

The State Board of Regents met at Iowa State University on Wednesday and Thursday, December 19-20, 1979. Those present were:

	<u>December 19</u>	<u>December 20</u>
Members of State Board of Regents:		
Mrs. Petersen, President	All Sessions	All Sessions
Mr. Bailey	All Sessions	All Sessions
Mrs. Belin	All Sessions	All Sessions
Mr. Brownlee	All Sessions	Absent
Dr. Harris	All Sessions	All Sessions
Mrs. Jorgensen	All Sessions	All Sessions
Mr. Neu	All Sessions	All Sessions
Mr. Shaw	All Sessions	All Sessions
Mr. Wenstrand	All Sessions	All Sessions
Office of the State Board of Regents:		
Executive Secretary Richey	All Sessions	Arr. 8:43 a.m.
Director Barak	All Sessions	All Sessions
Director McMurray	All Sessions	All Sessions
Director Volm	Arr. 9:55	
Assoc. Director DeNio	Arr. 9:55	
Administrator Huber	Arr. 9:55	
Ms. Baker, Secretary	All Sessions	All Sessions
State University of Iowa		
President Boyd	All Sessions	Exc. 11:00 a.m.
Vice President Bezanson	All Sessions	Exc. 11:00 a.m.
Vice President Brodbeck	All Sessions	Exc. 11:00 a.m.
Assistant Vice President Small	All Sessions	Exc. 11:00 a.m.
Assistant to President Mahon	All Sessions	Exc. 11:00 a.m.
Director Hawkins	All Sessions	Exc. 11:00 a.m.
Assoc. Director Brisben	All Sessions	Exc. 11:00 a.m.
Asst. Vice President Phillips	All Sessions	Exc. 11:00 a.m.
Iowa State University		
President Parks	All Sessions	All Sessions
Vice President Christensen	All Sessions	All Sessions
Vice President Hamilton	All Sessions	All Sessions
Vice President Moore	All Sessions	All Sessions
Assistant Vice President Madden	All Sessions	All Sessions
Assistant to President Henry	All Sessions	All Sessions
University of Northern Iowa		
President Kamerick	All Sessions	All Sessions
Provost Martin	All Sessions	All Sessions
Vice President Stansbury	All Sessions	All Sessions
Director Kelly	All Sessions	All Sessions
Iowa School for the Deaf		
Superintendent Giangreco	All Sessions	Exc. 8:50 a.m.
Business Manager Kuehnhold	All Sessions	Exc. 8:50 a.m.
Iowa Braille and Sight Saving School		
Superintendent DeMott	All Sessions	Exc. 9:35 a.m.
Business Manager Berry	All Sessions	Exc. 9:35 a.m.
Director Malone	All Sessions	Exc. 9:35 a.m.

GENERAL

The following business pertaining to general or miscellaneous items was transacted on Wednesday, December 19, 1979.

APPROVAL OF MINUTES. The minutes of the November 15-16, 1979, board meeting were approved, as distributed. President Petersen stated that any non-substantive corrections could be forwarded to the minutes secretary.

COMMITTEE ON EDUCATIONAL COORDINATION. A. Study of Doctoral Programs in Education. The recommended action was to approve the procedure for studying the three doctoral programs in education (two existing programs and one proposed program) as outlined in the Proposal for Study of Doctoral Programs in Education at the Three Regent Universities prepared by the Interinstitutional Committee on Educational Coordination and Board Office. There are two aspects to the study. One aspect is that a report will be prepared providing a comprehensive descriptive report on the Regent Colleges of Education. This report is to be prepared by February 28, 1980. The second aspect is that a set of recommendations will be prepared which will analyze and interpret the data from the first phase and will include a set of recommendations and strategies for implementing them. These recommendations will be prepared, if possible, by the April, 1980, meeting.

Comments on the report were that there was no discussion mentioned of the requirements and usages of the Ed.D. and Ph.D. degrees and about what the status of the University of Northern Iowa would be if it had the program, what it's status would be if it did not have the program, and whether resources might be freed up for use in other areas. Vice-President Christensen stated that the Ed.D. and Ph.D. requirements and usages were not specifically mentioned but that the committee would be happy to include them in the report. He also indicated that the questions about the university's status with and without the program and the use of resources were included by implication in the section on how doctoral programs relate to other programs within the three institutions.

MOTION:

Dr. Harris moved approval of the procedure for studying the three doctoral programs in education (two existing programs and one proposed program) as outlined in the proposal by the Interinstitutional Committee on Educational Coordination and Board Office. Mr. Wenstrand seconded the motion and it passed unanimously.

President Petersen thanked the committee and Board Office for the extra time spent on the proposal and said it would serve the needs of the board very well.

B. State Extension Council Report. The Board Office summarized the report of the State Extension Council for 1978-79. An annual report for presentation to the board which includes "a review of extension/continuing education accomplishments through the efforts of the individual extension/continuing education services and through cooperative efforts" is required.

The report includes a review of registrations in the continuing education area in 1978-79. It indicated that combined credit registration for the three universities increased approximately 17.5%.

With respect to non-credit registration, the report noted that Iowa's mandatory continuing education act is beginning to have its effect and a sharp increase is anticipated in the areas of study for persons requiring this type of training. However, other educational institutions and agencies are expected to enter the field and it is difficult to determine at this time the impact that the Regents' institutions will feel.

The report noted that a study is underway to gain information on need, use, and cost for a telenetwork among the three Regent institutions. With the prospect of less fuel for travel, this dissemination network may be one way to augment the continuing education delivery system.

The Board Office made the following comments about the report. Although the dollar value of Iowa's contribution to the Quad-Cities Graduate Center has increased, it has decreased in proportion to that contributed by Illinois. More than half the students participating in the Quad-Cities Center are from Iowa, yet less than half of the financial support for the Centers comes from Iowa. Some concern has been raised by Illinois state officials regarding the disproportionate support for the Center between the two states. The Board Office recommended that this be studied and a report made to the board in the spring.

The State Extension and Continuing Education Council administers Title I-A of the Higher Education Act of 1965 for the Board of Regents. There is a possibility that the administration of the project may be changed due to proposals in federal legislation (HR 5192).

Ralph Patterson, President of the State Extension Council, was present at the board meeting to answer questions about the report.

Regent Bailey wondered since the Title I program appeared to be losing momentum whether it should be given more active support. Mr. Patterson said the interest in the State of Iowa is as high now as it was in 1965-66. However, interest and allocations from the federal government are lacking. Regent Bailey thought this to be a passive rather than an active situation and felt it would be desirable to let the federal government know the board's feelings at the legislative level. Mr. Patterson indicated that there are some organizations actively lobbying Congress for allocation of funds.

Regent Wenstrand asked if the council was satisfied with the progress and direction of the southwest Iowa program and Mr. Patterson responded that the council was extremely pleased but could use more money to do more.

Regent Belin asked about the status of the system of telenet links between universities and off campus locations as a way of delivering instruction without using as much energy. Mr. Patterson indicated that a study is being conducted at the University of Iowa. Attempts to get in on the areas community college telenetwork have been unsuccessful and attempts are being made to develop a system in the Regent's institutions. Such a system will take some time to develop.

MOTION:

Mr. Bailey moved that the board request a summary of the funding for the Quad-Cities Graduate Study Center be undertaken by the Interinstitutional Committee on Educational Coordination and the Board Office with a report back to the board in March. Mrs. Belin seconded the motion and it passed unanimously.

President Petersen received the report on behalf of the board and thanked the council for their work.

C. Gerontology Report - University of Iowa. The Board Office noted that the Iowa Gerontology Project is a consortium of Regents' universities formed to promote multidisciplinary gerontology activities within and between the participating campuses.

An oral presentation was made by William Farrell of the University of Iowa and Tom Walz, director of the Iowa Gerontology Project. Ed Power, Joe Wallace, and Jean Snow were also present. They began with a brief history of the development of the project. An interinstitutional consortium was formed for making applications to federal agencies so institutions would not be competing with each other. This permitted some curriculum building and research activities on a cooperative basis. An interinstitutional review committee was developed to avoid duplication on the campuses. Ten to fifteen new courses were developed out of the strengths of each particular campus. The same approach was followed in regard to research seed money. Awards were made to faculty members on three campuses. A research activity was developed building on each other's work and sharing a common information repository.

Other activities included cooperative faculty development seminars with outside resource people, institutional competition for research and curriculum building. A single representative in the field of gerontology to appropriate state and federal agencies was chosen. The consortium has done policy relevant research studies, helped to develop a public policy statement with legislative people, and assisted in a community-based long-term care plan in Iowa. This project has received national attention and is serving as a framework and development of a state-wide system. The consortium has also produced workshops in various corners of the state and assisted senior legislators.

When seeking funds for the project, the level of institutional commitment is very important and this commitment has been very good. One problem is that the project has received almost totally external funding and this creates some unevenness. There is a need to have funding stabilized so the project will know what it can expect from year to year.

In summary, Mr. Walz said the consortium has two real strengths: 1) long-term care--medical school, auxiliary services, and model projects; and 2) rural aging--how to deliver services to a state with a dispersed population.

President Petersen thanked the members of the Iowa Gerontology Project for their work and accepted the report on behalf of the board.

D. Catalog Changes - University of Iowa. At the November board meeting, the proposed catalog changes for the University of Iowa were referred to the Interinstitutional Committee on Educational Coordination and the Board Office for review. The committee has reviewed the proposed catalog changes and recommended them for approval. It is the understanding of the Board Office that the proposed catalog changes do not represent any major new program.

MOTION:

Mr. Bailey moved approval of the proposed catalog changes at the State University of Iowa. Mr. Brownlee seconded the motion and it passed unanimously.

PROPOSED LOCATION OF NEW LAW BUILDING - UNIVERSITY OF IOWA. This matter was deferred. See President Boyd's comments on p. 314.

SALARY POLICY FOR NON-ORGANIZED EMPLOYEES. The Board Office provided information on the growth of the cost-of-living indices which showed that the cost-of-living index for wage earners and clerical workers increased 12.4 percent in October, 1979, over October, 1978.

Several representatives of the faculty and staff councils at the institutions made presentations to the board. The discussion was led off by President Boyd who stated that the board has no greater responsibility than to assure that the core of the institution is sound and that this is done through a sound salary policy. He spoke for the non-organized faculty at Iowa State University, the University of Iowa and the University of Northern Iowa and for the non-organized professional and scientific staff and for the non-organized merit staff at all five institutions.

President Boyd stated that an 11-state area has been used for comparison. The policy has been to seek third position in this 11-state area. Currently Regent institutions are quite far from that position. He also said that the 11-state is not truly representative of the competitive market because the market for faculty is national. In order to reach the third position in the 11-state area, six million dollars of additional funding would be required for faculty salaries. Two million dollars of additional funding would be required for the professional and scientific salaries to become competitive, based on studies of comparable positions.

He noted it has been the policy of the board to adhere to the presidential guidelines and this has put the institutions at a disadvantage. A crucial factor is that there are federal monies coming in to the institutions. This gives the federal government leverage over the institutions. Private industry is not subject to this kind of leverage. Although this issue was set for the biennium, it is important that it be reopened since institutions have been disadvantaged by the guidelines.

President Parks introduced several members of the Iowa State University community who wanted to make presentations and present resolutions.

The first presentation was made by Phillip Baumel and Dennis Starleaf of the Faculty Council of Iowa State University. They introduced a Faculty Council Resolution on Supplemental Salary Appropriations and a report on The Real Salary Experience of Iowa State University Faculty During the Decade of the 1970s prepared by Professor Starleaf. Professor Starleaf is a Professor of Economics and Chairman the Committee on Budget. The resolution cited the Consumer Price Index which will rise by more than ten percent during 1979. A ten percent increase for the Consumer Price Index is forecast for 1980.

The resolution asked the Board of Regents to request that the Iowa legislature, in its 1980 general session, consider supplementary appropriations for the purpose of increasing the salaries of Board of Regents employees. It stated that a "supplemental appropriation would be highly desirable from the standpoint of retaining high quality employees to better serve the citizens of Iowa through the Board of Regents' institutions."

Professor Starleaf indicated that his report contained several tables on dollar average salaries of faculty members at Iowa State University and fringe benefits. He noted that personal income in the State of Iowa was up 28.6%. Although they have experienced inflation, people in the state have generally prospered in real terms. This is not true of faculty members at Iowa State University. The report included a review of the experience of some faculty members and their real salaries.

George Covert, Chairman of the Professional and Scientific Council, Iowa State University, presented a summary of findings on a study on salaries. The Professional and Scientific Council has taken two actions: 1) to reaffirm support of President Parks' proposal of asking for supplemental salary increases; and 2) a request for 6% in addition to 7% plus an additional 2% for merit.

He said the council took action because some of its members were concerned about experiencing a slow decline in earning power and a petition was submitted to the council asking that it try to do something about salaries. The council felt it was important to include the 2% merit increase because of concern that in the long term, erosion in purchasing power will effectively undermine the concept of merit.

Janet Putnam, Chairman of Staff Council, Iowa State University, read a resolution from the Staff Council to the board which noted that the restraints imposed by the presidential guidelines during the budgeting period have been relaxed. It also stated that the philosophy of "merit" increases was never meant to be a cost of living supplement but a reflection of job commitment and commendable performance and such salary increases obtained due to performance should remain distinct from cost of living." It noted that the increases granted last year will not meet the needs of Merit employees. The Staff Council "strongly urges the Board of Regents to reexamine the appropriations for the 1980-81 year and submit a request for supplemental appropriations to the Iowa legislature to meet the increasing rise in cost of living for the employees of the State of Iowa."

Frank E. Haggard, Iowa State University, representing the Department Executive Officers, noted that department executive officers are working daily with faculty members who are concerned about the pattern of salary increases. He offered several samples of problems. The Department of Industrial Engineering has had problems filling positions and competing for the low percentage of graduates who go into academic positions. About 70% of graduating Ph.D.s in industrial engineering take jobs in private industry. The Department of Economics has had fewer applications for its positions each year for the past four years. Although it is possible to fill the positions, choices are becoming severely limited. The salary problem is also affecting the morale of the faculty members. Professor Haggard added his support to President Parks in his effort to obtain a supplemental salary increase for next year.

Donald Boles, Professor of Political Science, and E. Robert Baumann, Distinguished Professor of Civil Engineering, appeared before the board as concerned faculty members at Iowa State University. They recommended that the board adopt policies that would convince the Iowa legislature to fund and the university administrations to implement a program that would:

1. Return mean faculty salaries at all academic ranks to the level of buying power that existed at all three institutions in 1969-70, so that the high academic ranks do not lose salary to the entry academic ranks.
2. Provide an average salary fund increase of 19.5% for 1980-81 or increases commensurate with an expressed Board of Regents policy to return each academic rank to salary levels that provide 1969-70 buying power in the next two or three years.

President Kamerick indicated that the non-organized groups at the University of Northern Iowa did not wish to make a presentation but would answer any questions. He indicated that the groups endorsed what had been said so far.

John Mixsell, Director of Personnel at the University of Northern Iowa, noted that there is some concern because of the labor intense market in which the University of Northern Iowa is located. As a result of competition, the university is unable to fill some positions. He has experienced some problems in recruiting. He noted current employees are under pressure to be drawn away from the university. An increasing number of long-term, highly qualified, productive people have decided they can no longer afford to stay at the university. It is difficult to find qualified replacements and the quality of applicants has deteriorated.

Larry Gelfand, President of Faculty Senate, lead off the remarks by the non-organized groups at the University of Iowa. He noted that the university competes not just for qualified faculty but for the best qualified faculty and that competition is nation wide. Present salaries have discouraged young people from contemplating a career in academic work.

Eleanor Birch, Chairman of the Faculty Senate Budgetary Review Committee, remarked that this is not an ordinary kind of asking. She indicated that salaries have risen 38% but the cost of living has risen over 66½%. The cost of living has gone up more than 1 3/4 times what salaries have gone up.

