

The State Board of Regents met at the Scheman Continuing Education Building, Ames, Iowa on Thursday and Friday, July 15-16, 1976. Those present were:

	<u>July 15</u>	<u>July 16</u>
<b>Members of State Board of Regents:</b>		
Mrs. Petersen, President	All Sessions	All Sessions
Mr. Bailey	All Sessions	All Sessions
Mr. Baldrige	All Sessions	All Sessions
Mr. Barber	All Sessions	All Sessions
Mr. Brownlee	All Sessions	All Sessions
Mrs. Collison	All Sessions	All Sessions
Mr. Shaw	Arr. 1:30 p.m.	All Sessions
Mr. Slife	All Sessions	All Sessions
Mr. Zumbach	All Sessions	All Sessions
<b>Office of State Board of Regents:</b>		
Executive Secretary Richey	All Sessions	All Sessions
Mr. Caldwell	All Sessions	
Mr. McMurray	All Sessions	All Sessions
Mr. Volm	Arr. 10:00 a.m.	
Pauline K. Van Ryswyk, Secretary	All Sessions	All Sessions
<b>State University of Iowa:</b>		
President Boyd	All Sessions	
Vice President Brodbeck	All Sessions	All Sessions
Vice President Jolliffe	All Sessions	All Sessions
Assistant Vice President Small	All Sessions	All Sessions
Assistant Dean Jennings	All Sessions	
Director Hawkins	All Sessions	
Director Tobin	All Sessions	
<b>Iowa State University:</b>		
President Parks	All Sessions	
Vice President Christensen	All Sessions	All Sessions
Vice President Hamilton	All Sessions	
Vice President Moore	All Sessions	All Sessions
Assistant Vice President Madden	All Sessions	All Sessions
Assistant to the President Walsh	All Sessions	All Sessions
Director Pace	All Sessions	
Director Whitman	Exc. 2:00 p.m.	
<b>University of Northern Iowa:</b>		
President Kamerick	All Sessions	All Sessions
Provost Martin	All Sessions	All Sessions
Vice President Hansmeier	All Sessions	
Vice President Stansbury	All Sessions	All Sessions
Assistant to Vice President Walton		All Sessions
Director Kelly	All Sessions	All Sessions
Dean Travis	All Sessions	
<b>Iowa School for the Deaf:</b>		
Superintendent Giangreco	Exc. 3:15 p.m.	
Business Manager Kuehnhold	Exc. 3:15 p.m.	
<b>Iowa Braille and Sight Saving School:</b>		
Superintendent Woodcock	Absent	
Business Manager Berry	Exc. 3:15 p.m.	

## GENERAL

The following business pertaining to general or miscellaneous items was transacted on Thursday, July 15, 1976.

APPROVAL OF MINUTES OF JUNE 9-10, 1976 MEETING. The minutes of the June 9-10, 1976 meeting were approved as distributed.

COMMITTEE ON EDUCATIONAL COORDINATION. The board was requested to approve curriculum proposals as submitted by the University of Northern Iowa and reviewed by the Interinstitutional Committee on Educational Coordination.

The Board Office reported that at its June meeting the board was presented with a number of proposed curriculum items by the University of Northern Iowa. The curricular changes were in the College of Business and Behavioral Sciences, the College of Education, the College of Humanities and Fine Arts, the College of Natural Sciences, and interdisciplinary programs and courses.

The Board Office noted that in accordance with the actions taken by the board at its June 1975 meeting, Board Office concerns and questions regarding the proposed curriculum items were directed to the Interinstitutional Committee on Educational Coordination which then considered them during the process of reviewing the proposed curriculum items. These questions, along with those of the committee, were responded to in a satisfactory manner by the University of Northern Iowa.

Regent Collison said she sees evidence of enthusiasm for the performing arts and fine arts as well as music at the University of Northern Iowa. She said she appreciates the support these programs have gotten from the Interinstitutional Committee on Educational Coordination.

### MOTION:

Mr. Bailey moved the board approve the curriculum proposals as submitted by the University of Northern Iowa and reviewed by the Interinstitutional Committee on Educational Coordination. Mr. Slife seconded the motion and it passed unanimously.

ACCREDITATION OF IOWA SCHOOL FOR THE DEAF. The Board Office reported that Iowa School for the Deaf has been notified by the Conference of Executives of American Schools for the Deaf that as a result of a site visit conducted by that organization on March 4-5, 1976, full accreditation has now been granted to the Iowa School for the Deaf. The achievement of accredited status by Iowa School for the Deaf from this organization is a significant achievement for the institution. The accreditation is the first accreditation for the Iowa School for the Deaf from this group and represents the first time in its history that Iowa School for the Deaf has sought and achieved such status.

The Board Office commented that the on-site visit was carried out by a committee of four members of the Conference of Executives of American Schools for the Deaf (superintendents) reviewing the following program components in detail: administration, school organization, academic programs, psycho-social services, group living, extra-curricular programs, vocational education, health services, food services, maintenance and operation.

Regent Baldrige asked Superintendent Giangreco how he felt about a student activities center, which was recommended by the members of the accrediting organization. Superintendent Giangreco said he, too, feels it is needed on the campus. Regent Baldrige said that possibly Superintendent Giangreco could consider exploring existing space and remodeling it for that purpose. Superintendent Giangreco said the school is working on the idea of a student center activities area for all students.

Regent Bailey commented in respect to a recommendation made by the accrediting team that consideration and study should be given to establishing a unified method of instruction as this would lend continuity to the school's program. He asked how practical the recommendation was for the school. He asked to what extent it could be done without infringing on the academic freedom of the school. Superintendent Giangreco agreed that this is an area which should be left to the school's discretion. However, he said that within the next two years the school will have achieved a little more uniformity than there is in the present set-up.

**ACCESSIBILITY OF FACILITIES TO HANDICAPPED PERSONS.** The Board Office recommended that the \$500,000 line-item appropriation for handicapped accessibility be allocated as follows: \$300,000 to the University of Iowa, \$130,000 to Iowa State University, \$70,000 to the University of Northern Iowa, with the flexibility to spend the funds for all projects on Table II (which was presented to the board) and with the understanding that the board will approve future allocations if needed, if there are funds left over after each institution completes its list of fiscal year 1976-77 projects.

The Board Office reported that last summer each institution conducted a building-by-building survey of architectural barriers on each of the three Regents' university campuses. The total cost of modifying all the campuses was \$3.6 million. The Board Office recommended that the first phase program be concentration on building modification of major or primary academic and administrative structures on the campus. This would have cost \$2.6 million. This did not include cost of renovating or modifying residence-halls or the Iowa State Memorial Union within state funds as such modifications are assumed to be recommended with funding from non-state sources.

The board submitted to the Governor as a statewide program a request of \$925,000 which was the amount shown for the University of Iowa alone for building modification. It was felt that the \$925,000 could essentially make the University of Iowa fully accessible to the orthopedically handicapped.

The Governor recommended an appropriation of \$500,000 for this purpose and initially stated that, rather than go to just one institution, the amount

should be divided among all three Regents' universities. The legislature followed suit and appropriated \$500,000 but did not speak to the question of whether the funds should go to one or more of the Regents' universities. The Governor's Office later informed the Board Office that it would leave the decision to the Board of Regents, in effect, stating that the entire funds could go to one institution, be divided among two institutions or be divided among all three.

A new factor entered into the question of division of funds, the proposed regulations on nondiscrimination on the basis of handicapped, now being drafted by federal Health, Education and Welfare. These regulations might require that all universities or colleges receiving federal funds be fully accessible to handicapped persons in order to continue to be eligible for those federal funds.

The Board Office recommended that the initial appropriation should be divided among all three institutions and that eventually all three institutions should be fully accessible for the physically handicapped. The following reasons were cited:

1. The legal and cost implications of the proposed HEW regulations are massive. However, it also is possible that there will be for the first time in years some federal funds for construction purposes, which would make the Iowa plan feasible in a shorter period of time than would be possible if we had to rely solely upon state appropriations.
2. Each Regent university has unique programs. In addition, each institution has some programs even in the areas, where they duplicate each other, that are stronger as compared to the other two institutions.
3. The initiation of the program calls for making very fundamental space accessible to the handicapped, which is not now accessible, such as the primary classroom buildings on each campus, the library, computer center, and major administrative space which serves students.

The Board Office considered three plans in detail. These were:

1. Provide an allocation of \$500,000 solely to the University of Iowa.
2. Provide an allocation solely to the University of Northern Iowa and the University of Iowa, making Iowa State University wait until a later biennium.
3. Provide \$300,000 to the University of Iowa, \$130,000 to Iowa State University, and \$70,000 to the University of Northern Iowa.

The \$300,000 for the University of Iowa would make accessible the four primary buildings on the Pentacrest, each of which requires an elevator and which are the four most important buildings on the University of Iowa campus, which currently are not accessible to the orthopedically handicapped. The next priority of the University of Iowa is the Communications Center which has journalism and the Daily Iowan program housed in it. Cost of modifying that structure is about \$57,000.

The Iowa State University proposed allocation of \$130,000 would modify ten buildings or 18.3% of the Iowa State University space. It would make accessible to orthopedically handicapped the home economics and child development programs at Iowa State, the library, the computer science area, and, for a relatively modest amount, would modify and bring into the accessible category four major classroom buildings on the campus. It also will for approximately \$30,000, allow initiation of a program of accessibility to eight additional buildings on campus through the construction of a ramp or a lift to the building. These buildings would not become fully accessible until the 1977-79 biennium, but the programs for these buildings could at least begin.

