable to perform under a contract, the Executive Director of the Board of Regents, the Regent Equal Opportunity Compliance Officer, and the Director of the Department of Economic Development shall be informed.

Nothing in this rule shall prohibit the institution from pursuing remedies set forth in contractual agreements entered into between the institution and the targeted small business where the institution reasonably determines that the targeted small business is unable to perform.

H. Reporting

The institution shall notify the Executive Director of anticipated purchasing requirements and shall provide additional information as required by statute no later than August 15 and quarterly thereafter. The Board shall receive and review anticipated purchasing requirements by the institutions on a quarterly basis. The Executive Director shall notify the Department of Economic Development and the Department of Management of anticipated purchases and recommended goals no later than August 15 of each fiscal year and quarterly thereafter.


5.08 Committee on Affirmative Action and Equal Opportunity

Committee on Affirmative Action and Equal Opportunity (Board of Regents Minutes May 16-17, 1990, p. 626)

(See Section 1.07F of this Guide.)

A Committee on Affirmative Action and Equal Opportunity is established and shall consist of two representatives from each of the institutions and the Board Office, as appointed by the Board upon nomination of their respective institutional heads and the Board Office. The Committee shall meet periodically to develop common guidelines and general procedures for administration of Regent policies on equal employment opportunities and to exchange pertinent information. The duties and responsibilities of the committee are fully outlined in 1.07F of this Guide.

5.09 Equal Opportunity and Merit System

A. All vacant positions at the institutions shall be advertised publicly for at least five working days, except where there is a viable Merit System register.
B. The Board encourages broad recruitment by the institutions designed to attract minority and female applicants.

C. The Board encourages each institution to develop training programs for its employees.

D. The Board directs that a system be established for regular reporting of applicants rejected by employing departments. (Board of Regents Minutes December 13-14, 1973, p. 377)