She said the true ability of the State of Iowa to pay salaries has gone up astronomically. An indicator of the state's ability to pay is tax revenue from Iowa personal income tax, Iowa corporate income tax, and sales tax. These taxes have increased by 160.1%, 4.2 times the rate at which salaries have gone up. She noted that faculty and professional and scientific staff must pay these taxes. She ended by saying the opportunity cost of remaining at the university is rising every day.

Charles Swisher, President of Staff Council, presented two resolutions from the Staff Council at the University of Iowa. One resolution recommended a 12% increase in salary monies for the professional and scientific staff because the increase received in July did not meet the rise in the cost of living for the previous year. The other resolution recommended a 12% salary increase for members of the Regents Merit System. That resolution stated that "staff members most affected by the cost of living are the merit system staff due to the fact their salaries generally tend to be lower but their basic needs are rising at the same rate."

Shani L. Brooks, a member of the Staff Council, noted that many of her colleagues have taken positions elsewhere because they receive little reward for the jobs they do.

President Boyd summarized the askings of the non-organized associations:

1. Salaries must be tied to the academic market place and a competitive market place. The 11-state area is a minimum, not a maximum.
2. The Carter guidelines have special application to the institutions because of the leverage they give the federal government. It is important to secure some way through the guidelines.

Superintendent Giangreco indicated that the Iowa School for the Deaf is experiencing the same problems as the other institutions. At the beginning of the school year the school lost 4 teachers - two to industry at double salaries and two to other teaching systems. There is a critical shortage of teachers in special education and the issue of salary must be addressed accordingly.

Superintendent DeMott agreed saying that if salaries are not kept to an appropriate level, positions can not be filled. It is especially difficult to recruit outside the State of Iowa.

Regent Belin said she was impressed by the fact that competent people now in our universities might be lost and the benefits of those students who might elect to join these fields might also be lost. If present faculties do not receive adequate salaries, in the next few years education may be in a serious period of retrenchment. Regent Shaw was also supportive of the request and said it was modest under the circumstances. He suggested changing the comparison area and using 1969 era as a basis. He felt adjustments should be made on a national basis since schools in the 11-state area may not be doing enough on salaries either.

Vice-President Moore noted that at the time salary increases were made the federal calculation method was not available. Treasurer Madden has made

calculations of the salary increases according to the federal method and they amount to about only 4%. Therefore, there is some leeway for additional salary increases.

MOTION:

Mr. Brownlee moved that the board express appreciation to the non-organized employee groups who have made a reasoned and reasonable presentation to the board and that the board go on record that we face a salary situation of crisis proportions and that these presentations be used as resource material by the board office for presentation to the legislature for supplemental salary appropriations for next year and that those presentations be compiled and conveyed to the Governor's office for salary requests that he may make to the Legislature. The motion was seconded by Mrs. Belin.

Regent Bailey noted that emphasis should be placed on the fact that salary increases were much less than the guidelines would have permitted. President Petersen indicated that this matter will appear on the legislative program and the board would seek an opportunity to have a hearing with the Governor and legislative committees.

VOTE ON MOTION:

The motion passed unanimously.

AMENDMENT TO BUDGET REQUEST, 1980 SESSION. The Board Office noted that at the October board meeting the Regents approved an appropriation request for the current estimate of a deficit of \$2,383,000 for 1979-80, including a carry-forward deficit from 1978-79 of \$225,000, for each of the 1979-80 and 1980-81 years. This request represented a budget base adjustment on the basis of the current estimate of fuel and purchased electricity costs for 1979-80.

Iowa State University needs to reduce emissions from the university's heating plant to satisfy requirements for clean air. The institution estimates that the proposed changes would add \$540,000 for 1979-80 and \$1,285,000 for 1980-81 to the previously estimated fuel and purchased electricity deficit due to change of coal suppliers and quality of coal used.

The average price is now estimated at \$1.72 per MMBTU for 1979-80 as compared with the original estimate of \$1.60 per MMBTU. The revised estimate includes about \$.05 per MMBTU for freight rate increases that will be incurred during the remainder of this year.

Iowa State University is buying 100,000 tons of Iowa coal this year in accordance with its contracts with Iowa suppliers. The revised estimate for 1980-81 amounts to \$2.22 per MMBTU as compared with \$1.92 in the original

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estimate. The revised estimate includes an estimate of 20 percent increase in prices for inflation and the additional cost of higher quality out-of-state coal or washed Iowa coal.

The Board Office noted the recommendation to increase the supplemental appropriation request for fuel and purchased electricity to \$2,923,000 is consistent with that previously approved by the board to include only the current estimate of deficit for 1979-80 as a base adjustment for each of the years 1979-80 and 1980-81.

The institutional request for 1980-81 would be considered along with the other Regents' institutions requests when the availability and price for Iowa coal become known and six months actual experience in 1980-81 can be confirmed.

MOTION:

Mr. Brownlee moved that the previously approved supplemental appropriation request of \$2,383,000 for each of the years 1979-80 and 1980-81 for fuel and purchased electricity be amended to \$2,923,000. Dr. Harris seconded the motion and it passed unanimously.

LEGISLATIVE PROGRAM - 1980 SESSION. The Board Office report on the legislative program covered several areas.

- A. Supplemental Operating Appropriations Request. At its October meeting the board requested supplemental operating appropriations of \$2,383,000 for the current year and \$7,064,000 for 1980-81. The primary reason for requesting supplemental operating funds is inflation. Requests are in the categories of fuel and purchased electricity, federal health and medical education capitation grant losses, and supplies and services. With the increase approved above for Iowa State University's fuel and purchased electricity, the request will be \$2,923,000 for the current year and \$7,603,000 for 1980-81.
- B. Capital Appropriations. In October and November the board approved a direct capital appropriation request of \$19,455,000. The board also stated support for the action of the city of Iowa City leading to construction of a west campus access road at the University of Iowa. The Legislature will be requested to appropriate \$1,363,000 to the State Executive Council as the general fund costs on this road.
- C. Ten-Year Capital Program. In November the board approved the submittal of a ten-year capital program totaling \$250,000,000 to the 1980 legislature. The legislature will not need to act on the program because action only occurs in years in which the board seeks expansion of academic bonding authority.
- D. Hospital Bonding Resolution. At this meeting the board was requested to approve introduction of a resolution to the 1980 legislative session and seek authorization to sell \$18,000,000 in hospital revenue bonds as partial

financing for the University of Iowa South Pavilion--Phase A (see pp. 297-300). This resolution must be adopted by a constitutional majority of the legislature prior to sale of those bonds.

E. Appointments to Board of Regents. Investigating committees were appointed for the reappointment of S. J. Brownlee and the appointments of Ann Jorgensen and Arthur Neu to the Board of Regents for regular six-year terms commencing July 1, 1979. The only committee reporting action was the one for Mr. Neu which recommended that the appointment be confirmed. Full Senate action was not taken. It appears the legislature will have to act on these appointments within 30 days after the convening of the 1980 session. This means action needs to be taken by February 13.

F. Reappropriation to Iowa State University Agriculture Experiment Station. In the 1978 session on its own volition the legislature appropriated \$75,000 to the general fund to Iowa State University Agriculture Experiment Station. The appropriation was to be used by the university to conduct study and research which was to include, but was not limited to, the effects on grain grading, testing and pricing in Iowa of weight shrinkage factors, price discounts, grain product quality, and present harvesting techniques. The appropriation was made specifically for the fiscal period beginning July 1, 1978, through June 30, 1979.

Iowa State University has informed the Board Office and the State Comptroller's Office that the research plan developed to carry out this project contemplated completion by June 30, 1980. The matter was discussed with appropriate legislative committees during the 1979 legislative session but no action was taken in the 1979 session to extend use of these appropriations to June 30, 1980.

The institution indicated that the Experiment Station will be requesting an extension of time or reappropriation of the balance of the funds for the project. This is estimated to be approximately \$56,000 to June 30, 1980.

G. Carryover Legislation. In its 1979 session the legislature completed action on 36 bills identified as being of some interest to members of the Board of Regents or the institutions. One of these bills was vetoed by the Governor and the rest went into effect at various times during the year. Since the 1979 session was the first session of the 68th General Assembly, any bill introduced in that session which did not receive final action carries over to the 1980 session. The Board Office has identified about 187 bills of interest which carry over to the next session.

Positions have been taken by the board on all 187 bills being carried forward. At the January board meeting the monthly legislative report will include an updated summary report on the carryover bills and include recommended Regents' positions for review and discussion. This position can then be utilized by legislative liaison and others in discussion on particular legislation when that legislation receives action in the legislature. The position is the official Regents' stance on a particular bill.

Some of the major issues included in the carryover legislation are: changes in compensation for the Iowa Public Employees Retirement System; retention of

funds on construction contracts; reappropriation of federal funds by the state; organization of a new mental health agency; tort claims matters; changes in the bribery code; formation of a Midwest Education Compact; merged area bonding for dormitories and student facilities; and changes in air quality regulations. A number of these issues have been addressed by interim legislative committees.

In addition, there is a subcommittee working on municipal laws review, and drafting amendments to Chapter 419 of the Code relating to bonds issued by municipalities to finance projects. With the passage of S.F. 448 in the 1979 session, a municipality has the power to issue revenue bonds for the purpose of retiring existing indebtedness at any private or state of Iowa college or university.

I. New Legislative Proposals. Each year, on the average, about 1,300 new bills are introduced in the legislature. Because of the broad-ranging responsibilities of the Board of Regents and the institutions, about one out of every five bills introduced in the legislature is followed. The Board Office acts as a clearinghouse for receipt of comments from the institutions on legislation of interest. Selected bills are included on the monthly report to the board. Some of the new legislative proposals will undoubtedly come from the recommendations of the Governor's Economy and Efficiency Committee. That report is expected to be issued before the end of the year.

Two proposals for introduction of legislation by the Board of Regents have been received from institutional personnel and these are currently being researched.

J. Special Report. The 1979 legislative session mandated two reports by the Board of Regents in legislation passed in the last session. The first report requirement is set forth in S.F. 485, section 27. The Board of Regents is required to submit to the General Assembly by February 1, 1980, a report on their progress toward increase of the energy efficiency of their motor vehicle fleets. The report is to include a list of all new vehicles purchased during the prior fiscal year. This report is covered initially in the Vehicle Purchase and Disposal Policy, 1980 (pp. 285-286).

The second report is required by H.F. 734, section 11, in which \$300,000 was appropriated for the biennium to Iowa State University to be used by the Energy and Mineral Resources Research Institute (EMRRI) to conclude the coal research project. The requirement is that EMRRI shall submit a final report on the coal research project to the appropriations subcommittees on natural resources of both houses of the General Assembly. The institution should submit this final report to the board prior to its submittal to the appropriations subcommittee. It will be determined before the January meeting whether the report will be submitted to the 1980 or 1981 session.

Mr. Richey noted that with respect to the item in carryover legislation concerning the organization of a new mental health agency, there is an issue of the work of the mental health authority and of a research function. President Boyd said he has a strong conviction that the research and instruction portion should remain as it is.

Mr. Richey also noted that the Governor's Economy and Efficiency Committee will report on December 27, 1979. Business officers will meet one week later. All items will be on the agenda with some analysis at the January meeting. The board should take positions on some items as quickly as possible. In response to a question from Regent Brownlee, Mr. Richey said Regents would be notified of issues before the January docket is prepared. A brief of significant issues will be given on Friday, January 4. President Petersen said that at the January meeting there would be time to respond to any questions or comments on positions that have been taken previously on carry-over legislation and to give new board members an opportunity to ask questions. The positions taken at the January meeting or taken previously will be considered to be the judgment of the board at that time.

President Parks remarked that statements about the coal research project should be worded carefully. The university has received assurance from the federal government for continued support and he doesn't want to give the impression that the project is over.

Mr. Richey reminded the board and institutions that any programs should come through the Board Office rather than going directly to the legislature.

President Petersen received the report on behalf of the board.

FIVE-YEAR INSTITUTIONAL ROADS PROGRAM, 1980-1984. The recommended actions were: 1) approve the 1980 program, which includes payment for a project completed this year and seven other projects all totaling \$579,653 for construction and \$175,000 for other costs; 2) approve the Five-Year Institutional Roads Programs for 1980-84. This program totals \$3,875,000; 3) accept the list of identified unmet institutional road needs at the institutions and direct that this report be forwarded to the Department of Transportation for its information; 4) request the Iowa Department of Transportation to reexamine and update that portion of its Quadrennial Needs Study, 1978-1997, that deals with State Parks and Institutional Roads, so that that study more accurately reflects the full roads needs of agencies funded from that source and oppose any action which would decrease the funding for State Parks and Institutional Roads until this matter has been subjected to thorough review by the Iowa Department of Transportation.

The Board of Regent's institutions maintain 51.27 miles of institutional roads, of which about 60% is under the jurisdiction of Iowa State University. The Regents' Institutional Roads Committee is composed of Mr. Finnegan of the University of Iowa, Mr. Manion of Iowa State University, Mr. Walter of the University of Northern Iowa, and Mr. McMurray of the Board Office. It annually makes recommendations to the board on its Five-Year Institutional Roads Program.

The Board Office reported the following background information. The institutional roads program was authorized in 1961 through a standing appropriation of \$500,000. This annual appropriation provided for construction, design, and maintenance of institutional roads under the jurisdiction

of the Department of Social Services, the State Conservation Commission, and the Board of Regents. Since then this allocation has undergone changes in fund accumulation and other agencies have been added.

In 1978, the legislature changes the method of fund accumulation from a static amount to a formula basis, with accumulations to be off the top of all road use tax receipts annually. The fund receives 65/100ths of 1% of all such road tax receipts annually on a calendar year basis.

The Board Office estimated that the State Parks and Institutional Roads funding will range from about \$2.5 million in 1980 to \$2.8 million in 1984. Individual agency shares are allocated in the ratio that the needs of the agencies bear to the total needs for those facilities based upon the most recent Quadrennial Park and Institutional Needs Study conducted by the Iowa Department of Transportation. The Code requires that the commission conduct a study of the road and bridge facilities in state parks, state institutions, state fair grounds, and area school property. The study shall evaluate the construction and maintenance needs and projected needs based upon estimated growth for each type of facility, to provide a quadrennially updated standard upon which to allocate funds appropriated for the purposes of the act. Prior to the addition of the area community colleges and the Fair Board to the program, the Board of Regents received 35.2% of the annual amount.

Because of the lateness in completion of the Quadrennial Needs Study by the Iowa DOT, a redistribution of resources has been delayed until no later than program year 1981. The current program has provided for the use of a static figure for each agency. The static figure will be utilized only for 1980. This amount is \$775,000 annually for the Board of Regents. The Board Office expressed a belief that the board's ultimate annual allocation will be substantially higher based upon expressed need. A return to a formula-based allocation which has the institutional roads sharing proportionally of total road use tax funds receipts is anticipated.

For the 1980-84 program the Board of Regents' institutions plan to expend \$3,875,000. Of this \$2,869,653 will go to construction; \$575,000 in to maintenance; and \$430,347 into engineering and administrative costs on the construction program.

The Board Office continued with a status report on activities during 1979. Five institutional road projects were undertaken this year. These included a lighting project at the University of Iowa, a payment to the University of Northern Iowa on a road constructed during 1978, two small reconstruction projects on roads at the University of Northern Iowa, and a paving project at Iowa State University. In addition, the University of Iowa undertook a project to reconstruct roads at the Hancher Auditorium and Music Complex, advancing institutional funds for this project subject to reimbursement from the roads fund in 1980. It is expected that expenditures for institutional roads during 1979 (excluding the Hancher Auditorium project) will be about \$575,000.