The proposed \$70,000 for the University of Northern Iowa would make the Administration Building and eight other major buildings on campus accessible. The programs in business, natural sciences, math, home economics, music and physical education would become available to the orthopedically handicapped. The \$70,000 would bring that campus from its current 30% accessibility level to 62.8% accessibility.

President Petersen called the board's attention to a letter distributed to it from the Governmental Affairs Committee of United Cerebral Palsy of Iowa, which indicated support for having at least one institution of higher education in Iowa accessible for handicapped students. In support of having one institution fully accessible, the following is quoted from the letter: "To fragment the appropriations would not allow any one institution to be accessible; rather, all universities would be at the same level of inaccessibility." Several reasons were provided supporting allocating the amount available to the State University of Iowa.

President Petersen noted that Mr. Brad Meyers, Chairman, Iowa Association of Concerned Veterans Push Committee, was present and requested to speak to the board on this matter. Mr. Meyers reported that considerable sums have already been expended to correct some of the multitude of problems facing a handicapped student who wishes to attend the University of Iowa. The university has started many programs including a part-time coordinator of handicapped programs, the beginnings of an accessible transportation system for which the University of Iowa Veterans Association plans to apply for funding for vans and maintenance, an orientation program tailored to the needs of the physically handicapped, and other programs involving many portions of the university such as physical therapy, recreation therapy and others.

Mr. Meyers reported that the city of Iowa City has allocated \$115,000 for renovation of city buildings for accessibility. The city has completed a plan for removal of all barriers on city property and is now considering ordinances covering accessible housing, accessible transportation, and an affirmative action program.

Mr. Brad Meyers said the University of Iowa has embarked on this course because the Board of Regents is in violation of Chapter 601A of the Iowa Code and the university is attempting to remove that violation. He said that every person who wishes to attend the University of Iowa and cannot because he or she is handicapped is being denied his or her right to an equal education.

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Mr. Meyers said it is the view of the Iowa Association of Concerned Veterans that \$70,000 would be put to very good use at the University of Northern Iowa and that the rest of this year's funding should go to the University of Iowa with later funds finishing the job at Iowa City. He added that the University of Iowa worked itself up to 65% accessibility without the help of the Regents, and with the help of this body, it and the University of Northern Iowa will remove the state of Iowa from among the 11 states which do not have an accessible four-year institution.

President Petersen introduced Ms. Benita Dilley, President, Collegiate Associations Council, State University of Iowa, who wished to speak on this matter.

Ms. Dilley emphasized the statement made by Mr. Meyers by stating that all persons have the right to an education. She urged the board make **one university completely accessible as soon as possible. She noted that compelling reasons have already been given as to why that university should be the University of Iowa.**

President Petersen introduced Mr. Don Schaffer of the Regional Planning Commission who was present to speak on handicapped accessibility. He said that the planning commission is interested in educating the handicapped. He emphasized that making the State University of Iowa completely accessible for the orthopedically handicapped would be in full accordance with what the Regional Planning Commission desires.

President Parks said he wanted the record to show that Iowa State University has had no lack of concern for handicapped persons but has had a lack of money. He said he feels that Iowa State University's efforts to help handicapped persons within its limited facilities and finances have been excellent.

President Petersen then introduced Mr. David C. Johnston, a concerned citizen from Johnson County, who wished to speak on the subject.

Mr. Johnston reported that he feels the University of Iowa would be the best place to invest the \$500,000 for the following reasons, among others:

1. It has in its employ a half-time staff person to assist in the accommodation of handicapped students.
2. It has made architectural accessibility one of its primary objectives.
3. It has already made several buildings architecturally accessible.
4. It has established special transportation services for the physically handicapped.

He said that if fragmentation of the allocation occurs, the timetable for the achievement of such accessibility would be delayed at the University of Iowa until at least 1981, and until 1981 at the other state universities and, in all probability, these dates would be much later. He added that the other institutions probably would not be able to offer the same diversity of programming now available at the University of Iowa.

**MOTION:**

Mr. Baldrige moved the board allocate the \$500,000 line-item appropriation for handicapped accessibility as follows: \$300,000 to the University of Iowa, \$130,000 to Iowa State University and \$70,000 to the University of Northern Iowa, with the flexibility to spend the funds for all projects listed on Table II (which was presented to the board for information) and with the understanding that the board will approve future allocations if needed, if there are funds left over after each institution completes its list of fiscal year 1976-77 projects. Mrs. Collison seconded the motion.

Mr. Richey commented that while \$500,000 will not grant full accessibility to all the Regents universities, it is a pretty significant amount to get started and said he views the motion made as an optimistic one with respect to future funding. He said he felt the action before the board would place the Board of Regents in a better stance to get additional funds next year. Regent Baldrige stated he favored the Board Office's recommendation pertaining to the division of funds rather than allocating it completely to the University of Iowa because of the handicapped students wishing to attend either Iowa State or the University of Northern Iowa.

Regent Barber said he was impressed with the relatively modest amount of money needed to double the accessibility at the University of Northern Iowa and Iowa State University. He said he feels the dollars should be spent as recommended by the Board Office.

Mr. McMurray expressed appreciation to each of the institutions for their commitment to the accessibility program for the handicapped. He said all the institutions have worked equally hard on identifying the barriers to the orthopedically handicapped on and off campus. He said he feels that the work that has gone on for the past year puts Iowa in a good position as far as upcoming federal legislation is concerned on accessibility for the handicapped. President Petersen expressed thanks to the Johnson County Regional Planning Commission for its concern in this regard and to the Iowa Association of Concerned Veterans as well as concerned citizens in the state for all the help given toward recognizing the accessibility problem.

Mr. McMurray reported that now that buildings have been identified which need to be made accessible and that are accessible, the Board of Regents will work with the Vocational Rehabilitation Department and make a list available to it of programs which are available and/or will be available for handicapped persons.

Regent Zumbach said he feels the board should try to maximize its efforts regarding accessibility for the handicapped within the limitations it has with finances.



President Petersen reiterated that the board's feeling is to make all three campuses basically accessible.

VOTE ON MOTION:                   The motion passed unanimously.

**CAPITAL ALLOCATIONS FOR 1976-77.** The board was requested to: 1) allocate a maximum of \$30,000 to the University of Northern Iowa for a planning study on steam production and distribution systems and authorize the executive secretary to approve this contract under the terms and conditions set forth in the university exhibit with board ratification of his action at its September meeting; 2) authorize the Iowa Braille and Sight Saving School to negotiate for engineering services for the replacement of the Deaerating Feedwater Heater-Power Plant Project; 3) allocate \$2,320,000 in a tentative allocation of funds to Iowa State University for the Utilities - Electrostatic Precipitator Project; 4) allocate \$50,000 to the University of Iowa in a tentative allocation for the Power Plant - Oil Spillage Protection Facilities Project; 5) approve an engineering services contract with Brown Engineering Company, Des Moines, Iowa for the Iowa State University Electrostatic Precipitator Project.

The Board Office reported that the board at its June meeting allocated the 1976 capital appropriations with two exceptions: 1) the \$500,000 for handicapped accessibility and 2) the \$2,500,000 reserved for later allocation for up to five environmental projects.

The Board Office reported that the first of the environmental projects involves the replacement of the coal-fired boiler at the University of Northern Iowa. The university proposed that a study be made of the university's steam production and distribution systems. This study should include analysis, recommendations, cost estimates and priorities but no design work. The timetable for the study would allow the essential facts on the steam production portion to be done by no later than October 1. The complete study would be completed by January 1, 1977, which would allow adequate time for any necessary revisions to the capital askings of the board for the 1977 legislative session.

The Board Office expressed concern over existing power capabilities or capacity at the University of Northern Iowa. The legislature did not provide the construction funds for a new coal-fired boiler. It will take up to five years before that boiler is operational.

The University of Northern Iowa proposed an engineering contract based upon hourly rates with a guaranteed ceiling. The contract would require the engineering firm to specify the amount of any allowances or credits due the university if design work for any of the recommendations in this study, particularly for the design of a new boiler, is awarded to the consulting firm that makes the study. The reason the executive secretary was requested to approve this contract was so that the study could be initiated as quickly as possible, particularly as there is an urgent need to have the initial information by October 1.

The Iowa Braille and Sight Saving School requested approval to negotiate engineering services for a \$50,000 power plant project. This agreement



would come back to the board for approval in September. As there is a fairly long lead time on receiving this equipment, it is not anticipated that the equipment could be installed until next summer.

The Board Office reported that a meeting was held with representatives from the Iowa Department of Environmental Quality to discuss the issuance of the final report by the Federal Environmental Protection Agency on the power plant emission monitoring at Iowa State University. It was decided that Iowa State University would install two electrostatic precipitators in its power plant, one for Boiler No. 3 and one for Boiler No. 4 built on a common support structure with a common wall between the precipitator chambers but with separate electrical controls. In addition, a number of other improvements are to be made within the heating plant, which are intended to improve both the particulate and visible emissions of the Iowa State University plant and to bring that plant fully in compliance with rules of the Air Quality Commission. Under the authority granted to the board's executive secretary, a revision to the emission reduction program for Iowa State University was filed with the Department of Environmental Quality. In the next two weeks it also will be necessary that this program be approved by the U. S. Environmental Protection Agency.

It was recommended that Iowa State University be allocated under a tentative allocation the sum of \$2,320,000 to carry out this project. It was noted that tentative cost estimates put total project cost to completion at \$2,490,000. It is possible that it will be necessary to make a supplemental request of \$100,000 to \$200,000 to the 1977 legislature as part of the Board of Regents' capital askings to complete the project within the schedule outlined. That schedule calls for the completion of plans and specifications for the precipitators by September 30, 1976 with the system fully operational by March 30, 1978.