The Board Office report included an outline of the 1980-84 construction program. During 1980 it is proposed to undertake seven projects, in addition to payment being made to the University of Iowa for the actual costs of the Hancher Auditorium and Music Complex project mentioned above. The initial priority is to relocate the Vocational Building access road at the Iowa School for the Deaf. This project is made necessary by the proposed Vocational Building Addition encroaching upon the present access road. This road serves as a means of campus access for fuel oil supply and needs to be done in conjunction with the Vocational Addition.

Three related projects at Iowa State University are included in the program: the development of a campus by-pass plan which involves removal of a substantial amount of traffic from the central campus; extension of Elwood Drive and the relocation of Sixth Street around the campus, initiated in 1983-84; and until the extension and relocation can be initiated, resurfacing existing Sixth Street which is a second priority in the 1980 program. The Elwood Drive and Sixth Street project would be initiated to a limited extent in 1980 through the other projects. The city of Ames will have extensive fill available because of its 13th Street project and proposes that it be used for compaction on the proposed route of the Elwood Drive extension. In the Sixth Street Relocation, Storm Sewer Relocations, the university was funded for certain utility storm sewer extensions by the 1979 appropriation and partial storm sewer extensions can be done at the same time as those other utility extensions at some cost savings.

Two other projects are lighting of two institutional roads at the Iowa State University and maintenance of a number of roads at the University of Iowa which have become badly deteriorated.

The final project is the Reconstruction of Roads Serving the Shops Area at the University of Northern Iowa. There will be increased traffic, both volume wise and weight wise, in the area when the new coal-fired boiler is operational at Plant #2. The University of Northern Iowa has submitted a proposed design agreement in which it indicates a need to undertake this project early in 1980 in conjunction with other site development on the coal-fired boiler project. The institutional roads program would reimburse the university for this project in 1980 and 1981.

The 1981 program includes five projects in addition to a final payment to the University of Northern Iowa on the Shops Area roads. These projects include: paving a gravel road at Iowa State University; constructing an access road for a new radioactive materials storage facility at the University of Iowa, constructing an access road connecting the road from the married student housing area to the central campus at the University of Northern Iowa, building a proper access drive for the Art Building at the University of Iowa, and initiating a project to extend the Iowa Avenue overpass at the University of Iowa.

The 1982 program includes projects to: complete the Iowa Avenue overpass through reimbursement; construct a new drive for emergency access from the west for the University Hospitals complex; undertake limited farm roads

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improvements in Lucas and Delewar Counties on roads under the jurisdiction of Iowa State University; reconstruct two roads at the University of Northern Iowa, and provide better access for the English/Philosophy Building at the University of Northern Iowa.

The 1983 program includes four projects; an access road for the new Law Building at the University of Iowa; complete reconstruction of the roads serving Hancher Auditorium through work on the north entrance drives; reconstruction of the institutional roads network at the Iowa School for the Deaf; and the Elwood Drive Extension/Sixth Street Relocation at Iowa State University.

The 1984 program includes Phase II of the Elwood Drive project and resurfacing some selected streets at the University of Northern Iowa.

Twenty-two new projects will be undertaken during the next five years at a cost of \$2.9 million for construction. Costs are expressed in 1980 dollars.

The Board of Regents' institutions have identified unmet construction needs which total \$9.7 million. It is estimated that only 22.8% of the construction needs of the institutions will actually be met within the next five years.

The Iowa DOT recently published its Needs Study, mentioned earlier, covering the period 1978 through 1997. The study shows that the summer of 20-year construction and maintenance needs for Regents' institutions is \$5.3 million. Through correspondence with the Iowa DOT, concerns over the accuracy and expression of needs for the Regents' institutions have been expressed. The Board Office noted it felt that the 20-year needs of the institutions are more in the neighborhood of \$18.3 million than \$5.3 million.

The Transportation Commission has begun discussion of road needs of the state based upon the Needs Study. There has been some movement for legislative proposals which would reduce the percentage of the State Parks and Institutional Roads Fund to "bring it down to a proportion equitable to the rest of the road needs of the state." The Board Office recommended, however, that the Board of Regents oppose any such efforts until such time as the Iowa DOT undertakes a serious reexamination and corresponding updating of the institutional roads portion of the Quadrennial Needs Study, so that the Needs Study more accurately reflects true institutional road needs of user agencies.

The Board Office expressed concern whether the State Parks and Institutional Roads Fund as presently constituted can provide a timely response to institutional roads needs of the universities, particularly for high-cost construction projects. An example is the West Campus Access Road at the University of Iowa which has a cost estimate of \$1.3 million. In 1980 total funding for the Board of Regents is \$775,000. The only way such projects can now be undertaken is to phase the funding over several years and in effect borrow institutional funds until such time as the State Parks and Institutional Road funding can provide reimbursement for the project. It is possible that the future use of this fund will be for reconstruction and resurfacing projects only while major new projects are funded from other sources.

Mr. McMurray led off the discussion by noting that the Iowa DOT Needs Study does not reflect the total roads needs of the institutions. The 5-year construction program under present funding constraints would take over 20 years to complete. He emphasized that there should be a restudy of the needs of the Board of Regents as well as other agencies so that institutional roads do get proper attention.

Regent Bailey wondered if the Iowa DOT was in a conflict of interest position in making this type of road decision. He suggested a legislative review on this. Mr. Richey indicated that the Transportation Department had taken action to recommend an increase in the motor vehicle tax. The Board Office will prepare a report on the implication of this so that the board may take a position. This will probably be in a couple of months.

Regent Bailey noted that the board always seems to be in a reaction position and suggested that affirmative proposed legislation would alleviate this problem. Mr. Hawkins reminded the board that the current method of allocation was changed only a year ago and that the new arrangement has not had an opportunity to work. He thought the Legislature would not be convinced to make a change.

MOTION:

Mr. Bailey moved the board approve the 1980 program, which includes payment for a project completed this year and seven other projects all totaling \$579,653 for construction and \$175,000 for other costs

- 2) approve the Five-Year Institutional Roads Programs for 1980, totaling \$3,875,
- 3) accept the list of identified unmet institutional road needs at the institution and direct that this report be forwarded to the Department of Transportation for its information;
- 4) request the Iowa Department of Transportation to reexamine and update that portion of its Quadrennia Needs Study, 1978-1997, that deals with State Parks and Institutional Roads, so that that study more accurately reflects the full roads needs of agencies funded from that source and oppose any action which would decrease the funding for State Park and Institutional Roads until this matter has been subjected to thorough review by the Iowa Department of Transportation.

Mrs. Belin seconded the motion and it passed unanimously.

VEHICLE PURCHASE AND DISPOSAL POLICY, 1980. The Board Office gave the following background. The board has annually adopted a policy statement on purchase and disposal of motor vehicles by the board's institutions. In 1975 the legislature removed the statutory limit on purchase of state motor vehicles and exempted the Board of Regents, the Iowa DOT, and the Commission for the Blind from the requirement that the State Vehicle Dispatcher purchase all new motor vehicles for state agencies. The requirement that the State Executive Council approve the purchase price of all vehicles purchased for the state agencies does not apply to the exempt agencies, except for those vehicles purchased for them by the State Vehicle Dispatcher.

The Board Office noted there is a spirit of close cooperation and coordination between the Board of Regents' institutions and the State Department of General Services in the joint purchase of standard motor vehicles. The State Department of General Services and the State Vehicle Dispatcher took bids for 83 standard vehicles for Board of Regents' institutions in the current model year.

The University of Iowa and Iowa State University, through the Purchasing Committee, listed their van-type trucks needs with the Iowa DOT.

During the year, institutions will need certain special purpose-type vehicles. These vehicles are reported to each meeting of the purchasing officers from orders placed normally individually by the institutions.

The Regents' institutions have almost 1,000 licensed vehicles in their motor vehicle fleets. The largest number of vehicles, almost 450, is at Iowa State University.

This year the Board of Regents' institutions took special actions to purchase vehicles which would improve the energy efficiency of their motor vehicle fleets. This was accomplished through purchase of smaller-size vehicles and deletion of certain options in some instances, such as automatic transmission and air conditioning, radios, and manual transmission.

A report on how the Board of Regents' institutions intend to improve the energy efficiency of its motor vehicle fleets requested by the legislature in the appropriation bill in the 1979 session will be presented for board consideration at the January meeting, prior to its submittal to the legislature.

The policy statement describes the conditions under which standard vehicles are to be purchased. Standard vehicles are normally considered to be security vehicles, two- and three-seat station wagons, two- and four-door sedans, and standard size pickups. All such vehicles are being purchased from the bids received by the State Department of General Services. If there are any emergency needs at any of the institutions, the Ad Hoc Purchasing Committee

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or the Board Office will review those bids prior to placement of the order by the institution to ensure that the orders are within the policy statement.

The second class of vehicles is diesel sedans. The University of Iowa intends to purchase five mid-size sedans to continue its experiments on usage of diesel engine sedans. These bids are to be received separately by the University of Iowa and will be subject to review by the Ad Hoc Purchasing Committee or the Board Office prior to placement of the orders.

The third class of vehicles is special purchase vehicles. This class includes all types of trucks, vans, buses and ambulances (except standard pickups). The primary method of purchase is through individual institutional purchase, but the University of Iowa and Iowa State University utilized the Iowa DOT bids on van needs in the current model year.

The fairest method of disposal has been public auction. The auctions are conducted by either the State Vehicle Dispatcher or the state Department of Transportation. Other than auctions disposal would be by junking vehicles or trade-ins on special design vehicles when such trade-in is on another vehicle of similar design.

The Board Office recommended that the board should continue to annually adopt a policy statement on purchase and disposal of vehicles at the Regents' institutions. These policy statements may help to ensure the continuation of the exemption granted the board on such purchases. More and more attention is being directed toward state motor vehicle fleets. Adoption of a policy statement aids in various sectors realizing that this matter is being handled in a uniform fashion among all five institutions under the jurisdiction of the Board of Regents.

MOTION:

Mr. Brownlee moved that the board approve the policy statement, which will govern the purchase and disposal of vehicles by Board of Regents' institutions for the next year. Mrs. Belin seconded the motion and it passed unanimously.

The policy is on file as part of the official minutes.

IOWA STATE BOARD OF REGENTS

Policy Statement to Govern Purchase and Disposal of Motor Vehicles by Board of Regents' Institutions During the 1980 Model Year

The Board of Regents' institutions shall purchase basically three classes of vehicles during the 1980 model year. The types of vehicles and approved method of purchase are set forth below for each of the classes.

A. Standard Vehicles

Definition of a standard vehicle includes two and four-door gasoline engine sedans; security vehicles; two and three-seat station wagons; and standard pickups including 1/4-ton, 1/2-ton, and 3/4-ton.

Sedans

Board of Regents' institutions continued a cooperative purchasing venture with the State Department of General Services and listed needs for 42 gasoline-powered sedans with the state for purchase. The institutions intend to improve the energy efficiency of their motor vehicle fleets through purchase of smaller-sized vehicles and deletion of certain options in some instances, such as automatic transmission and air conditioning.

The type of sedan to be purchased shall not exceed the size of vehicle purchased by the State Department of General Services for other state agencies. This size is mid-size or smaller. For 1980, sedan purchases shall be limited in maximum size to a Ford Fairmont type. The institutions also plan to purchase subcompact sedans, such as Datsuns, Plymouth Horizons, and Dodge Omnis-- all as approved by the State Executive Council for purchase price from bids received by the State Department of General Services.

Security Vehicles

The institutions have not indicated any needs for 1980 models at this point. Should any needs develop, the institutions shall attempt to purchase from the open-ended bids of the State Department of General Services and, further, shall limit, in any event, the size and type of vehicle purchased to those already approved by the State Executive Council for purchase.

Station Wagons

Purchase of two or three-seat wagons shall be limited to the size and type of vehicle scheduled to be purchased by the State Department of General Services for other state agencies. Unless approval is given prior to purchase by the Ad Hoc Purchasing Committee, the institutions shall not purchase wagons larger than a mid-size type. For 1980 models, the state has approved purchase of Dodge Diplomats, Ford Fairmonts, and Datsun 210 wagons. Board of Regents' institutions listed needs for purchase of one full-size three-seat wagon and eight mid-size two-seat wagons with the State Department of General Services and purchase of those vehicles has been approved as to purchase price by the state for the institutions, as well as for other state agencies.

Standard Pickups

Board of Regents' institutions have various sizes of pickups in their motor vehicle fleets. The institutions listed a need for 27 compact pickups and one three-quarter ton club cab pickup with the State Department of General Services for purchase. The state has also approved purchase prices on various other size pickups. Institutions intend to limit pickup purchases to open-ended contracts of the State Department of General Services, as long as such contracts are open during the model year.

The method of purchase on 1980 models for standard vehicles shall be:

- Primary -- Through the open-ended contracts of the State Department of General Services, as approved for purchase price by the State Executive Council in a cooperative venture.
- Secondary -- Through emergency bids taken individually or jointly by Regents' institutions, subject to review of bids received by the Ad Hoc Purchasing Committee or the Board Office prior to placement of orders.

B. Diesel Sedans

The University of Iowa has recommended continuation of its experimental usage of diesel engine sedans. Currently, the university has two such full-size sedans in its fleet and recommends purchase of five mid-size sedans. The university is hereby authorized to competitively bid its requirement. Such bids shall be subject to review by the Ad Hoc Purchasing Committee or the Board Office prior to placement of orders.

C. Special Purpose Vehicles

Definition of a special purpose vehicle includes all types of trucks, vans, busses, and ambulances, except standard pickups.

The type to be purchased shall be determined by institutional need.

The method of purchase shall be:

- Primary -- Through bids taken individually or jointly by Regents' institutions, subject to institutional reporting of orders placed to the Ad Hoc Purchasing Committee on a regular basis.
- Secondary -- The University of Iowa and Iowa State University listed needs for 42 van-type trucks with the Iowa Department of Transportation for joint bidding in a cooperative venture and intends to purchase 1980 model van needs from contracts approved by IDOT.

All purchases of motor vehicles shall be carried out in accordance with the Procurement Policy of the Board of Regents.

Disposal

Vehicle disposal shall be handled in one of two primary methods:

1. Through public auction conducted by the State Vehicle Dispatcher or by the Iowa Department of Transportation.
2. Through trade-in, when the motor vehicle is of special design and is being traded for another vehicle of similar design.

Disposition of a vehicle by any means shall be reported to the Ad Hoc Purchasing Committee on a regular basis.

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PROPOSED AMENDMENTS TO FRINGE BENEFIT PROGRAMS. The recommended action was that the board accept and approve the Board Office recommendations for the necessary modification in the fringe benefit programs at the state universities to:

- I. Comply with the May 25, 1979, rules and regulations covering the Age Discrimination in Employment Act (ADEA) amendments of 1978 and as provided by the Department of Labor and currently enforced by the Equal Employment Opportunity Commission.
- II. Provide specific designated coverage for employees working at the universities who are under the Iowa Public Employees Retirement System (IPERS) and who choose to continue working past age 70 as a result of House File 680 which removed the mandatory retirement age for those state employees effective July 1, 1979.

The Board Office provided the following explanation. In 1978 the Age Discrimination in Employment Act of 1967 was amended. One of the central provisions of the amendments extended the mandatory retirement age from age 65 to age 70 effective January 1, 1979. This covers most public and private employees with certain exceptions allowed. Some of the employees at the three universities could have been exempted from the provisions of the act until 1982 with the mandatory retirement age of 65 continuing until that time. In October and November, 1979, the board received and approved recommendations that became effective January 1, 1979, which extended the mandatory retirement age to age 70 for employees whose mandatory retirement age was less than age 70.