To meet the initial deadline it was also recommended that the board approve a contract for engineering services with Brown Engineering Company, Des Moines, Iowa. The engineering services contract would be in the usual form, i.e., hourly rate with a guaranteed maximum of 6% of the cost of construction, or \$140,000.

It was also recommended that \$50,000 of the tentative allocation be allocated to the University of Iowa for the Power Plant - Oil Spillage Protection Facilities Project. It was noted that it is anticipated that the university will bring forward a project description and budget at the September meeting.

There remains \$100,000 to be allocated. It was noted that if the funds are not needed for the Water Treatment Plant - Sludge Handling Facility at the University of Iowa that \$66,000 of these funds would go toward the UNI-Dome Physical Education Equipment Project to restore that budget to the original asking amount.

Mr. Richey said an informal meeting with the Environmental Protection Agency is scheduled with the Board Office staff to make sure that what was submitted with regard to emission standards was acceptable.

Regent Collison said it was understood by her that there has been a move from the legislative body to have the environmental standards changed and asked if the Board Office was involved in those hearings. Mr. McMurray stated that Regent Collison was referring specifically to rules on sulphur 9

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emission and added that the Board Office has not been involved in those hearings.

**MOTION:**

Mr. Slife moved the board: 1) allocate a **maximum** of \$30,000 to the University of Northern Iowa for a planning study on steam production and distribution systems and authorize the executive secretary to approve this contract under the terms and conditions set forth in the university exhibit with board ratification of his action at the September meeting; 2) authorize Iowa Braille and Sight Saving School to negotiate for engineering services for the replacement of Deaerating Feedwater Heater-Power Plant Project; 3) allocate \$2,320,000 in a tentative allocation of funds to Iowa State University for the Utilities - Electrostatic Precipitator project; 4) allocate \$50,000 to the University of Iowa in a tentative allocation for the Power Plant - Oil Spillage Protection Facilities Project; 5) approve an engineering services contract with Brown Engineering Company, Des Moines, Iowa for the Iowa State University Electrostatic Precipitator Project. Mrs. Collison seconded the motion and it passed unanimously.

**INTRODUCTION.** President Petersen introduced Dr. Dale Nitzschke who will be the new Dean of the College of Education at the University of Northern Iowa effective August 1, 1976.

**BUDGET REQUESTS FOR 1977-79.** The board was given an opportunity for initial discussion of budget needs for the 1977-79 biennium.

The Board Office reported that the schedule for the September board meeting calls for consideration of the special needs list, tuition rates, federal funds losses, and for a preliminary board decision on the overall budget. Final consideration of tuition rates is to be deferred to the October board meeting at which the final decision on the budget request is to be made. The Board Office will prepare a budget request recommendation for the September meeting and recommendation on tuition rates for the October meeting. Prior to the September meeting the Board of Regents will have the opportunity to review in depth the needs for instructional programs at academic seminars at all three universities.

The initial calculations subject to the limitations noted above generate amounts of \$315.8 million and \$347.3 million for fiscal years 1977-78 and 1978-79, respectively, as compared with a budget of \$272.0 million for 1976-77. This amounts to a budget increase of 16.1% and 10.0% for each respective year of the 1977-79 biennium. These figures

were based on the preliminary budgets as the starting base rather than the final budgets for 1976-77, which were submitted for approval at this meeting. The budget requests exclude additional federal funds losses in 1976-77 and thereafter. The Board Office budget request was not included in the above figures.

The Board Office presented the following basis for determining the increase in each of the various expenditure categories in the preliminary institutional request:

Federal Funds Losses	List additional losses anticipated by program for 1976-77 and 1977-78
Enrollment Increase Costs	Variable unit cost for 1974-75 adjusted to 1976-77
Salaries and Wages	3% per year for merit increases with consideration of other adjustments later
General Expense	
Fuel and Purchased Electricity	Estimated price and consumption trend; maintain "pass-through" concept.
Other	15% - restore base eroded by inflation 10% per year to maintain buying power
Equipment	Budget at 5% of inventory value 1975
Library Books	16% per year to maintain buying power
Repairs, Replacements and Alterations	General universities - 36% of starting base for building maintenance 30¢/sq. ft. for life-of-building approach Health units - Same as General Expense - Other
Special Needs	ISD/IBSSS - Institutional request for 1976-77 5% of total budget for 1976-77 for each year of 1977-79 biennium.

President Kamerick, Chairman of the Budget Committee, reported that the business officers of each of the institutions have put the preliminary budgets together but noted that the figures are rough estimates that will be refined later. He reported that the institutional executives feel that very honest requests were herewith presented the board.

Regent Bailey asked for clarification concerning what the board will be considering in September. Mr. Richey said the board will have the comprehensive budget request before it for detailed consideration. He said the board at that time will be given indications of any problem areas. If there are any areas that the board can make tentative decisions, they can be made, but no final action is anticipated on any item until the October meeting.

President Petersen expressed concern that the board work with the legislative and executive branches of government in preparing the budget request. Mr. Richey said the Board Office has been working very closely with respect to uniform budgeting and accounting with the State Comptroller and Legislative Fiscal Director's Office.

President Kamerick expressed appreciation to the Board Office staff for preparing the budget materials. Mr. Richey noted that Dr. Caldwell did the work.

Regent Collison asked about federal funds losses and how the board can make some reasonable estimate regarding same before the legislature. Mr. Richey noted that the board decided that it would not include indirect costs in that estimate. He said the requests of the board for federal funds losses have been deliberately conservative. He said the inflationary factor was not included in the federal funds losses estimates. Regent Collison emphasized Mr. Richey's latter statement and said there is a question as to whether the board can make up that loss in other areas. Regent Collison said there has been a great deal of discussion about how much of the state's dollar is coming back for use in the state. She said she feels this is a good time for the board to be evaluating what its losses will be.

Mr. Walsh said the Legislative Council has to refer the entire matter of a study of federal funds losses to its fiscal committee. When this fiscal committee visits the various institutions, Regent Collison's concerns will be discussed.

A. Enrollment Increase Costs. The Board Office reported that the institutions are preparing fiscal year FTE enrollment projections for 1976-77, 1977-78 and 1978-79 by lower division, upper division, masters, advanced graduate, professional, in order to determine the cost of enrollment increases. The institutions are also estimating the enrollment for 1976-77, 1977-78 and 1978-79 by resident and non-resident for each academic term and for each level for which a tuition rate exists in order to calculate tuition income. These estimates are to be available by August 1 in order that budget request statements may be prepared for the September board meeting.

A separate memorandum was presented to the board setting forth the proposed procedures for calculating enrollment increase costs for the 1977-79 biennium based on estimated enrollment and 1974-75 actual cost as adjusted to 1976-77. A variable cost was determined by excluding expenditures for organized research, library, physical plant and equipment. A sample calculation was provided by Iowa State University to establish the procedure. The Board Office reported that the University of Iowa and the University of Northern Iowa have had insufficient time to conduct a similar calculation; consequently, only approximate figures were estimated in order to complete the overall budget request statement. The additional variable cost of enrollment increase for each of the universities follows:

	1977-78	1978-79
University of Iowa (approximate)	\$ 768,000	\$ 337,000
Iowa State University	1,161,000	925,000
University of Northern Iowa (approximate)	643,000	588,000
TOTAL	\$2,572,000	\$1,850,000

The Board Office reported that it estimated the figures for the University of Iowa and the University of Northern Iowa. The figures are based on the total head count enrollment projections from the revised budget request of December 1975 and the unit cost of instruction for Iowa State University without any consideration of the mix of enrollment among the various levels of instruction.

Regent Bailey asked if there was any particular reason for the relatively small estimated cost of enrollment increase at the University of Iowa. Mr. Caldwell reported that the latest estimate on enrollment increases for the University of Iowa wasn't included. He said those particular figures were based on the total enrollment increase as estimated a year ago. He added that the figures are very tentative.

Mr. Richey said it appears that the request for enrollment growth is going to be in the neighborhood of \$2.5 million to \$3 million the first year and \$2.5 million to \$3 million the second year.

Regent Zumbach asked if there would be a better approach to calculating the variable cost per student for 1975. He asked if a better approach would be to use the most recent budget. Mr. Richey said that while that method might be able to be done on a more general basis, these are figures that use a certain formula assumption and are realized two years before the time it arrives. He said that while Regent Zumbach's point was well taken, he was not sure it would be recognized by the State Comptroller and the Legislative Fiscal Director's staff.

Regent Zumbach said he feels the variable cost is somewhat inflated. He said when the variable costs were figured, salaries of all faculty members in a particular department were considered, including \$30,000 professors. He said, however, that when persons are hired due to increased enrollments, instructors rather than full professors are hired at about \$14,000. Mr. Richey said there is no other way for getting money for the growth process with respect to promotions and persons moving through the academic range. He said this is just part of the averaging process. Assistant Dean Jennings added that variable costs are difficult to determine in any situation. Assistant Dean Jennings noted that in credit hours a part-time student is more expensive than a full-time student. The growth in the part-time area allows the formula presented to be conservative.

President Petersen said a real concern to the board is to be able to articulate enrollment growth needs to the legislature. She said the board is going to have to continue to state those needs in terms of individuals to be served and what it means in terms of opportunities for students.

B. Economic Indicators. The Board Office reported that salaries and wages, general expense and other components of the budget request are affected significantly by the degree of inflation which may be anticipated for the 1977-79 biennium. The Consumer Price Index has been in a range of 6% to 7% and the Wholesale Price Index-Industrial Commodities in a range of 4% to 6% during recent months. It is difficult to anticipate what the inflation rates will be in another one to three years. Although there is considerable public sentiment for effort to restrain the inflation of the economy, there is considerable emphasis on reducing unemployment rates, not only in this country but even more so among other developed countries, where inflation rates are even higher than here. A world-wide food shortage may develop at any time due to weather conditions and could have a significant impact on inflation. Concerns persist regarding sufficient capital investment in industries which provide basic materials. These and other factors may generate higher inflation rates. The Board Office will continue to study this matter along with other factors to develop

its recommendations for the September meeting. A memorandum was presented to the board providing recent trends of the economic indicators.

Regent Zumbach asked about state revenue expectations. Mr. Richey responded that the Board Office will try to give more information about that at the September meeting. He added there are a lot of national considerations that can affect the rates.

Regent Collison asked if the board will have information at the September meeting regarding erosion of inflationary factors on income per capita. Mr. Richey said that information will be presented at that time as well as the other side of the issue--growth and the cost of education. Regent Collison said very strong cases need to be made for the worth of education before the board considers demands for higher tuition because they go hand in hand.

Regent Slife asked if it would be possible for the board to consider in the second year of the biennium some kind of device which would take into consideration movements in the cost-of-living rather than having the board make a judgment on what the cost-of-living is going to be. Mr. Richey replied that there would be a real risk in doing that. He added that if the Governor follows his policy of two years ago, he will make a firm recommendation the second year of the biennium for everything except for salaries. He said the board would run a real risk if it didn't recognize that.

C. Salaries and Wages. The Board Office reported that the institutional request for funds to provide merit increases in salaries and wages amounts to 3% per year. This increase would be applicable to faculty and institutional officials' salaries and professional and scientific staff salaries and general service staff.

It was noted that further study of competitive rates and the possible need for catch-up salary increases including faculty will be conducted for consideration later by the board.

The institutions, in assessing the probable trend of the Consumer Price Index, recognize that economists have projected figures ranging from below 5% up to the double digit range. The institutions indicated that although the inflationary trend may increase as the business cycle progresses, it is felt that there is sufficient concern nationwide to restrain inflation so that it will not likely return to the excessive rates of recent years.

The Board Office reported that the following items are under study by the institutions: 1) an increase for shift differential for general service staff personnel, 2) on-call pay for general service staff personnel and 3) an increase in the employer contribution for health insurance for all regularly employed staff members on a one-third time or greater appointment.

It was noted that the Governor's recommendation for 1975-76 included funding to increase the employer's contribution for health insurance for only those employees in the IPERS program. The total funding for the

Regents' institutions, subsequently, was insufficient to implement the Governor's recommendation.

Additional information regarding salaries and wages was presented the board in a separate memorandum, which is on file at the Board Office.

Mr. Richey reported that the board is in a new era of employee relations and the timing of some of these matters will probably be different than heretofore. He said there may not be comprehensive information on the salary portion of the budget request at the September meeting.

Regent Slife said he continues to be disturbed that salaries for professional staff and merit system employees were in the same document. He said he feels the board has to be very careful that it doesn't begin to mix up "merit" with longevity. He went on to say it bothers him when the board asked for 3% "merit" for faculty and for merit system employees because the two are not the same. Mr. Richey said that while he agreed with the principle of Regent Slife's statement, because of the legislative process, it would cost the board by not doing it the way it has. He said that two years ago the faculty received a 3% less rate of growth on the average than other employees did, simply because the board didn't separate the "merit" portion in the same way as for other employees. Regent Slife continued by saying the board has to be careful that when it talks about merit for faculty, it is not talking about the "merit system" type of approach, that appears to be based more on longevity. President Petersen concurred.

Regent Baldrige noted with respect to institutions listed for comparative purposes in the 11 state midwest area that it was set up in the mid 1950's and the institutions involved have changed. He inquired as to whether the institutions are satisfied with the present comparisons. President Kamerick reported that at the board's request, the University of Northern Iowa revised its list of comparable institutions. He said he had no objection to the system. President Parks said that Iowa State University has had no change in its system and wondered if comparisons are very meaningful anymore. He said, however, that he would be more interested in using national averages for Iowa State University rather than regional averages although he didn't know if it would make much difference. Regent Baldrige said he feels that national figures would be far more meaningful to the board than to the legislature.

President Parks noted there are technical difficulties in making national comparisons and getting precise kinds of data. He said he has AAUP ratings but they don't do the precision type of comparison rank by rank and college by college because it isn't that easy to do. He indicated a desire, however, to take another look at those ratings. Regent Baldrige recommended the business officers of the institutions review the present system and said that possibly some of the AAUP figures could be worked in.

President Kamerick reported that the AAUP is a collective bargaining organization, in part. He said the way the institutions report to AAUP differs a great deal from state to state.



Regent Baldrige asked if there are other national figures that might be meaningful to the board and the legislature in arriving at some way of determining where the board stands. President Kamerick said that in many ways AAUP does the better job of collecting this information. He said that information sent to the Department of Health, Education and Welfare is available but is three to four years old. He said that while he agrees that a different comparison group would be beneficial, he doesn't know what group that should be.

President Petersen requested the business officers and presidents to find useful tools that will help the board in making decisions pertaining to salaries and wage comparisons for both it and the legislature.

Regent Zumbach noted that for some of the university departments the greatest competitor is the United States government. He said the board is now losing employees to the government that at one time it would gain. President Parks agreed that at certain salary levels the competition is high.

Regent Bailey said he didn't understand the reference to the 3% figure used as far as general staff employees are concerned on their merit advancement when the board's plans provide for 5% with no 2% attrition. Mr. Richey said the figure will be adjusted between now and September to reflect actual cost. He said the percentage may be 4% or may be 3.7% when refined.

Regent Bailey raised the point as to whether the board should consider as a policy matter the taking on of a very substantial amount of fringe benefit funds, namely, the \$3.2 million shown for health insurance, and using it in the area of merit increases instead. President Boyd said he feels this is an important issue and is viewed as quite significant with the faculty at the University of Iowa. Vice President Christensen concurred with President Boyd by stating that there is a real concern for fringe benefits at Iowa State University, also. President Kamerick stated that the University of Northern Iowa also puts great importance on the fringe benefit program and does substantially what Iowa State University does in that respect. He said fringe benefits are worth a little bit more than the amount of money as they are not taxable as yet.

Mr. Hawkins commented that there is a strong feeling in the legislature that fringe benefits for the faculty and other employees in the Regents' institutions are much higher than those for other persons employed in the state.

Regent Collison recommended comparisons be made between retirement systems. She asked whether the board's employees are restricted to using IPERS or whether the board can buy retirement benefits or other fringe benefits from corporations that are set up for that purpose, maybe at a reduced fee. Assistant Vice President Madden reported that there is a committee reviewing the entire benefits area. An attempt is underway now to look at the comparisons between IPERS and TIAA-CREF. He said

he hopes that information will be available by the September meeting. He noted that most experts feel there will be some form of national health care plan developed. He said that Iowa is lagging in the health insurance area in comparison to other institutions around the country. He said that both retirement benefits and health benefits will come to the board at the September meeting for discussion.

D. Fuel and Purchased Electricity. The Board Office reported that the legislature has stated in Senate File 1261 its intent to provide additional funds, if needed, for 1976-77 and authorizes expenditure of any surplus funds not used for fuel and electricity expenditures for other purposes, such as maintenance, equipment, and miscellaneous purposes. This provision is in response to the difficulty in predicting funding needs for fuel and purchased electricity and to the proposal for a "pass-through" concept of budgeting.

The institutions proposed to continue to request a "pass-through" concept of budgeting because it is anticipated that controls on prices of gas will be phased out by the early 1980's. The rate of phase-out of price controls on gas and other factors, such as conversion of utilities to coal with its impact on coal prices, is difficult to estimate.

The following figures set forth the budget for 1975-76 and 1976-77 for comparison with the institutional requests for 1977-78 and 1978-79 in thousands of dollars:

	Budget		Institutional Request	
	1975-76	1976-77	1977-78	1978-79
State University of Iowa	\$ 5,925	\$ 6,424	\$ 6,031	\$ 7,331
Iowa State University	3,025	4,181	5,311	6,511
University of Northern Iowa	1,569	1,749	1,715	1,967
Iowa School for the Deaf	105	110	178	194
Iowa Braille and Sight Saving School	52	55	88	112
Total	\$10,676	\$12,519*	\$13,323	\$16,115
% Increase (Including \$836,000)		17.3%	6.4%	21.0%
% Increase (Excluding \$836,000)**		9.4%	6.9%	22.4%

\* Includes \$836,000 from special needs in addition to the \$11,683,000 established in Senate File 1261 for "pass-through" consideration.

\*\* Excluding \$836,000 from totals for 1976-77, 1977-78, and 1978-79.

The Board Office reported that the fuel and purchased electricity for opening new buildings was included in the above figures for 1977-78 and 1978-79. The increase for 1977-78 is modest by comparison with the increase for 1978-79. The Physical Plant directors have met to review fuel consumption, fuel prices and various other factors affecting the estimates. The Physical Plant directors reported that there is now a surplus of coal on the market and, consequently, reduced prices. It was felt that moderate price increases may be anticipated for one more year but that by 1978-79 additional utility facilities throughout the country will be converted to coal which should cause coal prices to rise significantly.