Although the 1978 amendments to the Age Discrimination in Employment Act extended non-discrimination provisions for reasons of age in compensation, terms, conditions, or privileges of employment, it was not until May 25, 1979, that rules and regulations were provided by the Department of Labor which explained how fringe benefits must be treated. Almost immediately following that, the 68th General Assembly passed H.F. 680 which removed mandatory retirement altogether for state employees covered under IPERS. With the action by the 68th General Assembly, the board received and approved a recommendation for continuing age 70 mandatory retirement policy for employees under TIAA-CREF and for disallowing transfer from TIAA-CREF to IPERS within five years of attaining age 70.

Because the federal regulations and the passage of H.F. 680 occurred almost simultaneously, the time element precluded comprehensive analysis and recommendations for appropriate action concerning benefit programs at that point. Instead, a recommendation was made and approved by the board in June authorizing a study to determine what action was necessary to bring the fringe benefit programs into compliance and which benefits should remain effective for employees continuing to work past age 70.

The Board Office recommended only those changes which would bring the benefit programs into minimal compliance with the Age Discrimination in Employment Act. Other benefits are currently administered equally for all employees as provided by current policy and in accordance with the federal rules and require no adjustment. It was proposed that these recommendations be effective January 1, 1980, with necessary retroactive administrative adjustments as required to be in full compliance with the act.

The necessary steps for notification to representatives of collective bargaining agreements have taken place in compliance with those agreements and administration thereof.

The first recommendation deals with providing compliance with ADEA final rules of May 25, 1979. With respect to Long Term Disability Insurance (LTD) recommendations for modifications are the University of Iowa and Iowa State University for eligible employees who become disabled after January 1, 1979, are:

At age 60 or less - benefits would continue to the June 30 following or coinciding with attainment of age 65;

After age 60 - benefits would continue to the June 30 following five years of disability or attainment of age 70, whichever is sooner.

The added premium cost based on current rates for those employees and current salary levels for a projected 12-month period is \$29,300 for the University of Iowa and for Iowa State University the added cost is \$43,000.

The recommendation for modification of the LTD program at the University of Northern Iowa is slightly different because of the current program which provides benefits to age 68. If the program were adjusted as noted for the University of Iowa and Iowa State University, a reduction in benefit would occur. The University of Northern Iowa is recommending a modification which meets the requirements of ADEA but provides no reduction in the current benefit for disabilities after January 1, 1979:

At age 63 or less - benefits would continue to the June 30 following or coinciding with attainment of age 68.

After age 63 - benefits would continue to the June 30 following or coinciding with attainment of age 70.

There is no additional cost at this time since employees are already covered to age 68 with no current employees working over age 68.

With respect to life insurance, the University of Iowa will require no change in its current program which provides a benefit reduction that complies with the ADEA. In this program coverage for all staff members reduces by \$1,000 per year to age 70 beginning at age 61. Where the \$1,000 per year reduction would not comply with the ADEA, coverage will only be reduced by \$5000 per year. There is no additional cost.

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Iowa State University recommended a decrease in the rate of reduction in coverage that is actuarially based. The proposed per cent of reduction in benefit levels is 7% for ages 66 and 67 and 6% for ages 68, 69, and 70. The additional annual cost will be \$396.

The University of Northern Iowa recommended no change in the schedule of benefits since it currently meets the ADEA requirements. However, it is recommended that life insurance coverage be continued for employees working until the June 30 following or coinciding with the attainment of age 70. Since merit system employees currently have such coverage, the change will affect only the academic and professional and scientific employees. The institution is also proposing to allow the employee the choice of receiving \$2,000 non-contributory term insurance upon retirement at age 68, or thereafter, under the current provisions of the plan; or to continue to participate in the retiree program under the current provisions until mandatory retirement age.

The Board Office supported the institutional recommendations in regard to life insurance.

The Waiver of Premium and LTD programs are directly related to occurrences of disability. The added cost of providing this benefit to employees between ages 65 and 70 would be \$4,000 at the University of Iowa and \$7,700 at Iowa State University. There would be no added cost for providing the additional benefit for employees between ages 68 and 70 at the University of Northern Iowa.

The Board Office stated the recommendations of the universities providing coverage and benefits would be in accord with the Long Term Disability Insurance Program at each institution.

The Board Office recommended that all proposals for changes by the institutions with respect to coverage, benefits and premium contributions for health insurance under the university plans be approved except for the University of Iowa premium contribution to Medicare Part B.

The University of Iowa recommendations for coverage and benefits include the Blue Cross/Blue Shield Medicare supplement program (\$13.55/mo.), plus the current Major Medical Plan through Banker's Life (\$1.98/mo.), plus Medicare Part B (\$8.70/mo.). The total premium rate for the complete program would be \$24.23/mo. The Board Office recommended modifying this proposal to be consistent with the amount of contribution provided by the university for under age 65 employees. That amount is currently \$21.94/mo. This would make a \$2.29/mo. contribution by the employee necessary. This approach would be consistent with the ADEA rules, the other institutional programs, and the basic premise of minimally bringing the programs into compliance.

The recommendations of Iowa State University is that employees age 65 and over be continued in the same group plan in which employees under the age of 65 participate. This plan provides for a "coordination of benefits" with the Medicare program. The university is contributing the same monthly amount toward the same coverage as for under age 65 employees. Participation

in Medicare Part B coverage is at the employee's expense. This is in compliance with the ADEA rules. Further study will be necessary regarding other recommendations involving changes in the health insurance program at the institution.

The University of Northern Iowa also recommended that the employees age 65 and over be continued in the same group plan in which employees under the age of 65 participate. It also provides for a "coordination of benefits" with the Medicare Program. Participation in Medicare Part B coverage would continue to be at the employee's expense.

The second part of the Board Office's recommendation concerns providing specific benefits for employees continuing to work past age 70 per House File 680.

In the case of Long Term Disability Insurance, the universities recommended termination of all coverage and benefits on the June 30 following or coinciding with age 70. This is in compliance with the ADEA rules and dovetails with LTD benefits mentioned earlier.

With respect to life insurance, employees who work past the June 30 following or coinciding with attainment of age 70, and who are otherwise eligible, will be provided the same amount of life insurance coverage as an eligible employee would receive upon retiring at that date. Approval of the university proposals was recommended by the Board Office.

In the category of the Waiver of Premium - TIAA-CREF, the university proposals would terminate coverage and benefits on the June 30 following or coinciding with attainment of age 70 and acceptance of these proposals is recommended. Employees covered under TIAA-CREF are subject to mandatory retirement at this time.

The universities' recommendations would provide a continuation of the same health insurance coverage and benefits as for those employees age 65 and over to those employees working past age 70. The Board Office recommended approval of these recommendations.

A final note made by the Board Office was that the Iowa Civil Rights Commission has proposed rules which would adversely affect the fringe benefit programs and the administration of them. Information has been presented to that commission voicing these concerns. The development of these rules will be monitored carefully and responses made as necessary. The board will be notified of the effects of any changes.

Mr. Richey began the discussion on the fringe benefit programs by noting that under the contract with the United Faculty when a mandatory change is made, negotiations must be conducted with the United Faculty. This has been done and they have agreed to these proposals. He emphasized that the proposals included only those actions necessary to comply with the law. Other requests by some of the institutions have been deferred for later action or they will be acted on administratively if they are not significant in nature.

MOTION:

Mrs. Belin moved that the board accept and approve the Board Office recommendations for the necessary modifications in the fringe benefit programs at the state universities as listed above. Dr. Harris seconded the motion.

Regent Bailey stated that the board needs to be concerned about fringe benefits to the extent the board expands beyond what is being done by the competition. These fringe benefits do not always show up in salary comparisons. The board should be aware of this in order to assure that money is being placed where it does the most good as far as keeping employees satisfied. Mr. Richey noted that a report is being prepared on this topic.

Assistant Vice-President Small noted that in regard to the Board Office's recommendation about not including Medicare Part B in the University of Iowa's health insurance benefits, that the university felt the small additional cost of about \$1,600 would not be ill spent. The intent was to encourage people to participate in Medicare Part B. However, the university had no major objections to the Board Office recommendation. Mr. Richey stated that the Board Office policy was to hold to the basic rate unless the law required otherwise. To do differently would establish a precedent that could have some effect.

VOTE ON MOTION:

The motion passed unanimously.

REPORT OF MEETING OF IOWA COLLEGE AID COMMISSION. The Board Office gave some background on the formation of the Student Loan Liquidity Corporation (SLLC) and noted that Regent Bailey had provided the board with the minutes of the first meeting of the SLLC of November 6, 1979. The SLLC was created in Iowa to meet the demands of the State Guaranteed Loan Program. It has been formed to provide functions similar to those of the Student Loan Marketing Association. A major issue now confronting SLLC is to determine whether to hire someone to manage the corporation's affairs and service the loans, whether to hire staff to run the corporation, or whether to combine the two options.

Regent Bailey gave an oral report on the meeting of the Iowa College Aid Commission held on December 11. This meeting was basically an information meeting. No decisions were made on the procedure for basic management or involving committees. He noted the commission was successful in getting a substantial reduction in the contract with ACT.

At the last board meeting, Regent Bailey reported a request from the College of Osteopathic Medicine and Surgery for the commission to support an additional amount to their funding for the coming year. At that time it was felt it would not be appropriate for the commission to act in this because the original appropriation was a legislative undertaking and it should be legislative prerogative to proceed. However, the commission has learned that it is expected to make recommendations on this matter. The College of Osteopathic Medicine and Surgery was asking for an increase of a million dollars and the commission recommended half of that.

Regent Belin wanted to know if the effect of this recommendation was to buy more seats in the college. Regent Bailey responded that 30% of the seats have been available to Iowa students. An attempt to increase this amount is being made.

President Petersen accepted Regent Bailey's report on behalf of the board.

REPORT ON UNIVERSITY OF IOWA RESEARCH FOUNDATION. Regent Bailey, who is a member of the board of the foundation, requested that the foundation's 1978 annual report and the minutes of the November 2, 1979, meeting be included in the docket so that more details than are usually presented would be available to the board. The Board Office summarized these materials.

The University of Iowa Research Foundation, founded in 1975, provides the means whereby the ideas, discoveries, and inventions of the faculty are safeguarded for the public through patenting and licensing.

The report indicates there has been a sizable increase in the number of invention disclosures since the foundation was begun, but the number decreased in 1978-79. Only 19 disclosures were made, compared to 28 in 1977-78. There were 4 patent applications, all from 1977-78 disclosures. Four patents were issued. No licenses were negotiated.

Activities occurring between the completion of the annual report and November 2 include three disclosures being received; four applications being allowed; and one patent being issued.

Royalty income from inventions increased by a little over \$19,000. Total royalties were a little over \$111,000. The foundation ended the fiscal year with a little over \$30,000 of income, compared to about \$5,5000 the preceding year.

The report indicates the various technologies that are available from the Research Foundation and highlights some of the recent technology.

At the 1977 Research Foundation annual meeting, the directors indicated that the foundation would be willing to expand its activities to include educational materials as well as technological materials if the university adopted such a policy and it included the Research Foundation in its administration. A study of this issue is currently under review by various constituencies in the university.

The report points out that the U.S. Congress has introduced a Small Business Patent Procedures Act (S 414) that would allow small businesses and universities and other nonprofit organizations to obtain limited patent protections for inventions that have been developed in government supported research. A companion bill has been introduced in the house (HR 2414). The university is actively supporting S 414 through the Society of University Patent Administrators.

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The report also points out that the Research Foundation has executed an Institutional Patent Agreement with the National Science Foundation (NSF) effective October 16, 1978, which gives the university the right to acquire the entire right, title, and interest throughout the world to inventions or discoveries conceived or first actually reduced to practice in the course of or under a contract with NSF. A similar agreement exists with the Department of Health, Education, and Welfare.

The report points out that the Research Corporation of New York recently completed a study which shows that faculty researchers are unaware of the importance of the patent system in transforming their research results into products and processes that will benefit the public. The university has been making an effort to make researchers more aware of the benefits that are available.

Regent Bailey commended the Board Office on its summary of the report.

President Petersen accepted the report on behalf of the board and expressed appreciation for the detail of the report. She noted that although the board does not want to become involved in the details of running auxiliary enterprises, it is interesting to know about them.

BOARD OFFICE PERSONNEL REGISTER. The following action was shown on the Board Office Personnel Register and was recommended for ratification:

Reclassification

Paul J. Andersen, Secretary II to Clerk-Typist III, Grade 106, Step 1 (\$4.41 per hr.), effective November 23, 1979.

In the absence of objections, President Petersen ratified the December, 1979, Register of Personnel Changes as reported by the Board Office.

NEXT MEETINGS. President Petersen stated that she had received a request to change the March board meeting, scheduled for March 18 and 19, to March 13 and 14 because of a schedule conflict.

In the absence of objections, the meeting date for the March board meeting was changed to Thursday, March 13, and Friday, March 14.

Regent Belin inquired if the January board meeting would be a two-day meeting and President Petersen responded that at this point it appears it will be a one-day meeting. However, Regents and institutional members should hold both days open.

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Mr. Richey introduced some other scheduling matters. The State Comptroller has asked for the budget at the end of September. This is a month earlier than in previous years and means it will probably be necessary to have a board meeting in August. Regent Belin noted that this was the summer for long-range planning seminars. In response to a question from President Petersen it was generally noted that the long-range planning seminars should be held in conjunction with the regular board meetings. Vice-President Christensen indicated that the Committee on Interinstitutional Coordination would be happy to schedule the seminars on the days preceding the meetings. The planning seminars would start in April.

Mr. Richey noted that moving the schedule ahead creates some complications. The tuition policy for the subsequent biennium will be considered and students must be consulted and given an opportunity to be heard on that matter. Most students are not on campus at the time the August meeting would be scheduled. The only alternative appears to be to consider the tuition matter at the September meeting.

It was agreed to change the meetings schedule as follows:

January 17-18		Des Moines
February 21-22	State University of Iowa	Iowa City
March 13-14	Iowa State University	Ames
April 17-18	University of Northern Iowa	Cedar Falls
	Iowa Braille & Sight Saving School	Vinton
May 15-16	State University of Iowa	Iowa City
June 18-19	Iowa State University	Ames
July	NO MEETING	
August 21-22 (tentative)	University of Northern Iowa	Cedar Falls

President Petersen then asked board members and institutional executives if there were additional matters to be raised for discussion pertaining to the general docket. Regent Harris offered a brief report on a recent survey of University Hospitals by the Joint Commission.

The survey was conducted on November 19 through 21. The Joint Commission is a voluntary accreditation body made up of the American College of Physicians, American College of Nurses, the American Hospital Association, and the American Medical Association. Its primary role is to help hospitals identify their strengths and weaknesses and provide guidelines for improvement. The accreditation is for a maximum of 2 years. If shortcomings are found, the accreditation may be made for 1 year. A one-year accreditation may be granted only for three consecutive years unless the hospital is unable to meet fire standards but is involved in construction and renovation. The University of Iowa Hospitals are in this situation.

The team thought the hospital administration works well. They had a number of recommendations. John Colloton has indicated that the hospital staff is

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working to respond to the recommendations and that many of the recommendations have already been corrected. A written report should be received in several months.

Regent Harris noted that the team felt very welcome at the University Hospitals because of the courteous treatment they received.

Regent Belin noted that the board was very fortunate to have Regent Harris' level of expertise available for participation in these surveys. President Boyd agreed but reminded board members that they should all be prepared to participate in these surveys and that the layity can also offer a considerable amount to this activity.

STATE UNIVERSITY OF IOWA

The following business pertaining to the State University of Iowa was transacted on Wednesday, December 19, 1979.

CABLE T.V. REPORT. The University of Iowa submitted a Campus Cable Television System Report which dealt with the potential uses of a cable television system including instructional use, informational uses, other video and audio uses, data transmission uses, existing production capability, university hospital and clinic applications, current uses of television on campus, and applications in place or being developed at other universities.

If an agreement is reached with the City of Iowa City, franchisee for cable television, Hawkeye CableVision, the university intends to commence operations after July 1, 1980.

Dormitory system rates, University Hospital rates, and space leasing could all be impacted by any proposal developed. Facility improvements costs of \$97,250 to implement the system may also impact operating rate structures and debt service obligations of nonappropriated fund activities including \$17,250 for University Hospital facilities and \$80,000 for the dormitory system and Iowa House facilities.

All of these considerations could require separate regent action. It would be appropriate to review and act upon an contract proposal for the system with the understanding that the impact on hospital, dormitory, or other rates structures be reviewed concurrently.

The university anticipates internal allocation of existing resources to accommodate an anticipated monthly charge of \$1,300. Additional charges would be \$25 per outlet plus any special material costs and purchase of converters at \$30-\$40 each with the option of renting the converters at \$18 annually. The system would not be free to user departments. Add-on costs for classroom service have not been estimated.

If the University Hospitals participated, bulk rates per room would be \$4.30. If the hospital does not participate, bulk room rates would be \$4.50 per person. These rates are set by ordinance and believed to be fixed for the life of the franchise period, or 15 years.

It has not been determined how the facility improvements necessary to install the system would impact the rate structure.

The system installation must be a package arrangement. Once installed, however, different units, such as the hospital, may opt not to participate. This could be important if bulk rates were to change in the short run.

Television production equipment is currently available and there are no projections of increased production equipment needs. No estimate is available as to the investment in additional television sets that would be needed for education and general operations.

The installation of cable T.V. is supported by the Association of Residence Halls (ARH). Even though some students do not have personal T.V. sets, they would have access to sets in the lounge areas.

Other costs considerations are that the maintenance of the existing master T.V. antenna system would not be needed, creating a savings of approximately \$16,000.

Data transmission of computer-generated information is possible with the system which could lead to more effective transmittal of data and more cost effective transmittal making some leased telephone lines unnecessary.

Kim Cox, President of ARH, was present at the meeting and indicated that the cost of the cable T.V. system is not viewed as a real burden by students. She compared the cost of the cable system to the cost of a textbook which averages about \$22 per text. The ARH feels that the benefits of the system outweigh the costs. These benefits include study sessions or help sessions on such topics as how to study and how to relieve anxiety.

Dan Schaack, Vice-President of ARH, was also present at the meeting to answer any questions.

In response to questions from Regents Shaw and Bailey, Vice-President Bezanson indicated that the cost of the system would be \$4.30-\$4.50 per room per month for 8 months and the monthly rate would be built into the residence hall charges. Any increase in price would relate to option changes on what might be offered on the cable system. The university would have the option of whether or not to elect changes. He indicated that if the university desired, it could drop the system after it is installed. Hawkeye CableVision is willing to take this risk because they do not feel it is very likely the university will want to drop the system.

Hugh Cordier, Director of Broadcasting at WSUI, said there is a magnificent opportunity to go 100% so that when information is distributed, everyone will have access to it. If there was not an outlet in every room, some people would become "second class citizens" because they would not have access to the information.

President Boyd cautioned that the university cannot make monies available to produce programming for the cable system. Such monies would have to come from student fees.

President Petersen received the report on behalf of the board and noted that the board would look forward to receiving the terms of a proposal on cable television at a later time.

UNIVERSITY HOSPITALS - SOUTH PAVILION, PHASE A. The Board Office indicated the six planning agencies required to review this project have unanimously approved it.

The project involves the addition of 161,000 gross square feet to the University Hospitals complex. There would be two levels of in-patient facilities consisting of 91 beds and three levels of clinic space and mechanical space. With the completion of this project, the university would eliminate 91 of its current 376 non-conforming beds.

There is a change in the schematic design from what was presented earlier. The architect found that due to construction methods and essential underground utility locations that certain increased area could be incorporated into the project at minimal cost. The space on the lower level is primarily needed for material distribution and is part of an overall master space allocation for development of the hospital and clinics. The space on level one is for a burn unit to replace minimally 12 non-conforming beds. These spaces may be constructed now at a much reduced cost in lieu of at a later date. The additional area will not be built unless the cost is approximately within the overall capabilities of the approved budget.

The project involves 163,543 gross square feet or 90,112 net assignable square feet. Net to gross ratio is 55.1%. Total project costs are \$21,947,755 funded from \$18,000,000 in revenue bond proceeds and \$3,947,755 in University Hospitals Building Usage Funds.

The board was requested to approve a concurrent resolution for submittal to the 1980 Legislative Session. Under the terms of Chapter 263A of the Code, the legislature needs to approve this resolution by a constitutional majority in order that bonds may be sold in the amount of \$18,000,000 as partial financing of the project. The concurrent resolution has been approved as to form and substance by the board's bonding counsel.

If the legislature approves the resolution, bonds would be sold in June, 1980, bids received on the project in August, and the project completed in January, 1983.

Two additional expense items connected to the project but not directly included in the budget are the Chilled Water Plant Expansion - Phase IV and the construction of a west emergency drive.

The Chilled Water Plant Expansion is included in the Ten-Year Building Program as a 1980 cost of \$1,010,000. It is anticipated that this amount will have to be provided by the 1981 Legislative Session as part of the utility request or Statewide Health Services needs so the additional chilled water necessary to satisfy air conditioning requirements of the South Pavilion - Phase A will be available by the time the pavilion is occupied.

The construction of a west emergency drive is included in the Five-Year Institutional Roads Program at a construction cost of \$225,000. This project will have to be undertaken in 1982 or earlier so there is emergency access to the trauma center from the west.

John Colloton, Director of University Hospitals, introduced Richard Hansen of the firm Hansen Lind Meyer. Mr. Hansen made a slide presentation of the schematic design of the South Pavilion, Phase A. project.

The first few slides illustrated the location of the project in relation to other structures, road accesses to the project, and existing and relocated storm lines and steam lines that must be relocated.

He continued the presentation with a slide of the schematic design of the first level. Mr. Hansen indicated that there will be two series of elevator banks to move people vertically and to separate traffic. Areas included on the first level are the Surgery Clinic, Radiology Suite, Orthopaedic Clinic, faculty offices for the Department of Surgery, a teaching auditorium, emergency drive, and a walkway. A burn unit is included in one of the alternate plans.

President Boyd expressed some concern about the walkway because of its relationship to the Armory. He indicated that some sort of pedestrian crossing will have to be included which would impede the movement of fast-moving emergency vehicles.

Mr. Hansen indicated that he felt the walkway was wide enough to accommodate the pedestrian traffic and that the emergency vehicles would not be traveling at a high rate of speed.

The next slide depicted level 2 of the project. There will be a Pediatric Clinic and faculty offices, some multi-level space, and light courts. In-patient pediatric facilities will include a 50-bed floor in pod arrangements. There would be 3 rooms for isolation and 21 one-patient rooms for patients with contagious diseases, and 13 double rooms. Each pod would be located around one nurse's station. There will be special facilities for parents to relax or play informally with their children. Each room is designed for rooming in capability.

Regent Harris noted that the Joint Commission feels nurses ought to have direct vision from their station to all areas and Mr. Hansen responded that this would be the case with the pod arrangement.

The following slide showed level 3 of the project. On this level there are 41 beds for older children and adolescents. There are recreation rooms across from each nurse's station and classroom space. There is also a space for a director of education so the education of patients can continue while they are in the hospital. One of the pods on this floor will be an intermediate care pod.

The final slide depicted the basement which includes mechanical space and space for future development.

Mr. Hansen concluded his presentation by stating that it was a joy to find a teaching hospital so well organized and with an established committee structure. He noted that this was the first time he has been involved in a situation where all committees have approved a project and felt this shows the support the state has for the institution and the hospital.

MOTION.

Mr. Brownlee moved that the board approve the South Pavilion - Phase I final schematic design plans and approve the introduction of a concurrent resolution to the 1980 Legislative Session and seek authorization for sale of \$18,000,000 of Hospital Revenue Bonds, as partial financing for the project. The motion was seconded by Dr. Harris and it passed unanimously.

The following business pertaining to the State University of Iowa was transacted on Thursday, December 20, 1979.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the State University of Iowa were ratified by the board.

OTHER PERSONNEL TRANSACTIONS. The following personnel transactions were presented to the board for action:

Appointments

James D. Beck, as head, Department of Preventive and Community Dentistry, effective December 1, 1979.

June Helm, as chair, Department of Anthropology, for a two and one-half year term, effective January, 1980.

MOTION: Dr. Harris moved the board approve the appointments listed above and Mrs. Belin seconded the motion. The motion passed unanimously.

SPECIAL SECURITY OFFICER. The board was requested to commission David Montgomery as a permanent Special Security Officer. Officer Montgomery has completed the Iowa Law Enforcement Academy eight-week basic training course and completed two years of classes at the University of Iowa.

MOTION: Mrs. Belin moved the board commission David Montgomery as a permanent Special Security Officer. Dr. Harris seconded the motion and it passed unanimously.

POST AUDIT HEALTH OCCUPATIONS EDUCATION. The university noted that the B.S. degree in Health Occupations Education is designed to prepare teachers for employment at community colleges in preparatory programs in various health occupations areas. Since the curriculum primarily involves courses already offered for students in other programs, there have been no additional costs resulting from establishment of the program.

MOTION: Mr. Bailey moved that the report on the Post Audit Health Occupations Education be referred to the Inter-institutional Committee on Educational Coordination and the Board Office for review and recommendation. Dr. Harris seconded the motion and it passed unanimously.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office reported that the final register had been received, was in order, and was recommended for approval.

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The following construction contracts awarded by the executive secretary were recommended for ratification:

University Hospitals - Internal Medicine Faculty Offices Development

Award to:

<u>General:</u>	Berry-Mahurin Construction, Inc., Marion, Iowa Base Bid of \$45,297, plus Alt. #A-1 of \$2,075, plus Alt. #A-2 of \$938, plus Alt. #A-3 of \$816 = TOTAL AWARD OF:	<u>\$49,126.00</u>
<u>Mechanical:</u>	Kelly Heating, Inc., Iowa City, Iowa Base Bid of \$7,700, plus Alt. #M-1 of \$300 = TOTAL AWARD OF:	<u>\$ 8,000.00</u>
<u>Electrical:</u>	Gerard Electric, Inc., Iowa City, Iowa Base Bid of \$7,486, plus Alt. #E-1 of \$100 = TOTAL AWARD OF:	<u>\$ 7,586.00</u>

University Hospitals--Gilles Conference Room and Library, Department of Radiology

Award to:

<u>General:</u>	McComas-Lacina Construction Co., Inc., Iowa City, Iowa Base Bid of \$49,800, plus Alt. #4 of \$2,210, plus Alt. #5 of \$1,382 = TOTAL AWARD OF:	<u>\$53,427.00</u>
<u>Mechanical:</u>	Jones Plumbing and Heating, Inc., Iowa City, Iowa Base Bid of:	<u>\$22,950.00</u>
<u>Electrical:</u>	Gerard Electric, Inc., Iowa City, Iowa Base Bids of:	<u>\$17,930.00</u>

University Hospitals - Laboratory Computer Room Remodeling

Award to:	AAA Mechanical Contractors, Inc., Iowa City, Iowa Base Bid of:	<u>\$71,711.00</u>
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Total budget for this new project is \$82,600 funded by University Hospitals RR&A funds. The physical plant department is selected as inspection supervisor.

Brooks, Borg and Skiles, Des Moines, Iowa, has been selected to provide architectural services on an hourly rate basis at a maximum cost of \$6,600. This is 8% of the total budget.

The following construction contracts were recommended for approval:

Medical Research Center - Cardiovascular Research Addition - Phase II

Awards recommended to:

<u>General:</u>	O. F. Paulson Construction Co., Cedar Rapids, Iowa Base Bid of \$237,800, plus Alt. #1 of \$19,000 plus Alt. #2A of \$2,620, plus Alt. #2B of \$1,330 = TOTAL AWARD OF:	<u>\$260,750.00</u>
<u>Mechanical:</u>	Modern Piping, Inc., Cedar Rapids, Iowa Base Bids of \$286,200, plus Alt. #1 of \$38,900, plus Alt. #2A of \$1,400, plus Alt. #2B of \$810, plus Alt. #3 of \$16,100, plus Alt. #4 of \$560 = TOTAL AWARD OF:	<u>\$343,970.00</u>
<u>Electrical:</u>	De Brie-Klosterman Electric, Inc., Hills, Iowa Base Bid of \$76,700, plus Alt. #1 of \$10,000 minus Alt. #2A of \$1,300, minus Alt. #2B of \$500, plus Alt. #3 of \$1,100 = TOTAL AWARD OF:	<u>\$ 86,000.00</u>

It was necessary to approve a revised project budget in order to make these awards. The budget increased from \$712,500 to \$806,000. The increase was requested so that the 5th and 6th floor "shell space" at the Medical Research Center can be finished. Acoustical ceilings will be installed and a distilled water system will be provided. These were not included in the original budget. Total funding remains Gifts to the University of Iowa Foundation.

The following new projects were presented to the board for approval:

University Hospitals and Clinics - General Dentistry Clinic - Phase I
Source of Funds: University Hospitals Building Usage Funds \$ 98,689.00

The university architect's office was selected as architect and inspection supervisor. The board previously ratified selection of Engineering Associates, Rock Island, Illinois, as engineer for the project. This was part of a general contract on Dental Clinic and supporting services expansion and redevelopment. Services were provided on a fixed fee basis of \$5,200.

Hancher Auditorium - Cafe Kitchen
Source of Funds: Hancher Auditorium Bond Surplus Fund \$ 68,575.00

The physical plant department was selected as inspection supervisor. The project consists of remodeling the coat check area on the east balcony to provide a food and drink preparation area and a dishwashing area.

The board was also requested to ratify selection of Harvey W. Henry, Coralville, Iowa, to provide architectural services on this project. Full architectural services are provided on an hourly rate basis at a maximum cost, including reimbursable expenses, of \$5,000.

Hillcrest Residence Hall - Exterior Repairs, Dining Addition

Source of Funds: Dormitory Improvement Reserve \$ 48,800.00

The physical plant department was selected as engineering and inspection supervisor.

University Hospitals - Department of Anesthesia Faculty and Supporting Office Remodeling

Source of Funds: University Hospital Building Usage Funds \$ 39,500.00

The university architect's office was selected as inspection supervisor. The board previously ratified selection of Robert Burns & Associates, Riverside, Iowa, as architect on the project. This agreement was for a fixed sum of \$2,700, plus a not-to-exceed amount of \$50 for reimbursable expenses. This is 6.8% of the total project budget.

Burge Residence Hall - Snow Melting System

Source of Funds: Dormitory Improvement Reserve \$ 85,000.00

This replaces a similar project approved in February, 1979, in the amount of \$59,700. At the June board meeting all three bids received were rejected and the university was directed to review the scope of the project and rebid it.

After a review, the budget was increased. The board was requested to ratify the selection of Gene Gessner, Inc., Iowa City, Iowa, as engineer on the project. Gessner would provide final design services and shop drawings services on an hourly rate basis at a maximum fee of \$5,140. This is 6% of the total construction budget or 7.3% of the construction budget of \$70,000.

Reinow Residence Hall - Replacement of Booster Water Pumps

Source of Funds: Dormitory Improvement Reserve \$ 42,200.00

The physical plant department was selected as inspection supervisor. The board was also requested to ratify institutional action to select Gene Gessner, Inc., Iowa City, Iowa, as engineer on the project. Services would include final design and shop drawings services. The fee would be on an hourly basis at a maximum of \$2,185. This is 5.2% of the total budget or 6.2% of the construction budget of \$35,000.

Health Sciences Library - Remodel John Martin Rare Book Room

Source of Funds: General University Building Repairs \$ 32,000.00

The physical plant department was selected as engineer and inspection supervisory.