It was noted that the institutional requests for the University of Iowa and the University of Northern Iowa were somewhat lower for 1977-78 than budgeted for 1976-77.

E. General Expense - Other. The Board Office reported that during their deliberations the institutions have expressed great concern about the limited funding for general expense other than fuel and purchased electricity. The preliminary institutional budget request includes a 15% deficiency to restore the eroded base for these general expense items plus 10% per year to maintain purchasing power.

The Board Office noted that although the requested increase seems large, the request was intended to correct for loss in buying power over the 1973-75 period when the Wholesale Price Index for Industrial Commodities less fuel reached as high as a 23% increase on a year-to-year basis. The budget increases as compared with the Wholesale Price Index for Industrial Commodities less fuel increases were shown in the following figures. The annual percentage increases and the cumulative increases over 1972-73 were shown for both the budget and the Wholesale Price Index for Industrial Commodities.

	Percentage Increase in Budgets		Percentage Increase in Wholesale Price Index- Industrial Commodities-Less Fuel	
	<u>Annual</u>	<u>Cumulative</u>	<u>Annual</u>	<u>Cumulative</u>
1973-74	5*		16.5	
1974-75	5*	10	9.7	27.8
1975-76	9*	20	4.6	33.6
1976-77	5*	26	5.0**	40.3
1977-78	25	58	5.0**	47.3
1978-79	10	74	5.0**	54.6

- \* As included in appropriations calculations; special needs excluded.
- \*\* Arbitrarily stated to permit calculations of cumulative increase in index.

President Petersen expressed the concern of the board and the institutions for the erosion that has occurred and the underfunding in this particular area over a long period of time. She noted that while the heart of the institution is to have highly prized people, it is imperative to have the right kinds of tools for those persons to work to their maximum. Regent Bailey expressed strong agreement with President Petersen's comments.

Regent Bailey asked if the "pass-through" concept which the board uses for fuel and purchased electricity could be used for other needs such as general expense items. Mr. Richey said he didn't feel that would be possible because that would take too much of the budget out of the board's area of control. President Parks said he feels that more than a formula is needed for general expense items. He said that too often people tend to think of "general expense" as items which could be left out. Regent Baldrige said that the board may be somewhat at fault for President Parks' comment due to the board's strong emphasis on salaries and wages. Regent Baldrige shared President Parks' concerns and noted that in years gone by perhaps two to three students shared a microscope whereas today

maybe ten are having to use the same microscope due to the extreme need for more equipment.

Regent Zumbach recommended the board attempt to develop its own index to show what has happened in its institutions rather than use the Wholesale Price Index. Mr. Richey responded that there have been some attempts to do same around the country and the Board Office is reviewing those attempts. Mr. Richey admitted that it requires a lot of artistry on the part of the institutions to stretch deflated dollars to cover costs. Regent Collison concurred with Regent Zumbach's recommendation by saying that if the board developed its own index some areas might be pinpointed as to where costs have gone up inordinately.

F. Equipment Budget Requests for 1977-78 and 1978-79. The board was requested to tentatively approve the formula for calculating the equipment budget requests for 1977-78 and 1978-79 based on 5% of June 30, 1976 inventory value for calculating a preliminary total budget request.

The Board Office reported that the board previously adopted a policy of replacing equipment every ten years with half of the funding from direct state appropriations for operations and the remaining half from other sources of funding. This same formula is used for funding equipment replacement for the community colleges with one-third of the funding from sources other than state appropriations. This approach has been accepted in the Governor's recommendation for 1975-76 and again in 1976-77 but appropriations have not been adequate to bring funding to the level of the formula.

The Board Office noted that based on this policy, the budget for equipment replacement for all institutions would amount to \$5.6 million as compared with the preliminary budget for 1976-77 of \$2.4 million for a 133% increase.

It was noted that the figures determined by the formula did not take into consideration that equipment inventory is valued at the original cost which means the replacement cost is much higher because of price inflation over the original cost. It was also noted that the formula did not consider the basic programmatic needs of the institutions which should be assessed before the next budget request is prepared but can not be done for the current budget request because extensive detailed effort would be required.

The Board Office reported that the preliminary budget requests of the institutions were prepared with the figures calculated in accordance with the formula as described above and amount to a \$3.2 million increase for the first year of the biennium with no additional increase in the second year of the biennium. A separate memorandum was presented to board members providing more detailed information on the subject.

President Petersen noted that some of the board's discussion concerning equipment was taken up under the topic of general expense above. She noted that many of the comments pertaining to general expense also applied to equipment.

G. Budget Request for Library Books - 1977-79. The Board Office said that continuing inflation of prices for library books has been experienced by the institutions; consequently, the preliminary institutional

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budget request included increases of 16% per year for funding acquisition of library books. Those proposed increases will follow the increase of 15% for 1975-76 and an additional 15% for 1976-77 as requested by the board and approved throughout the legislative process. Additional information was provided the board in a separate memorandum. The Board Office reported that it requested further information from the librarians to assess the validity of the book price indices and to assure that book acquisition rates are substantially at rates previously approved by the Board of Regents.

President Parks reported that Iowa State University has made progress with respect to library needs over the past several years.

**H. Repairs, Replacements and Alterations.** The Board Office reported that the institutional recommendation on RR&A at this point is to fully implement the life-of-building formula in the first year of the next biennium. This means that the formula goal of 30¢ per square foot for the universities and 25¢ per square foot for the two special schools would be reached in 1977-78. For 1978-79 the cents per square foot would stay the same but additional space would be added to the base to accommodate the second phase of Veterinary Medicine at Iowa State and, in addition, there would be an adjustment of the amount going toward building maintenance which is based upon 36% of the starting base of RR&A. The institutional recommendation would bring the expenditures for RR&A for 1977-78 to \$4,235,000. This would require a budget addition of \$2,061,000 or a 94.8% increase in the RR&A budget over that budgeted for 1976-77.

In 1978-79 the RR&A budget would be \$5,051,000 for a budget addition of \$816,000, 19.3% greater than the 1977-78 budget.

The Board Office reported that the institutions feel strongly that the amount of money now budgeted for RR&A is totally inadequate to maintain properly the buildings on campus. It was noted that the institutions have gone through a biennium where virtually no funds were received from capital for remodeling purposes.

It was noted that the full implementation of the formula at the 30¢ level is extremely conservative since it does assume that new building costs would be \$45 per square foot when in actuality new building costs are probably more like \$65-\$75 per square foot. However, the institutions agreed that the basic principle of the formula should be implemented prior to seeking an adjustment which would reflect more realistically the cost of construction.

The hospital units at the University of Iowa are not under the life-of-building approach. Their figures are based on a 25% increase for 1977-78 and a 10% additional increase for 1978-79 which conforms with the institutional request for general expense other than fuel and purchased electricity.

Iowa State University proposed that the Agricultural Teaching and Research Stations begin the establishment of a permanent base for RR&A utilizing the life-of-building approach. The university proposed full implementation of the formula at 30¢ per square foot which yields a special need of \$223,457 the first year. The Board Office reported it is analyzing that matter and will make its recommendation at the September board meeting.

Two questions were presented the board which should be decided regarding RR&A. They were:

1. Should the life-of-building approach or formula continue to be used for the 1977-79 biennium? The institutional answer to this was affirmative. The Board Office believes that the life-of-building approach offers a logical method for funding RR&A. Any type of inflation approach yields totally inadequate funding for RR&A as it is the inflation approach which essentially got the institutions into some difficulty on building maintenance in the first place.
2. If the formula approach is used, how fast should full funding of the formula be reached? The institutional recommendation of full funding the first year would cost \$2.9 million over the next biennium; a three-year approach to funding would cost \$1.9 million with the cost shared between the two years; a two-year implementation would cost \$2.5 million with the greater portion of the cost spread to the second year of the coming biennium.

Mr. Richey said those questions will be looked at and discussed at the October meeting.

In absence of objections, President Petersen accepted the institutional preliminary budgets as presented the board for 1977-79.

CAPITAL ASKINGS, 1977-79 BIENNIUM. The board was requested to accept a report on institutional askings for the 1977-79 biennium.

The Board Office noted the capital askings request for 1977-79 totals over \$90 million. The request was made up of three parts:

1. The projects unfunded from the capital request of 1976-77.

The board requested \$39,674,000 of the 1976 legislature. The response was \$13,200,000 which, after making some adjustments for projects funded from non-capital funds, left unfunded \$23,991,000. The institutions in the preliminary list resubmitted \$23,665,000 worth of those projects for reconsideration in the 1977-79 askings.

2. The board included \$10,452,000 in projects under the categorization of Other High Priority Needs Not Specifically Included in the Capital Request but which were included in the budget workbook. The institutions resubmitted \$9,245,000 of those projects.
3. The institutions submitted something like \$58 million in new projects which had not been included heretofore in the most recent capital request of the board.

The Board Office reported that it had not analyzed any of the projects at this point. It was obvious, however, that the dollar level involved was excessive and that there will have to be a substantial cutback in the projects before the askings are finalized and presented to the Governor and the legislature. The institutions requested 18 different 21

projects totalling in excess of \$46 million. Another area of heavy emphasis by the institutions was in remodeling where there is a total of 25 projects with dollar cost of about \$24 million.

It was assumed by the Board Office that the board would not be in favor of a capital request much in excess of \$40 million. It was noted that the board has as the top items on its carryover priority list projects totaling approximately \$14 million. These projects included the construction funds for the Lindquist project at the State University of Iowa, the Quadrangle remodeling at Iowa State University, the Music Building at Iowa State University, and the coal-fired boiler project at the University of Northern Iowa.