The board was requested to ratify the following awards for architectural/engineering services:

Renovation for Handicapped Access - Phase III

The Durrant Group initially established a preliminary budget and project description for the elevator portion of the project at a cost of \$10,500

and undertook preliminary study on five projects at an additional cost of \$6,500. In November, the board ratified selection of the Durrant Group to provide final design services on installation of elevators in the Art Building and the Agricultural Medicine Research Facility, installation of a chair lift in the Museum of Art, and reconstruction of the elevator in the Hydraulic Laboratory. Maximum fee on those projects totaled \$22,890 on an hourly rate basis.

Three additional projects for the Durrant Group included 1) and 2) soil investigations on installation of an elevator in the Art Building and in the Agricultural Medicine Research Facility at Oakdale and 3) four projects in Westlawn and Psychiatric Hospital. Those projects involve installation of a new elevator in Westlawn; installation of a west entry ramp to Westlawn; accessible restrooms in both buildings; and a new elevator in the Psychiatric Hospital. All three contracts are on an hourly rate basis at a maximum cost of \$20,780.

A fourth contract involves the installation of a chair lift in the Field House. Additional compensation for this project is a maximum of \$1,600.

University Hospitals - Dermatology Reception Remodeling

The board was asked to ratify selection of Hansen Lind Meyer, Inc., Iowa City, Iowa, to provide final design services on this project on an hourly rate basis with a maximum of \$3,200. The board has not approved this project to date. When the project comes forward, this rate will be calculated against the budget.

The board was requested to give tentative approval to division of responsibilities and ownership and to authorize the University of Iowa to send a letter of intent to Iowa-Illinois Gas and Electric Company on the following special project.

Campus Electric Supply Renovations

Source of Funds:	1979 Capital Appropriations	\$2,445,000.00
	Hospital Revenue Bonds--1978 Series	<u>120,000.00</u>
	TOTAL	<u>\$2,565,000.0</u>

This project involves construction of a new substation on the west campus extending the electrical feeder system from the new substation to the vicinity of the existing distribution system and installation of a bus tie between the new west campus substation and Burlington Street substation. This will give the university three sources of 13,800 volt power supply. The entire hospital complex and related west campus building will benefit by looped feeder supplies and because feeder loads will be approximately balanced.

The project will be done in cooperation with the Iowa-Illinois Gas and Electric Company. The company normally supplies the customer with one source of power, i.e., one transmission line and manually operated switch gear. In this instance the company will provide one overhead transmission line and two transformers in the primary side switch gear, a second primary

transmission line from a different source and a relayed line terminal on the 161 KV side of the substation.

Iowa-Illinois would provide these excess facilities on either an excess facilities charge of 1½% per month of the installed cost of the excess facility or through a direct single payment reimbursement on the basis of cost of installation. The university recommended the single payment reimbursement method which has an estimated cost of \$500,000. The division of responsibility was drawn by Stanley Consultants, Muscatine, Iowa.

The letter of intent would provide for development and construction of the west campus substation, would state the board's agreement to the single payment for excess facilities' charge, and would give the go ahead to draw up easement on university land for the necessary transmission lines and substations. Such easements would be before the board for approval at a later date.

MOTION:

Dr. Harris moved the board approve the Register of Capital Improvement Business Transactions for December, 1979; ratify award of construction contracts made by the executive secretary; approve construction contracts as listed above; approve the revised budget for Medical Research Center - Cardiovascular Research Addition - Phase II; ratify awards for architectural/engineering services listed above; approve the new projects; and authorize the executive secretary to sign all necessary documents. Mrs. Belin seconded the motion and it passed unanimously.

MOTION:

Dr. Harris moved the board give tentative approval to the division of responsibilities and ownership and authorize the University of Iowa to send a letter of intent to Iowa-Illinois Gas and Electric Company on the special project matter listed above. Mr. Wenstrand seconded the motion. The motion passed, with Mr. Shaw abstaining from the vote because of an employment conflict.

LEASE OF PROPERTY - 312 SOUTH FLOYD BLVD., SIOUX CITY, IOWA. The Board Office gave the following supporting information. The State Cancer Registry is a function of the Department of Preventive Medicine and Environmental Health at the university. It is supported entirely from federal funding through the National Cancer Institution. The programs calls for an active follow-up of cancer patients throughout the state and the Sioux City office meets the program's obligation for several northwestern Iowa counties.

The proposed monthly rental amounts to a 20% increase over the initial lease a year ago. The cost per square foot is \$6.67 for 216 feet. It was determined that rents in the building have not been raised for three years and all are being raised concurrently. The university reported that the cost per square foot was in line for the type of space involved.

MOTION:

Dr. Harris moved that the one-year lease renewal for a single room to be used by the Sioux City office of the State Cancer Registry be approved at a rate of \$120 per month.

Mr. Bailey seconded the motion.

Upon a roll call, the following voted:

AYE: Bailey, Belin, Harris,
Jorgensen, Neu, Shaw, Wenstrand,
Petersen

NAY: None

ABSENT: Brownlee

The motion was passed.

HAWKEYE SPORTS ARENA AND RECREATION FACILITY PROJECT: There were several recommended actions. The first of these was to adopt a resolution authorizing the execution of an Escrow Agreement to provide for the payment of Iowa Memorial Union Revenue Bonds. The Board Office noted that the board initiated action on this resolution when it authorized the university to purchase U.S. Government securities in an amount adequate to retire Iowa Memorial Union Revenue Bonds, Series 1962. The principal amount outstanding on that series is \$1,294,000.

The total debt service outstanding on this issue is \$1,491,339. The bonds would be totally retired as of July 1, 1987. Under this proposal, an excrow agreement would be established at Iowa-Des Moines National Bank and amounts pledged to this account sufficient to pay future debt service payments on this issue. The bank would transfer to the treasurer of the State University of Iowa, solely from the funds available in the trust fund, the amount on or before the date specified to be used to pay principal and interest on these bonds.

The escrow account is necessary if the university is to utilize the student fees currently pledged to the payment of Memorial Union bonds for the arena recreation bonds.

The agreement involves an opening fee of \$500 to the bank and an annual fee based upon \$1.00 per \$1,000 of transactions in the fund year.

There are funds on hand sufficient to establish this escrow agreement. Student fees freed up would be put into an unallocated account until the board adopts the resolution setting the student fees for the bond issue.

MOTION:

Mr. Bailey moved the board adopt a "Resolution authorizing the execution of an Escrow Agreement to provide for the payment of Iowa Memorial Union Revenue Bonds". Dr. Harris seconded the motion. On a roll call vote, the following voted:

AYE: Bailey, Belin, Harris,
Jorgensen, Neu, Shaw,
Wenstrand, Petersen

NAY: None

ABSENT: Brownlee

The resolution was adopted.

The second recommendation was to adopt a resolution to fix a date for the initiation of proceedings for the issuance of \$14,250,000 Athletic Facilities Student Fees and Revenue Bonds Series 1980. The Board Office noted that the sole purpose of this resolution is to hold a hearing on the bond sale as required by statute. The hearing would be advertised only if an affirmative decision was made at the end of January to proceed with a schedule leading to the sale of bonds at the February meeting. Otherwise, the advertisement will not be placed and the hearing will be deferred to a later board meeting.

MOTION:

Mrs. Belin moved the board adopt a "Resolution to fix a date for the initiation of proceedings for the issuance of \$14,250,000 Athletic Facilities Student Fees and Revenue Bonds (University of Iowa) Series 1980".

The motion was seconded by Dr. Harris.

Upon a roll call the following voted:

AYE: Bailey, Belin, Harris,
Jorgensen, Neu, Shaw,
Wenstrand, Petersen

NAY: None

ABSENT: Brownlee

The resolution was adopted.

MOTION:

Dr. Harris moved that the public hearing date on the sale of these bonds be set for 11:00 a.m., January 17, 1980 at the Sheraton Inn, Urbandale, Iowa. Mr. Neu seconded the motion and it was passed unanimously.

A further recommendation was that the board adopt a resolution authorizing prepayment of the Kinnick Stadium Loan. The Board Office gave the following background on the Kinnick Stadium Loan. In May, 1976, the board approved a promissory note with Iowa-Des Moines National Bank in the principal sum of \$1,400,000 with interest at a rate equal to the annual rate of 1/2 of 1%, plus the annual discount rate of the Federal Reserve Bank of Chicago. Terms involve nine annual principle payments of \$155,555.55 and quarterly interest payments. There has been total payment on this promissory note of \$592,404.55.

This loan agreement requires the application of approximately \$240,000 per year to the repayment of the loan and interest. This amount is needed as a pledge on the Hawkeye Sports Arena bond issue. Because the bond issue contemplates inclusion of this pledge, the board is requested to authorize prepayment of this loan. The amount to be prepaid is \$1,088,888.90 plus interest. Prepayment will occur utilizing Treasurer's Temporary Investment Income Fund, Department of Men's Intercollegiate Athletic Funds, and State University of Iowa Foundation Funds. There is no penalty for prepayment of the loan.

MOTION:

Dr. Harris moved that the board adopt a "Resolution authorizing prepayment of Kinnick Stadium Loan" and Mr. Bailey seconded the motion. Upon a roll call vote, the following voted:
AYE: Bailey, Belin, Harris,
Jorgensen, Neu, Shaw, Wenstrand,
Petersen
NAY: None
ABSENT: Brownlee
The resolution was adopted.

There were three recommendations to authorize the university to extend or enter into limited services and compensation agreements for construction management services, arena design services, and civil engineering services. The Board Office noted that the university is still working to firm up the final arena design and management services contracts for this project. These are a very complicated series of contracts because of the interrelationships which have to be established among all parties. Full services contracts have not been completed. Therefore, the university requested that it be permitted to continue the earlier approval procedure providing for the continuation of these contracts on a limited basis to a certain date and amount.

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It is expected that full services contracts will be available for review no later than the February board meeting. Fees paid under any or all of these arrangements will be deducted from the fees contained in the full services contracts when they are approved.

In response to a question from Regent Bailey, Vice-President Bezanson stated that much of the civil engineering work is needed at the beginning of the project. The work relates to water flow, roof design problems, building, and improvements of the intersection of Highways 6 and 218.

Regent Belin inquired if progress had been made on the roof design. Vice-President Bezanson indicated that progress was being made and that alternative designs were being prepared. He is planning to visit facilities with the type of roof proposed.

MOTION:

Mr. Bailey moved that the board authorize the University of Iowa to extend its limited services and compensation agreement for construction management services with C M, Inc., Denver, Colorado, to January 31, 1980, and limit total compensation to \$46,000; that the board authorize the University of Iowa to enter into a limited services and compensation agreement for arena design services with Caudill Rowlett Scott, Houston, Texas, to January 31, 1980, at a maximum expenditure of \$38,000; and that the board authorize the University of Iowa to extend its limited services and compensation agreement for civil engineering services with Shive-Hattery & Associates, Iowa City, Iowa, to January 31, 1980, at a maximum fee of \$110,000. Mrs. Belin seconded the motion and it passed unanimously.

The final recommendation concerned a revision to the arena project budget increasing it by \$500,000 to \$24,208,000. A decision has been made to expand arena seating to accommodate approximately 15,000 for basketball. This will be accomplished by the addition of one row of seats at the back of the arena, which would add about 500 seats. The cost for this would be approximately \$500,000.

The sources of funds for the additional seats would come through the University of Iowa Foundation and from \$100,000 anticipated interest income during the course of the fund raising campaign.

Donn Stanley, President of Student Senate, was present at the board meeting and said that in his opinion the additional seats threw the project off balance. There are unmet needs and pressures of all kinds to add things to the project. He recognized the fund raising incentives but felt the balance of the project is important. There is some concern about where the student seats will be located and that the decision to add seats was made at the "11th hours."

President Boyd stated that the decision to add seats was totally his. He appreciated that some people have expressed disappointment that certain objectives have not been met, but there is no way to add more to the project.

MOTION:

Dr. Harris moved that the board approve the revision of the arena project budget increasing that budget by \$500,000 to a new total budget of \$24,208,000. On the expenditure side, the additional \$500,000 will be utilized for increased seating; on the revenue side, the additional funds to come from increasing the fund raising campaign of the University of Iowa Foundation from \$7,600,000 to \$8,000,000, with \$100,000 of the \$500,000 increase coming from interest income earnings on campaign funds. Mr. Shaw seconded the motion and it passed unanimously.

Regent Harris noted that the university has capable student leadership and that the student body has been involved in decision making on this project. He noted that this kind of involvement is sometimes more important than being able to arrive at solutions that are mutually agreeable. Regent Belin agreed and said that the students have added some of the most important things to the project. She said it was great that constituencies were consulted and thanked them for helping to achieve a better finished goal. She advised the students to stay with it because their input has been extremely valuable.

Vice-President Bezanson brought up another matter about financing the arena project. He noted that the rates in the present bond market are very high and the market is unstable. There is a 3-month time lag between conception and completion of bond sales and there is some risk associated with this time lag. The university would like to pursue short-term financing as an alternative to long-term sale of bonds at public auction. Such an alternative would allow the university to ride out the market as necessary. He proposed that one bank be a lead bank to head a consortium of banks

lending the money. This arrangement would provide an alternative to which to turn if it is decided the bond market is unfavorable. Decisions about short-term financing would be made on a monthly basis.

Before pursuing this, Vice-President Bezanson said he wanted to present it to board members for their information but was not requesting approval. He said if the board indicated an interest, additional details and information would be presented at the January board meeting.

President Boyd indicated that there are two issues: first, addressing this matter as a policy approach and second, how the board would like it to be pursued.

Mr. Richey indicated that the Board Office was unaware this proposal would be presented at this meeting and recommended that action on it be deferred to allow further study since the university was in effect asking for authorization to pursue alternate financing. He said there are several problems associated with short-term financing and he thought this action would be premature at this time.

Regent Bailey expressed a concern about making sure some of the financing is available generally throughout the Iowa community so the institution is not dealing exclusively with one bank.

President Boyd stated that circumstances change and suggested the Board Office and institution work together on this. He felt it important that the board be willing to have the institution explore short-term financing as an alternative.

MOTION:

Mr. Bailey moved that the board authorize the University of Iowa and the Board Office to proceed with the concept and come up with a specific proposal or proposals on short-term financing that will not be binding but will be a more definite presentation of the alternatives and corresponding options open as to whether the proposals will be used at all. Dr. Harris seconded the motion.

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President Petersen clarified that this motion is an expression of the possibility of this alternative and that the board is not committed by the motion.

VOTE ON MOTION:

The motion was passed unanimously.

PROPERTY TRANSACTION. The requested action was for approval of the purchase of one-half of Lot 75, second plat of Manhattan Beach, Dickinson County, Iowa, and for approval to accept as a gift the other one-half of this lot from Stephen and Barbara Avery, with the further understanding that one-half of the one-half to be given by gift would be deeded in 1979 and the remaining one-half in 1980. The Board Office indicated that an immediate decision was necessary because the transaction must be closed by the end of the calendar year. The Executive Council approved this matter subject to Regents' approval.

Regent Bailey questioned whether or not the work "expected" in the legal description should not be excepted.

A detailed history of conveyances and the litigation surrounding the Lakeside Laboratory and Lot 75 was given by the university. Five different appraisals have been done on the lot ranging from \$5,000 to \$140,000, depending upon the degree of outside access to the property. The appraisals are not very helpful in defining the value of the land other than defining the upper limits of value.

The university felt the purchase of one-half of this lot for \$50,000, contingent upon a gift of the other one-half of the property would be a prudent and reasonable acquisition. Funds for purchase will come from Income from Treasurer's Temporary Investments.

The university stated that only with title can the board assure that development will not take place on the peninsula point and that the pristine atmosphere of the peninsula be maintained for teaching and research.