The following needs to be accomplished before the September meeting:

1. Each institution will submit to the Board Office its list of projects in priority order.
2. The Board Office will investigate and make recommendations on the possible use of academic revenue bonds for partial funding of the capital requests for 1977-79.
3. The Board Office will analyze each of the projects presented by the institutions for consideration and bring forth an interinstitutional priority listing including a recommended dollar level for that asking. An inflation factor will be recommended on resubmitted projects.
4. The University of Iowa will need to make a decision on the dollar amount of the Law Building Addition project which currently is on its list at a no-dollar cost.
5. The Facilities Committee is currently in the final processes of running the new space projection model based upon fall 1975 data. That information will be reported to the board at the September meeting and will have a significant influence on the Board Office recommendation as far as new construction is concerned.

Regent Baldrige asked whether anything was done about putting utility projects into a separate category and perhaps even a different financing category. Regent Collison also inquired as to whether utilities and utility conversions for energy and environmental concerns could be a separate category from academic improvements. Mr. Richey said that while categorization may be acceptable, the board still has to put its requests in some kind of overall priority order. Mr. Richey said he would pursue this matter further with Regent Collison. Mr. Walsh said the board must tailor its request to the way things happen in the legislature. He added that he feels the present system is probably the way it has to be. Regent Barber concurred with Mr. Walsh's statement.

Mr. McMurray noted a particular concern pertaining to Regent Baldrige's suggestion regarding utilities. He said that generally institutional lists through the years have been overbalanced in terms of their priorities for new construction. There hasn't been any orderly method of reflecting utility needs and, if the board separated utility needs from those in the academic enterprise, it could run a real risk of the legislature picking off the utility list and not doing anything about the academic enterprise.



President Boyd had requested that the bonding of utilities be explored by the Interinstitutional Facilities Committee. He said the University of Iowa hasn't had any new facilities, let alone remodeling, for quite some time. He said a quality issue is involved. He gave the need for a law building at the University of Iowa as an example of some very severe, keenly felt needs that are very difficult to get across to the legislature. He said while those needs are less tangible, they are every bit as real. Regent Shaw agreed that the board should give consideration to bonding.

Mr. Richey commented that while bonding has the attraction of getting buildings and facilities immediately, it also takes \$3 million to \$4 million a year out of the capital budgets for payment of debt service. He said the board has to take that into consideration but if there is no other alternative and the need is urgent, the bonding route is most appropriate. Regent Brownlee said he feels that if there is any legitimate area for bonding, it is in the area of utilities. He said he, also, feels this matter is worth exploring.

In absence of objections, President Petersen accepted the report on capital askings for the 1977-79 biennium for the board.

TUITION REPLACEMENT REQUEST FOR 1977-79 BIENNIUM. The board was requested to accept the report that the tentative figure for tuition replacement requirement from the 67th G.A. for payment of debts on outstanding revenue bonds will be as follows:

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

The Board Office noted that final action on this matter could wait until detailed board deliberation of the budget askings in the fall.

The Board Office reported that the board sold \$34,780,000 in academic revenue bonds between December 1970 and May of 1973. The bonds were 20 year even-principal bonds. The bonds have interest rates ranging from 3% to 5.26% after deduction of federal interest subsidy grant. By the end of the current biennium (June 30, 1977) 25% or \$8.9 million in these bonds will be retired.

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

The Board Office reported that debt service payments to be made in fiscal year 1977-78 total \$3,390,985 of which \$1,730,000 will go toward retirement of the bonds. The institutions have estimated that there will be income from sinking and reserve fund interest income of \$145,228 and \$66,941 coming from federal interest subsidy grant receipts. This \$212,169 then is subtracted from the debt service need to arrive at the net state request of \$3,180,000.

For 1978-79, total debt service payments of \$3,288,240 will have to be made. The other income will stay at \$66,941 for federal interest grant

receipts but will increase to \$165,703 for sinking and reserve fund interest income. The total other income then for fiscal year 1978-79 will be \$232,644 and when this amount is subtracted from the debt service it yields a tuition replacement request of \$3,055,000.

It was noted that, because state funds are utilized last and because earnings have constantly exceeded appropriations due primarily to slower construction schedules, the board has reverted almost \$2.5 million of the state appropriated funds. The fund requests to be made hereafter are somewhat tighter than heretofore because there will be no construction fund income after the current fiscal year.

It was reported that as always, failure to provide these appropriations for replacement of tuition income used for debt service for outstanding academic revenue bonds would cause an unanticipated increase in tuition at each of the three universities. The Governor and the legislature have firmly supported this program since its inception.

In absence of objections, President Petersen accepted the report with the tentative figures for tuition replacement requirement from the 67th G.A. for payment of debts on outstanding revenue bonds be as shown above.

REVISION IN REGENTS MERIT RULE 3.39(2), MERIT INCREASES. The board was requested to approve the insertion of the words "at the beginning of the pay period following" and the deletion of the word "after" in Merit Rule 3.39(2) as shown below:

3.39(2), Merit increases

"Permanent and probationary employees on Step 1 or Step 2 in a pay grade will be eligible for a two-step merit increase ~~after~~ at the beginning of the pay period following six months of satisfactory performance in their assigned classification at the same step. Permanent and probationary employees on Step 3 or above in a pay grade will be eligible for a two-step merit increase ~~after~~ at the beginning of the pay period following one year of satisfactory performance in their assigned classification at the same step except that no merit increase will be granted above the last step in the pay grade...."

The Board Office reported that this rule was originally written to accommodate varying practices at the institutions regarding the effective date of merit increases. In July of 1974 a uniform practice was established under which merit increases at all the institutions were made effective at the beginning of the pay period following completion of the required service. In an arbitration award dated May 25, 1976, which was used in connection with a grievance filed at the University of Northern Iowa, arbitrator Thomas Erbs found that the existing rule means that such increases must be effective on the six (or 12) month anniversary date itself.

On the advice of counsel, the merit director instructed the institutions to make merit increases effective on the anniversary dates of service, 24

beginning May 25, 1976, the date of the Erbs award. The proposed revisions to Merit Rule 3.39(2) were reported to be needed to reestablish the previous practice, which is administratively sound and consistent with the practice of the state.

**MOTION:** Mr. Baldrige moved the board approve the insertion of the words "at the beginning of the pay period following" and the deletion of the word "after" in Merit Rule 3.39(2) as shown above. Mr. Bailey seconded the motion.

Mr. Richey reported that the change in the rule clarifies what was intended by the rule initially.

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

IOWA STATE UNIVERSITY ADMINISTRATIVE RULE REGARDING PARKING. The board was requested to amend new Subrule 4.49(9) by striking the phrase "or fraction thereof" so that the rule will read "Multiple violation citations may be issued for each hour that a violation continues to exist."

The Board Office reported that at its regular meeting held June 8, 1976, the Administrative Rules Review Committee voted to object to filed Rule 4.29(9) of the Board of Regents which was published in the Iowa Administrative Code Supplement May 31, 1976. The objection was based on the feeling of the committee that the rule was arbitrary in that it did not define the phrase "or fraction thereof." This objection can be overcome by striking that particular phrase.

**MOTION:** Mr. Bailey moved the board amend new Subrule 4.29(9) by striking the phrase "or fraction thereof" so that the rule will read "Multiple violation citations may be issued for each hour that a violation continues to exist." Mr. Brownlee seconded the motion and it passed unanimously.

The Board Office reported that the amended subrule will be resubmitted to the review committee for its further consideration.

**BOARD OFFICE PERSONNEL REGISTER.** The following action was submitted for board approval:

Ellen Discher, Secretary II, to permanent status; annual salary, \$8,112, after six months probation and merit evaluation.

In absence of objections, President Petersen approved the action reported in the Board Office Personnel Register.

**NEXT MEETINGS.**

August 26	Seminar - Iowa State University	Ames
August 27-28	Seminar - University of Iowa	Iowa City
September 16-17	University of Iowa	Iowa City
October 14-15	Iowa School for the Deaf	Council Bluffs
November 11-12	University of Northern Iowa	Cedar Falls
December 9-10	Iowa State University	Ames

**INFORMATION REPORT ON VALIDATION OF CLERICAL TESTS.** The board was presented a status report on test validation by Regents Merit Director Donald Volm which is on file at the Board Office.

**HIGHER EDUCATION FACILITIES COMMISSION.** Regent Bailey presented the board with an oral report regarding the last Higher Education Facilities Commission meeting. He noted that Dr. Willard Boyd, Mrs. Willis Wolff, and Dr. Phillip Langerman, chairman of the Committee on Continuing Education, are going to get together and attempt to resolve procedures for working together in connection with the cooperative continuing education matter. President Boyd added that the Higher Education Facilities Commission, Coordinating Council for Post High School Education and the coordinating group of continuing education deans of all sectors will sponsor the follow-up activities to study on nontraditional education. He said there will be a steering committee consisting of representatives of each of those sectors. President Boyd noted that President Petersen will receive a letter from Mrs. Wolff in that respect. President Boyd recommended Dean Donhowe of Iowa State University be the designated dean to attend that meeting from Iowa State University.

Regent Bailey said it was decided to include business colleges in the Tuition Grant Program. He noted that was the direction indicated by the legislature.

Regent Bailey noted that on the optometry program it was decided that for this year alone the contact would be with the Illinois School of Optometry. He said that school is a private school and not quite in accord with the recommendations of the Optometry Society but it was the Higher Education Facilities Commission's feeling that the Illinois school had really done a great deal for Iowa students in the past. He said Illinois' proximity to Iowa compared to other states would encourage students to return to Iowa to practice.