MOTION:

Dr. Harris moved that the Board of Regents authorize the Executive Secretary and Vice President for Finance and University Services at the University of Iowa to negotiate mutually acceptable instruments accepting the offer of Stephen and Barbara Avery to sell the property described as:

Lot Seventy-five (75) of the Second Plot of Manhattan Beach, Dickinson County, Iowa, according to the recorded plat thereof, EXCEPT for the following described tract: Commencing at the northwestern corner of Lot 75 as the point of beginning, then in a southeasterly

direction along the boundary between Lot Seventy-four (74) and Lot Seventy-five (75), a distance of 139.36 feet, thence in a southwesterly direction 100 feet along the southeasterly boundary of Lot 75, which is approximately parallel with the shore line of West Okoboji Lake, thence in a northwesterly direction and parallel to the boundary between Lot 74 and Lot 75 to the west boundary line of Lot 75 and thence in a northeasterly direction to the point of beginning, said tract excepted to be trapezoid in shape for \$50,000 with the further agreement that the Averys will give the other one-half of Lot 75 of the Second Plat of Manhattan Beach, Dickinson County, Iowa, to the Board of Regents on behalf of the University of Iowa Lakeside Laboratory and that the board authorizes the Executive Secretary to accept such gifts. Mr. Bailey seconded the motion, Upon a roll call, the following voted:

AYE: Bailey, Belin, Harris,
Jorgensen, Neu, Shaw,
Wenstrand, Petersen

NAY: None

ABSENT: Brownlee

The motion was approved.

President Petersen then asked board members and institutional executives if there were additional matters to be raised for discussion pertaining to the State University of Iowa.

President Boyd mentioned that a site review in regard to the placement of the new Law Center was being conducted and some prospective sites are pending. One of the prospective sites currently houses three day care centers and some cooperative housing, and the university is looking for an alternative location for these programs.

Donn Stanley of the Student Senate remarked that several people from the day care center and cooperative housing hope to participate in a real way concerning the relocation of these programs. These individuals were pleased that the matter was deferred until January so they will have more preparation time.

IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Wednesday, December 20, 1979.

TOUR OF AMES LABORATORY: A tour of the Ames Laboratory and Iowa Coal Project was conducted by Robert Hansen, Director, and Ray Fisher, Director of the Fossil Energy Program.

The following business pertaining to Iowa State University was transacted on Thursday, December 20, 1979.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for November, 1979, were ratified by the board.

PERSONNEL POLICIES AND PROCEDURES FOR PROFESSIONAL AND SCIENTIFIC EMPLOYEES. These policies were submitted in response to a board direction that institutional personnel policies for professional and scientific employees be presented for review by the Regents following appropriate consultation with affected staff.

The recommendation was to defer action on them until the University of Iowa and the University of Northern Iowa complete their reviews. For the convenience of the board, it was recommended that the policies of all three universities be reviewed by the Regents at the same time. This recommendation does not imply a requirement for uniformity.

President Parks expressed disappointment with the recommendation for deferral. He saw no reason why the approval of Iowa State's policy should be postponed until the other schools policies are ready. He indicated that the institution felt it had a good document and said he hoped the matter would be redocketed for the January board meeting.

Vice-President Christensen said many people worked on the drafts of the policy which was prepared in a timely fashion. He felt it was not fair to put off the professional and scientific employees.

Mr. Covert of the Professional and Scientific Council indicated that the process of working on this document has raised expectations among the staff that a unified set of policies will be in place and they are looking forward to this.

Mr. Richey assured the institution that the matter would be considered soon and would be docketed for the January board meeting. He indicated that although the policies do not need to be uniform among the institutions, there are certain relationships of which the board needs to be aware.

MOTION:

Mr. Shaw moved that the board take under consideration the personnel policies and procedures submitted by Iowa State University and defer action so that it can review such policies from all three universities at the same time. Mr. Wenstrand seconded the motion and it was passed unanimously.

direction along the boundary between Lot Seventy-four (74) and Lot Seventy-five (75), a distance of 139.36 feet, thence in a southwesterly direction 100 feet along the southeasterly boundary of Lot 75, which is approximately parallel with the shore line of West Okoboji Lake, thence in a northwesterly direction and parallel to the boundary between Lot 74 and Lot 75 to the west boundary line of Lot 75 and thence in a northeasterly direction to the point of beginning, said tract expected to be trapezoid in shape for \$50,000 with the further agreement that the Averys will give the other one-half of Lot 75 of the Second Plat of Manhattan Beach, Dickinson County, Iowa, to the Board of Regents on behalf of the University of Iowa Lakeside Laboratory and that the board authorizes the Executive Secretary to accept such gifts. Mr. Bailey seconded the motion, Upon a roll call, the following voted:

AYE: Bailey, Belin, Harris,
Jorgensen, Neu, Shaw,
Wenstrand, Petersen

NAY: None

ABSENT: Brownlee

The motion was approved.

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Jorgensen, Neu, Shaw,
Wenstrand, Petersen

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MOTION:

Mr. Shaw moved that the board take under consideration the personnel policies and procedures submitted by Iowa State University and defer action so that it can review such policies from all three universities at the same time. Mr. Wenstrand seconded the motion and it was passed unanimously.

RENEWAL OF MEMORANDUM OF UNDERSTANDING WITH THE NORTHERN IOWA AGRICULTURAL EXPERIMENTAL ASSOCIATION AT KANAWHA, IOWA. Vice-President Moore passed out a pamphlet describing the project for the benefit of board members who were unfamiliar with it.

The Board Office gave some background information on the Memorandum of Understanding between the Northern Iowa Agricultural Experimental Association and the Agriculture and Home Economics Experiment Station, Iowa State University. The Iowa State Agriculture and Home Economics Experiment Station has had a working relationship with various regional agricultural experimental associations for many decades. The Northern Iowa Research Center has been operational since 1931.

The program involved is one of "...cooperative research and demonstration... in order to develop and illustrate better methods of crop production and of handling problems in soil, plant and soil diseases, and crop and water management typical to conditions of the Clarion-Webster Soil Area of Northern Iowa..."

The university pays for taxes and insurance on the land used from non-appropriated funds while being allowed to keep income from cash crops. All personnel and other operating expenses are the responsibility of the university.

The ten-year extension is seen as being in line with the concept of long-range planning for services and research objectives of this type.

The Board Office recommended the 10-year extension on the memorandum be approved.

MOTION:

Mr. Bailey moved that the Memorandum of Understanding between the Northern Iowa Agricultural Experimental Association and the Agriculture and Home Economics Experiment Station, Iowa State University be renewed for a period of 10 years. Dr. Harris seconded the motion. Upon a roll call, the following voted:

AYE: Bailey, Belin, Harris,
Jorgensen, Neu, Shaw,
Wenstrand, Petersen

NAY: None

ABSENT: Brownlee

The motion passed.

LEASE: SINGLE FAMILY DWELLING, LYNN AVENUE AT LINCOLN WAY. It was recommended that the dwelling unit rental agreement for property identified as Parcel 6 of the Ankeny Land Transaction and located at Lynn Avenue and Lincoln Way on Highway 160 be approved for one year at a monthly rental of \$225.

The Board Office noted that the lease is an interim measure and the property is expected to be re-offered for sale. It was originally sold at a bid price of \$40,750 but the transaction was cancelled at the request of the successful bidder.

The one-year lease will produce \$2,700 in income. Although the monthly rent seems modest, the university reports that the condition of the dwelling,

the location of the dwelling, the reliability of the tenant, and the interim nature of the rental make the terms useful to the university.

MOTION:

Mr. Bailey moved that the dwelling unit rental agreement for property, identified as Parcel 6 of the Ankeny Land Transaction and located at Lynn Avenue and Lincoln Way on Highway 160, be approved for one year at a monthly rental of \$225. Dr. Harris seconded the motion. On a roll call, the following voted.

AYE: Bailey, Belin, Harris,
Jorgensen, Neu, Sahw, Wenstrand,
Petersen

NAY: None

ABSENT: Brownlee
The motion passed.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office reported that the final register for the period of November 17 through December 20, 1979, had been received, was in order and was recommended for approval.

The following construction contracts awarded by the executive secretary were recommended for ratification:

Dairy Farm - Maternity Barn Repair

Award to: Siedelmann Construction Co., Inc., Ames, Iowa
Base Proposal of: \$13,154.00

This project is the result of a fire loss on September 5, 1979. On November 26 the Executive Council adopted a resolution for funds in the amount of \$82,800 to pay the costs of fire damage. The repair of the maternity barn is included in the fire loss.

The university also submitted an amended project budget totaling \$68,500. Additive to this budget to match the allocation made by the Executive Council is \$6,000 for cleanup and temporary cover, \$8,300 for content of hay, straw and shavings.

State Gym - Pool Wall Repair

Award to: Industrial Renovation Ltd., Des Moines, Iowa
Base Proposal of: \$12,938.00

This project is intended to eliminate a problem of loss of treated pool water through joints which have opened in the tank wall. After bids were received and reviewed, the university recommended a \$3,500 increase in project budget. The award was made prior to the board meeting to cut the loss of pool water.

The board was also requested to approve a revised project budget totaling \$16,000 funded from Building Repairs. This is \$3,500 greater than the budget approved at the October, 1979, meeting.

The board was requested to approve the following new projects:

Armory - Remodel for Parking and Security Offices

Source of Funds: Parking Systems	\$ 80,000	
Overhead Reimbursement for Use of Facilities		<u>120,000</u>
	TOTAL	<u>\$200,000.00</u>

This project involves remodeling about 5,150 gross square feet on the first floor of the Armory to provide relocated facilities for the university parking system office (from The Hub) and the security and traffic control department (from Physical Plant Shops and Stores Building). Design services will be carried out by the physical plant staff and remodeling work will be done under competitive construction contracts.

Accessibility Modifications for the Orthopedically Handicapped - Phase III

Source of Funds: 1979 Capital Appropriations	<u>\$ 1,225,000</u>
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Appropriations made by the 1979 Session, expected to be the last capital appropriation specifically made for this purpose, will enable the university to make some form of modifications using the funds as follows:

New Elevators - 6 buildings	\$ 625,245
Elevator Modifications - 12 buildings	311,029
Exterior Access and Interior Access matters - 10 buildings	51,038
Water Fountains, Curb Cuts, etc.	76,690
Restroom Modifications - 19 buildings	<u>160,998</u>
	TOTAL <u>\$1,225,000</u>

The program to be undertaken under Phase II is basically that presented to the legislature with two exceptions. First, the elevator slated for installation in Mechanical Engineering may be moved to service a currently inaccessible section of McKay Hall if planning reveals that Mechanical Engineering would be demolished as part of the new engineering project now in the program stage. Second, the elevator slated for installation in Industrial Education I would be moved to Industrial Education II, which is the Veterinary Clinic space, currently unrenovated. It is anticipated that some of the industrial education functions will move into this unrenovated space which would be accessible to the handicapped with the installation of an elevator in the Old Veterinary Clinic building.

The university is under some time constraints in completion of this program if it is to be in compliance with Section 504 regulations calling for making all programs accessible by June 30, 1980.

The following consultant contracts were presented to the board for approval:

Athletic Facilities - Intercollegiate Running Track and Tennis Courts

The board was requested to approve an increase in the maximum payable under the contract with Shive-Hattery & Associates to building a running track and tennis courts from \$29,700 to \$35,240.39. The board initially contracted with Shive-Hattery in September, 1977, on an hourly fee basis at a maximum cost of \$24,700. In December, 1977, the contract maximum was increased to \$29,700. In May, 1978, a single bid was received and rejected. A project budget was established of \$691,700. In June, 1978, a contract within the budget was awarded.

Additional services totaling \$5,540.39 were authorized by the university in advance of the performance and it recommended that the maximum payable under the contract be increased accordingly.

Mechanical Engineering and Engineering Science and Mechanics

The board was requested to approve a consultant contract with Cost Planning and Management International, Inc. of Des Moines for programming and preliminary planning for an engineering building to house the Mechanical Engineering and Engineering Science and Mechanics Department. Compensation will be based on hourly rates with a fixed maximum of \$37,000, including reimbursables. Source of funds for contract is the Iowa State University Achievement Funds.

Preliminary plans for the structure call for constructing 94,450 gross square feet at an overall cost of \$12,055,000.

Engineering Annex - Remodel Second Floor

The board was requested to approve a contract with Rudi/Lee/Dreyer on an hourly rate basis with a fixed maximum, including reimbursable expenses, of \$54,000. The project is to renovate approximately 12,000 net assignable square feet to house Placement Service, video taping classrooms and faculty offices for the Department of Industrial Engineering. The project has been expanded to include the handicapped accessibility modifications to be made on this building under Phase III of the handicapped program. The total budget is now established at \$472,000 funded from \$330,000 in Building Repairs and \$142,000 in handicapped funds.

The university noted that the negotiated maximum fee at 11% plus of the project cost is higher than normal, but stated that it is a maximum fee and payment will be made on actual time spent at hourly rates.

President Petersen said she found the 11% rate very troublesome. She was concerned because there will be an increasing number of large remodeling

projects and such rates will affect these. Vice-President Moore indicated that this particular project will involve substantial changes in the electrical and mechanical processes of the building. He also noted that the amount of design work necessary will affect the cost of the project. He asked if there was any interest in having a presentation made to the board that would address this issue.

Mr. McMurray indicated that this issue was being reviewed by the construction committee and a report should be presented in the spring.

The following special contract matter was presented for board approval:

The Iowa Department of Transportation took bids on and awarded a contract on the institutional road project, Pave Haber Road from Firemanship Training Building to 13th Street. The project is part of the 1979 Construction Program for institutional roads and had an estimated construction cost of \$110,000. Mr. McMurray reported that the Iowa DOT has made an award to Jackson Construction Company, Inc., Nevada, Iowa, for \$136,175.55. This is above the estimate for the construction but is substantially less than the most recent engineer's estimate by the Iowa DOT. The board was requested to concur in this award.

MOTION:

Mrs. Belin moved that the board approve the Register of Capital Improvement Business Transactions for the period of November 17 through December 20, 1979; ratify awards of construction contracts made by the executive secretary; approve the revised budgets; approve the new projects; approve the consultant contracts; concur with the award made by the Iowa DOT to Jackson Construction Co., Inc., Nevada, Iowa, on the institutional road project listed above; and authorize the executive secretary to sign all necessary documents. Dr. Harris seconded the motion and it was passed unanimously.

President Petersen then asked board members and institutional executives if there were additional matters to be raised for discussion pertaining to Iowa State University.

President Parks offered a report on the private contribution drive at Iowa State University. On the recommendation of the administration, 1½ years ago the foundation changed its direction. The university has been pleased with the results. Money has been raised to improve the library association, equipment, and endowment. The foundation has received commitments that puts it well over half way toward ten million dollars.

Recently the foundation received gifts from Mrs. Henry Wallace for a professorship in the Department of Agricultural History and a gift from the estate of Walter Kelly.

UNIVERSITY OF NORTHERN IOWA

The following business pertaining to the University of Northern Iowa was transacted on December 19, 1979.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office reported that the final register for the period of November 7 through December 10, 1979, had been received, was in order and was recommended for approval.

The following request to return bid guarantee on a construction contract was recommended for rejection.

Steam Distribution Improvements--Divisions 2, 4, and 5

Three bids were received on November 20, 1979. The contract was awarded on the total based proposal to Baker Mechanical, Inc., Des Moines, Iowa, in the amount of \$192,000.

After the bid opening, Baker Mechanical, Inc. sent a letter in which it stated "We have discovered a major clerical error in our bid of November 20, 1979.... Since our mistake was substantial and serious, it is respectfully requested that Baker Mechanical, Inc. be permitted to withdraw our bid and that our bid guarantee be returned." The amount of error pointed out by Baker Mechanical was \$22,000.