Regent Bailey commented regarding the amount of grant for the Vocational Technical Program which has been at the \$200 level. He said that amount has now been raised to \$400.

**REPORT OF THE STUDIES COMMITTEE OF THE LEGISLATIVE COUNCIL.** Mr. Walsh presented the board with recommendations from the Studies Committee of the Legislative Council for the establishment of nine special interim study committees. The complete report is on file at the Board Office. Topics recommended for study included: feasibility of establishing a separate retirement system for peace officers and corrections officers and the feasibility of establishing a joint investment policy for funds available from one or more public retirement systems; the feasibility of a state insurance pool; the public employees collective bargaining act and

administration of the act; energy matters; funding structure and programs offered by area education agencies; the state's corporate tax laws; financing of the state's road system; electricity power and natural gas rate structure; performance auditing and the concept of the "sunset law" pursuant to H.C.R. 162.

The Studies Committee of the Legislative Council recommended the establishment of special interim subcommittees pertaining to the following topics: statutes and the need for statutes regulating the sale of corporate control and governing mergers and protecting minority shareholders during those transactions and alternate methods of providing staff and methods of compensating employees of the general assembly.

Several resolutions were also reviewed by the Studies Committee of the Legislative Council for studies who agreed that they could be undertaken by the respective standing committees, if the chairpersons of same determine that a need exists for the requested study. It was recommended that a study be done relating to the delivery and administration of mental health services including a review of the results of the 1975 follow-up study of patients treated at mental health institutes, a study of elderly day care and group home programs as an alternative to institutionalization by the respective Standing Committees on Human Resources, except that request included in S.C.R. 119 requesting a review of the results of the consultants study on Title XIX (Medicaid) administration which is referred to the Standing Committees on Appropriations Subcommittees on Human Resources which is presently studying Title XIX.

It was also noted that there is a need to study and examine current secondary and postsecondary vocational and career education programs, services and activities including the adequacy of statutory provisions for the funding and allocation of resources for such programs, services and activities. Mr. Richey noted that the board should pay particular attention to this in terms of the overall impact on the state and funding.

It was reported that there is also a need for a study relating to federal fund replacement and allocation policy which was referred to the Fiscal Committee.

Mr. Walsh noted that a study relating to penal and correctional facilities was referred to the Standing Committees on Human Resources, with the Studies Committee reserving the right to appoint additional persons not serving on the Standing Committees on Human Resources who have had experience with previous penal and correctional studies.

Mr. Walsh noted that the Studies Committee of the Legislative Council recommended the establishment of a special interim study committee to study alternatives regarding reform of the legislative process and to make recommendations. This was noted as a supplemental report to the board.

Mr. Richey commended Mr. Walsh for keeping the board so closely informed on all Legislative Council studies which may affect the board.

Regent Collison reported that the delivery of mental health service has taken on a different thrust. She said she does not want the mental health services in Iowa jeopardized in any respect. She commented that mental health needs must be met for indigent patients as well as for other patients.

President Petersen reported that as a result of Mr. Walsh's work, members of the Regents' institutional staffs have been alerted to follow through on same. Mr. Walsh added that at the August 3-4 council meeting appointments will be made to the committees.

**EXECUTIVE SESSION.** President Petersen reported that there were several matters to be discussed in executive session: a property matter at the State University of Iowa, a personnel matter at Iowa State University, a personnel matter raised by President Petersen, and strategy in regard to collective bargaining.

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

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

**NAY:** None.

**ABSENT:** None.

The board, having voted in the affirmative by at least a two-thirds majority, resolved to meet in executive session beginning at 3:10 p.m. and arose therefrom at 6:20 p.m. to reconvene at 8:00 a.m. Friday, July 16, 1976.

The following business pertaining to general or miscellaneous items was transacted on Friday, July 16, 1976:

**EXECUTIVE SESSION.** Executive session continued relating to the items President Petersen outlined on Thursday beginning at 8:05 a.m. and commencing at 9:40 a.m. to enter into public session.

**REGENTS MERIT RULE ON PAY FOR OVERTIME.** The board was requested to approve the deletion of the current rule, 3.39(10), Pay for overtime, which provides that employees who are covered under the Fair Labor Standards Act be paid for overtime in accordance with the provisions of that law, and insert in its place the following:

3.39(10) Pay for overtime. Employees who do not meet the specific standards for exemption in the Fair Labor Standards Act will be given compensatory time off or pay, at the rate of time and one-half, for all hours worked in excess of 80 in a two week period. The two week period will consist of 336 consecutive hours beginning at a time and day designated by the institution and reported to the Merit Director.

Mr. Volm then distributed the following revised recommendation regarding overtime pay which the board was requested to adopt as an addition to the Regents Merit Pay Plan:

Employees who do not meet the specific standards on exemption in the Fair Labor Standards Act will be given compensatory time off or pay at the rate of time and one-half of all hours compensated in excess of 80 hours in a work period. The work period will consist of 336 consecutive hours beginning at a time and day designated by the institution and reported to the Merit Director. Employees will be compensated in cash for any compensatory time entitlement remaining at the end of an annual period as designated by the institution and reported to the Merit Director.

The Board Office reported that the 1966 amendments to the federal Fair Labor Standards Act extended the coverage of that law to employees of state institutions of higher education and state hospitals. In 1968 the Supreme Court issued a ruling which upheld the 1966 amendments.

In 1974 Congress further extended coverage of the Fair Labor Standards Act to include other state and public agencies. In deciding a case which challenged the constitutionality of the 1974 amendments the Supreme Court, in a ruling issued June 24, 1976, overturned its previous ruling and found that both the 1966 and 1974 amendments to the Fair Labor Standards Act were unconstitutional. Therefore, the current Regents Merit Rule on overtime, which provides for payment in accordance with the requirements of the Fair Labor Standards Act for those employees who are covered under the Act, is no longer appropriate.

The Fair Labor Standards Act requires premium pay at the rate of time and one-half for hours worked in excess of 40 in any week. It was noted that the proposed merit rule required premium pay at the rate of time and a half only for hours worked in excess of 80 over a two week period. The Board Office reported that while the change is not anticipated to have a substantial effect on the amount of overtime now being paid, it will provide some greater management flexibility for scheduling work. It was noted that the proposed rule was consistent with what is being contemplated by the state and was acceptable to the institutions.

Regent Slife asked if time off in lieu of overtime existed before the Wage and Hour Law came into the picture. Mr. Volm responded affirmatively but said time off was not then provided at the premium rate of time and a half.

Assistant Vice President Madden noted that some agricultural operations require overtime and in areas such as that it is very effective to give compensatory time. He noted that employees prefer to take that time when it fits into their own personal schedules and within the working requirements of the unit. He added that in the case of agricultural workers, employees can take time off in the winter time when the work load is lighter. He said this meets the needs of employees and provides a great deal of needed flexibility. He said that while there may be some administrative problems with this in terms of tying it in to the existing payroll procedures, the institution feels that to recognize consistency, this can be done without any major drawbacks.

Assistant Vice President Small reported that when she was informed that a decision would have to be made, she called the heads of the departments at the University of Iowa which are major users of overtime. She said those



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operations which use most of the overtime are in operation 24 hours a day and seven days a week. The hospital uses about half the overtime that is paid at the University of Iowa and she noted that the Physical Plant is the other major user of overtime. She said that those heads were asked in those areas if they wished to continue paying cash for overtime and they responded that that is their desire and intention as they do not think they can function without that option in order to efficiently manage their enterprises. She reported that she discussed this matter with the university's Staff Council and AFSCME about overtime. She reported one concern AFSCME expressed was that the way the rule was written that people could be scheduled to work for a long period of time without giving them time off. She said that is not the intent of the proposed rule and in order for that not to occur, the University of Iowa will be sending out a memorandum stating that that is not the intent. She said the proposed rule should, in fact, permit employees to schedule their time off more accommodatingly. She said the Staff Council reported it would prefer 40 hours but said that the proposed rule is a kind of bargaining issue and didn't convey any major objection to the proposal as presented.

Regent Shaw said that ideally the state ought to have a uniform policy on this matter. He stated he felt uncomfortable moving from where the board stands now before the state has had a real chance to respond to this. He recommended the board see what happens with respect to state policy on this matter.

President Petersen said that as part of the administrative procedure, the board will be making a recommendation to the State Merit Commission and the State Executive Council. She added that the board's acting at this time puts the Board of Regents in the role of helping to formulate, after consultation with the state, that state policy.

Regent Baldrige asked Mr. Volm what consultation has been done with other departments in the state with respect to overtime. Mr. Volm reported that considerable consultation has gone on with representatives of the state including representatives and officers of other state agencies and departments. He said it is his understanding that the proposal before the board is consistent with what's being contemplated by the state. He said it will be suggested as a state policy.

Mr. Les Chisholm, Business Manager, AFSCME Local 12, said there is nothing in this rule proposed or the old rule which provides employees a choice as to whether they receive compensatory time with premium time or pay at time and a half. He expressed a fear of employees having to work 20 consecutive days. He said that while a lot of memoranda can be circulated to the effect that that should not happen, memoranda do not always have much impact. He said the board should remember why the 40 hour work week standard was adopted. He went on to say he does not feel that the rule change would promote employee morale. He said he feels that to change the present standard would decrease efficiency which is neither in the management's interest or the employee's interest.