The Instructions to Bidders on the Uniform Construction Documents utilized on this project states in Article 6--Bid Security, paragraph D, "Bid security shall be agreed upon as the measure of liquidated damages which Owner will sustain by failure, neglect or refusal of bidder to deliver a signed contract stipulating performance of the work in unqualified compliance with contract documents within ten days after notification of award of contract is given."

Notice of award was sent to Baker Mechanical on November 26 and received on or about November 28. The university did not receive signed contracts from Baker Mechanical within ten days after notification of award of contract.

Because the contracts were not returned in accordance with the Instructions to Bidders and the contract documents, the Board Office and University of Northern Iowa recommended the bid bond submitted by Baker Mechanical be retained as the measure of liquidated damages for failure to deliver the signed contract. The bid bond was 5% of the base bid, or \$9,600.

The university stated that to return the bid bond would be a frustration of the bidding process. The board has set a precedent to insure the integrity of the bidding process in four identical instances. In all four instances the board retained the bid security in accordance with the contract documents. There is nothing in the Baker Mechanical case that is significantly different than the prior instances.

Baker Mechanical submitted materials to the Board Office which they felt supported the return of the bid bond. The materials include Article 16 from the Manual of Recommended Procedure for Competitive Bidding and Award of Building Contract by the Construction Council of Iowa. This article deals with errors in bids and recommends that the bidder should be permitted to withdraw his bid and his bid guarantee should be returned.

This policy is at variance with the Board of Regents' standard conditions which were drawn with the assistance of members of the Construction Council of Iowa. No one on that council has raised any question about Article 6, Bid Security, to the Board of Regents. The issue before the board involved maintenance of the Board of Regents' specifications in a specific bidding instance. To allow a major exception to those specifications after the fact could seriously undermine their future usefulness.

The Board Office and institutions indicated they have high respect for the abilities of Baker Mechanical, Inc., as demonstrated by past work at Regents' institutions, but felt the penalty was clearly stated in Article 6. Therefore, it was recommended that the request by Baker Mechanical, Inc. should be denied and the contract awarded to the second low bidder, Young Plumbing and Heating, Waterloo, Iowa, in the amount of \$237,400.

Baker Mechanical, Inc. made an oral presentation to the board. B. J. Baker, Ron Riley, and Tom McNally, Project Engineer, represented the organization. Mr. McNally gave a history of events leading to the present situation and stated that contractors have all adopted a policy on bids that if the low bidder claims an error and the evidence is clear that an error was made, the bid guarantee should be returned. He cited some cases in which this has been done.

Regent Bailey said that since the error was discovered after the bids were opened, to return the bid security would be irresponsible toward the bidding process. He said a person in business must accept responsibility for what they have done.

Mr. McNally said the company accepts their responsibilities but takes some risk when they bring new people into the business. He said what the company was asking for was standard practice in the industry.

President Petersen noted again that this has not been the standard practice of the Board of Regents and the board was of the opinion that it is important to protect the integrity of the bidding process. The board has always required the low bidder either to perform or to sacrifice the bid bonds.

Mr. Richey said if Baker Mechanical was released from its obligation, the board would have to offer the contract to the next low bidder. If the board didn't want the next low bidder to do the work, it would be necessary to go through the bidding process again. This would be unfair since all the bidders have revealed their hands.

UNIVERSITY OF NORTHERN IOWA
December 19-20, 1979

MOTION:

Regent Bailey moved that the request made by Baker Mechanical, Inc., for return of bid guarantee on the project, Steam Distribution Improvements - Divisions 2, 4, and 5, be rejected and that the board retain said bid security in the amount of \$9,600 and award the contract to the second low bidder on the total base proposal, Young Plumbing and Heating, Waterloo, Iowa, in the amount of \$237,400. Mr. Wenstrand seconded the motion and it was passed unanimously.

The following construction contract awarded by the executive secretary was recommended for ratification:

Turbine Generator - Plant #2 - 7500 KW, Division 2, Surface Condenser and Auxiliaries

Award to:

Ecolaire Condenser, Bethlehem, Pennsylvania \$120,590.00
Base Bid of:

This is a \$3.4 million project for which funding was provided in 1979 capital appropriations. Previously the board awarded Division I in the amount of \$1,614,000.

The executive secretary waived an irregularity because all bidders took some exception to the contract documents and failed to include all required data to insure meeting the specifications. Brown Engineering and the university worked with the low bidder to obtain the required data to insure specification compliance and to clarify any unacceptable exceptions. Virtually all the clarifications involve guarantee and warranty questions. There were no irregularities with the bidding and award was made to the low bidder. Award was within the consultant's line item estimate and the project budget.

The following new contracts were recommended for approval:

East Gymnasium Pool - Stationery Bulkhead
Source of Funds: Building Repairs \$ 13,000.00

Reconstruction of Roads Serving Shops Area - Phase II
Source of Funds: State Parks and Institutional Roads \$196,000.00

This project is included in the 1980 and 1981 construction portion of the Five-Year Institutional Roads Program. It involves paving 0.26 mile of road to service Plant Services and Steam Generating Plant #2 facilities. The university intends to undertake the total project in 1980 with reimbursement from State Parks and Institutional Roads funds occurring in 1980 and 1981.

The project needs to occur in conjunction with similar on-site work for the new coal-fired boiler addition at the Steam Generating Plant #2 in order to obtain a more economical quantity/contract price and to coordinate the adjacent work.

The board was requested to approve a design agreement between the Iowa Department of Transportation and the board which will allow the university to design the roadway with utilization of Brown Engineering as project consultant. Brown Engineering will accomplish this work in conjunction with the site work on the boiler project. Both the design agreement and the consultant's contract are subject to approval by the Iowa Department of Transportation.

Auditorium Building - Renovate Auditorium and Related Facilities

Source of Funds: Building Fund for Student Activities \$ 60,000.00

This space is operated by the Student Services Division. Funding for the renovations are student fee accumulations set aside for future building projects. The university notes that this auditorium must continue to serve the university for a minimum of 5 to 7 years until replacement space is available. There has been student involvement in the project and student endorsement of the use of student fees for this purpose.

The building fund for student activities is funded by a \$9.00 per student/academic year student fee. Fund balances have been:

June 30, 1977	\$276,133.08
June 30, 1978	393,555.71
June 30, 1979	523,276.00

The purpose of the fund is to build/repair student oriented facilities. Fund balance by June 30, 1980, would be about \$650,000.

The following consultant contracts were presented to the board for approval:

The university requested ratification of payment of \$1,035.75 to Craig Ritland, Landscape Architect, for additional services connected with the design on the development study of the West Campus Playfields and the construction plans and specifications for a driving range. Originally, the board approved this contract with a maximum fee of \$7,500 for basic services and reimbursable expenses. Additional services were requested of the architect by the university.

The following special matter pertaining to the utilization of boilers #2 and #3 at Plant #1 was presented to the board for ratification of action taken by the executive secretary.

A letter was sent to the Iowa Department of Environmental Quality from the executive secretary in which it is requested that the university be permitted to utilize boilers #2 and #3 at Plant #1 on an as-needed basis until such time as the new coal-fired boiler at Plant #2 becomes operative. The Emission Reduction Program for the university stated that these two boilers

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would be made inoperative on June 30, 1979. That date was based on the belief that the new coal-fired boiler would be operable in December, 1979.

Because of certain unanticipated and unavoidable delivery problems with receipt of owner and contractor equipment and materials, the new coal-fired boiler is not anticipated to be operable until March, 1980. Institutional tests on boilers #2 and #3 show that these boilers can be operated on an as-needed basis within emission standards set by the Department of Environmental Quality. The use of these boilers will relieve the university and the state of utilization of scarce fuel oil. By using coal rather than oil, the university is expected to saving about \$500,000 and potentially 700,000 to 800,000 gallons of coal could be saved.

A response has not been received from the Department of Environmental Quality. Under the authority granted to the executive secretary in matters of emission reduction programs, the board was requested to ratify action taken by the executive secretary in this matter.

MOTION:

Mrs. Belin moved that the board approve the Register of Capital Improvement Business Transactions for the period of November 7 through December 10, 1979; ratify award of construction contract made by the executive secretary; approve the new projects; ratify the consultant contract; authorize the executive secretary to sign all necessary documents; and ratify the request made by the executive secretary to the Department of Environmental Quality as regards operation of coal-fired boilers. Dr. Harris seconded the motion and it was passed unanimously.

The following business pertaining to the University of Northern Iowa was transacted on Thursday, December 20, 1979.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the University of Northern Iowa were ratified by the board.

CHANGE OF DEPARTMENT NAME FROM DEPARTMENT OF SPEECH PATHOLOGY AND AUDIOLOGY TO DEPARTMENT OF COMMUNICATIVE DISORDERS. It was recommended that the proposed name change be reviewed by the Interinstitutional Committee on Educational Coordination to see if there are any interinstitutional implications in changing the name of this department.

It was the understanding of the Board Office that this change of name does not imply any new program thrust or additional expenses for the department.

MOTION:

Dr. Harris moved that the board refer the change of departmental name from Department of Speech Pathology and Audiology to Department of Communicative Disorders to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation. Mrs. Jorgensen seconded the motion and it passed unanimously

SPECIAL SECURITY OFFICER. The board was requested to commission Mr. Achilles Parigoras as special security officer. Mr. Parigoras has completed the training course at the 61st Basic Recruit Session of the Iowa Law Enforcement Academy at Camp Dodge.

MOTION:

Mrs. Belin moved that the board commission Mr. Achilles Parigoras as a permanent special security officer at the University of Northern Iowa. Dr. Harris seconded the motion and it passed unanimously.

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

IOWA SCHOOL FOR THE DEAF

The following business pertaining to the Iowa School for the Deaf was transacted on Thursday, December 20, 1979.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for November, 1979, were ratified by the board.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. There were no capital improvement business transactions for the month of November.

President Petersen then asked board members and institutional executives if there were additional matters to be raised for discussion pertaining to the Iowa School for the Deaf.

Superintendent Giangreco noted that the reason there have not been many items on the docket from the Iowa School for the Deaf is that many matters are being considered by the Advisory Committee and it is having difficulty scheduling meetings. As soon as this committee meets, these items will be brought to the board.

IOWA BRAILLE AND SIGHT SAVING SCHOOL

The following business pertaining to the Iowa Braille and Sight Saving School was transacted on Thursday, December 20, 1979.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for November, 1979, were ratified by the Board.

REGISTER OF CAPITAL IMPROVEMENTS BUSINESS TRANSACTIONS. The Board Office reported that the final register had been received, was in order, and was recommended for approval.

Two projects on the register presented for board approval were:

Gymnasium Reroofing

This is a \$50,000 project funded by building repairs. In June the board approved a contract with D.C. Taylor Company, Cedar Rapids, Iowa. The register contains one add change order in the amount of \$559.15 making the total contract with D.C. Taylor \$43,229.15. The register also contained a certificate of substantial completion of the project.

Addition to Service Building and Site Clearance

This is a \$200,000 project funded by a \$60,000 transfer from 1978-79 tuition replacement appropriations and \$140,000 in a capital line item appropriation made by the 1979 session. The project was initiated last June with the award of a contract to demolish the old laundry building, old orchestra hall, and reconstruction of the utility tunnel, which underlay those two buildings. That contract was with B.A. Westbrook Construction Company for \$70,043. A deduct change order was previously approved involving deletion of certain grading responsibilities in the amount of \$10,527. A final change order is on this month's register for an additional \$5,657.59. The institution noted that the contract is nearly complete to the point that paper work is in progress for early submission of acceptance of construction contract completed.

The institution also submitted a revised project budget for Board Office records which indicate a reserve of \$112,926.31 plus contingencies of \$8,900 to construct the addition to the service building.

MOTION:

Mr. Bailey moved the board approve the Register of Capital Improvement Business Transactions for December, 1979; approve the add change order in the amount of \$559.15 in the Gymnasium Reroofing project; approve the change order for \$5,657.59 in the addition to the Service Building and Site Clearance; and approve the revised budget. Mrs. Belin seconded the motion and it passed unanimously.

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IMPLEMENTATION OF RESIDENTIAL/RESOURCE PROGRAM. It has been proposed that Iowa Braille and Sight Saving School would serve as a residential/resource facility. As a residential facility, it would primarily serve elementary children and multiply handicapped children. Most students in the elementary program would be served through a short-term placement typically ranging from a few months to three years. About 10 to 25 students would be in attendance at any given time. Iowa Braille and Sight Saving School would no longer provide a secondary school residential program, although it would provide services to secondary students through its function as a resource center.

The proposed change at the school is due the change in special education, whereby many exceptional children who are able are being educated in the public schools.

The Board Office recommended deferral of this plan for several reasons. The plan as presented provides some information about resource allocations and needs but only in general terms. Some attention to additional resources would be needed. More detailed development and tying programs to staff and facility needs is required.

Another reason for deferral is that the proposed program would change the basic mission of the institution from being predominately residential to being a limited residential program. In undertaking this major change in the function of the institution, it is extremely important that the Regents undertake a detailed budgetary assessment of the impact of the proposed change. It is also important that other organizations and agencies in Iowa which would be instrumental in determining the success of the proposed mission of the school be adequately involved and consulted regarding its implementation.

The Board Office noted that in other states the role being proposed for Iowa Braille and Sight Saving School is played by the Department of Public Instruction, or its equivalent. The Department of Public Instruction in Iowa does have specific federal and state responsibilities in this area and it may be that it may choose to undertake these responsibilities on its own. If this should happen, the school will be left with little or no role in the resource area.

Superintendent DeMott offered four reasons why he thought action on the proposed plan should not be deferred:

1. The residential resource program has already been thoroughly studied and presented to the Board of Regents. He gave a history of the studies conducted.
2. A decision as to the role and function of the school rests squarely with the board and not with the other agencies suggested. The decision requested is a role and function type of decision.
3. Deferral of a decision would seriously disrupt administration and planning functions at the school.
4. Deferral of a decision could seriously jeopardize quality service to visually impaired children in Iowa.

Superintendent DeMott expressed concern that a delay in this decision might result in the decision being arrested from the regents. He cited a case in which a deaf-blind program was proposed. A decision about that program

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was delayed and in the meantime the Department of Public Instruction assumed responsibility for such a program.

Regent Belin acknowledged the problem with the deaf-blind program but noted that in order to make a good decision more discussion and consultation was necessary in order to get funding and support of other agencies.

Mr. Richey noted that although the board had been kept posted on the developments of the program, it had been received in concrete form by the Board Office recently. Regent Jorgensen expressed concern for the time frame in which a decision would be made.

MOTION:

Dr. Harris moved that the implementation of the residential/resource program be deferred for further study and consideration; that the request for approval to contract for architectural services for master plan update and facilities review be deferred until the review of the proposed residential/resource program is completed; and that the request for approval to develop plans and preliminary budget for multi-purpose outdoor education environment be deferred until the review of the proposed residential/resource program is completed. He made the motion with the hope that the proposal can be returned to the board in January or February of 1980 if possible but no later than March of 1980. Mr. Bailey seconded the motion.

Mr. Bailey noted that it would also be necessary to check the statute to make sure the proposed program fell within it.

VOTE ON MOTION:

The motion passed unanimously.

REQUEST FOR APPROVAL TO CONTRACT FOR ARCHITECTURAL SERVICES FOR MASTER PLAN UPDATE AND FACILITIES REVIEW. This action was deferred by the action of the board on the requested approval for implementation of a residential resource program discussed above.

REQUEST APPROVAL TO DEVELOP PLANS AND PRELIMINARY BUDGET FOR MULTI-PURPOSE OUTDOOR EDUCATION ENVIRONMENT. This action was deferred by the action of the board on the requested approval for implementation of a residential/resource program discussed above.

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ADJOURNMENT: The meeting of the State Board of Regents adjourned at 11:20 a.m., Thursday, December 20, 1979.


R. Wayne Richey