Mr. Chisholm recommended the board take action to reaffirm or rewrite the present rule so that the board continues to follow provisions of the Fair Labor Standards Act. He said that would require minor rewriting to continue to voluntarily follow the act. He said that AFSCME would hope to improve upon those provisions later.

Vice President Stansbury commented that the University of Northern Iowa budgets overtime by department and is conscious of it and makes every effort to keep such costs down. He said that because of the nature of overtime at the University of Northern Iowa, the university expects a minimal effect if the rule proposed would be adopted. He noted that the biggest change would be administrative internal procedures to keep track of the time.

President Petersen said she feels that as far as the board is concerned, it is clear in the mind of administrative departments that the board does not intend for large blocks of time to be put together which would decrease the efficiency of university units. She said it would be implicit to have that within the rule and added that it would be helpful for a memorandum to be distributed to that effect.

MOTION:

Mr. Slife moved that it be the Board of Regents' policy that its institutions continue to pay its employees on the basis they have been on the provision of the Fair Labor Standards Act until such time as a change in the state policy has been effectuated. Mr. Bailey seconded the motion.

Mr. Madden asked if the policy is changed whether it could become effective the beginning of the first month as if it would be approved in the middle of a month more administrative problems could be encountered. Mr. Richey said that would be suggested to the Executive Council.

VOTE ON MOTION:

The motion passed unanimously.

Mr. Richey noted that the proposed rule applies to employees covered under the Fair Labor Standards Act.

MOTION:

Mr. Bailey moved the board approve the deletion of the current rule and adopt as an addition to the Regents Merit Pay Plan the following:  
"Pay for overtime. Employees who do not meet the specific standards on exemption in the Fair Labor Standards Act will be given compensatory time off or pay at the rate of time and one-half of all hours compensated in excess of 80 hours in a work period. The work period will consist of 336 consecutive hours beginning at a time and day designated by the institution and reported to the Regents Merit Director. Employees will be compensated in cash for any compensatory time entitlement remaining at the end of an annual period as designated by the institution and reported to the Regents Merit Director." Mr. Slife seconded the motion.

Regent Baldrige said he hoped that the flexibility can be used without question for the benefit of many employees as well as management.

VOTE ON MOTION: The motion passed unanimously.

MOTION: Mr. Baldrige recognized the board's concern that it be clear in the minds of the administrative departments that the board does not intend for large blocks of time to be put together which could decrease the efficiency of those units. Mrs. Collison seconded the motion and it passed unanimously.

COLLECTIVE BARGAINING ISSUES. Mr. Richey brought up two issues relating to collective bargaining for board consideration. The first matter related to staff for the Board Office to carry out the board's responsibilities for collective bargaining. The Board Office reported that this matter was brought to the board's attention last month and at that time the board directed that the universities set aside the total sum of \$40,000 for possible use for this purpose by the board. That \$40,000 would include operating expenses.

MOTION: Mr. Shaw moved the board authorize the employment of a person in the Board Office to carry out the board's responsibilities for collective bargaining. The amount of \$40,000 which would include supporting expenses was moved by Mr. Shaw to be allocated for this purpose by the institutions. Mr. Barber seconded the motion.

The Board Office reported that consultation took place between the institutions and the Board Office as to the functions to be carried out for this purpose and the kind of staff required.

Regent Baldrige expressed his hope that Mr. Richey could move rapidly in hiring a person to carry out the board's responsibilities for collective bargaining. He said he feels it is the feeling of the board that it may take a long time to find the right individual for this position and urged such search proceed rapidly. Mr. Richey agreed that the appointee for this position will be an extremely important appointment to the Board of Regents and its institutions.

Regent Collison expressed a feeling, which represented the feeling of the rest of the board, by expressing appreciation to the board's executive secretary, Mr. Richey, for taking the time to handle collective bargaining matters when he is already underpaid. She said the board has a terrific debt of gratitude to Mr. Richey in performing his other duties so well and for taking on the additional duties he was mandated.

VOTE ON MOTION: The motion passed unanimously.

The second matter brought up for discussion concerned a notice from the Iowa Public Employment Relations Board reporting that it is resuming hearings on unit determination issues with respect to state employees

starting August 9. Mr. Richey said he had planned for some time to be out of the office during that week and has been assured by the PERB staff that every effort will be made to postpone considerations relating to Board of Regents employees not covered by the merit system until the following week. Mr. Richey requested the board authorize him to file petitions before PERB representing the board's views on unit determination issues.

MOTION: Mr. Slife moved the board direct its executive secretary to represent scientific and professional units at each of the three universities and authorized him to file petitions to that effect at the appropriate time. Mrs. Collison seconded the motion.

Regent Slife said he feels that faculties ought to maintain their uniqueness and individuality by having separate units at each of the schools.

VOTE ON MOTION: The motion passed unanimously.

President Petersen asked board members and institutional executives if there were any other matters to be discussed under the general portion of the docket. There were no additional matters brought up for discussion.

STATE UNIVERSITY OF IOWA

The following business pertaining to the State University of Iowa was transacted on Thursday, July 15, 1976.

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

STUDENT TEACHING CONTRACTS. The board was requested to approve 37 school districts listed for 1976-77 for student teaching contracts and three additional school districts listed for 1975-76 and the form of contract proposed for 1976-77.

The Board Office noted that the University of Iowa was requesting approval of student teaching contracts for 1976-77 on a form identical to the contract form used last year. The university requested ratification of the agreements with three additional school districts listed for 1975-76. The three additional schools were Clear Creek Community School District, Halverson Area Education Agency 13 in Council Bluffs, and Marshalltown Community School District.

MOTION: Mrs. Collison moved the board approve 37 school districts listed for 1976-77 for student teaching contracts and three additional school districts listed for 1975-76 and the form of contract proposed for 1976-77. Mr. Shaw seconded the motion and it passed unanimously.

COEDUCATIONAL HOUSING PROPOSAL. The Board Office recommended that the board, acting in accord with the policy it established on November 12, 1970, leave to the University of Iowa the decision as to whether or not to institute the policy as outlined in the document presented by the university.

President Petersen noted that the university requested that this docket item be removed from the docket prior to discussion. She recommended that the institution make a decision on the matter since there were no objections made by members of the board.

PROPOSAL FOR A CENTER FOR MATERIALS RESEARCH. The board was requested to approve a proposal for a Center for Materials Research at the University of Iowa.

The Board Office noted that the University of Iowa proposed an interdisciplinary center for the purpose of conducting basic research into the physical properties of materials. The center represents an internal reorganization of research resources within the university rather than the creation of a new entity requiring substantial new resources. It was proposed that faculty from the Division of Materials Engineering and the departments of Physics and Chemistry will cooperate in this interdisciplinary center and will share laboratory facilities

which presently exist at the university. The center will also provide opportunities for students from the various departments to engage in interdisciplinary research related to the above-mentioned fields. From the narrative presented the board, it appeared that the university expects that the center will require funds in addition to those which currently exist at the university. Despite the fact that the university anticipates that these funds will be drawn from federal agencies, private foundations and industrial corporations, the scope of this center could be better understood if additional, detailed financial information were provided as to the magnitude of the probable costs.

In response to the statement made by the Board Office, Vice President Brodbeck reported that Professor K. C. Valanis, proposed director of the Center of Materials Research, would be given funds from within the College of Engineering's reallocation of temporary funds for a period of three years. Professor Valanis had indicated to the university that before the three year period it could not be expected to be self-sustaining. The center would not be maintained on state funds and if it was not capable of being self-sustaining after three years, it would be discontinued. President Petersen asked for an estimated amount needed for the "seed" money and Vice President Brodbeck responded about \$15,000 would be needed.

Regent Bailey commended the university on its proposal by saying he feels a Center of Materials Research would be very important to the university.

MOTION: Mrs. Collison moved the board approve a proposal for a Center for Materials Research at the University of Iowa. Mr. Bailey seconded the motion and it passed unanimously.

APPOINTMENTS. The board was requested to approve the following appointments:

Francois M. Abboud, M.D., Professor, as Head, Department of Internal Medicine, College of Medicine, effective July 1, 1976 at a salary as budgeted.

Ray A. Muston, Associate Professor, as Assistant Dean of the Faculties and Director of Summer Session, effective August 1, 1976 at a salary as budgeted

Robert C. Arzbaeher as Professor and Chair, Division of Information Engineering, effective August 23, 1976 at a salary as budgeted.

MOTION: Mr. Bailey moved the board approve the appointments shown above for Francois M. Abboud, Ray A. Muston, and Robert C. Arzbaeher. Mrs. Collison seconded the motion and it passed unanimously.

RESIGNATION. The board was requested to accept the following resignation:

Ralph Van Dusseldorp as Professor and Chair, Division of Educational Administration, College of Education, effective July 23, 1976.

MOTION: Mr. Baldrige moved the board accept the resignation of Ralph Van Dusseldorp as shown above. Mrs. Collison seconded the motion and it passed unanimously.

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

The following construction contract awards were recommended for ratification by the board:

<u>University Hospitals--Blood Donor Center/Transfusion Service Remodeling</u>	
Award to: O.F. Paulson Construction Co., Cedar Rapids, Iowa	<u>\$160,986</u>
<u>Quadrangle Dormitory--Raze Northeast Quadrant</u>	<u>\$ 36,764</u>
Award to: Gordon Russell Trucking Inc., Iowa City, Iowa	
<u>University Hospitals--Coffee Shop Heating, Ventilating and Air Conditioning Renovation</u>	<u>\$ 27,475</u>
Award to: Universal Climate Control, Iowa City, Iowa	

The following construction contract award recommendations were presented for board approval:

<u>Parking Lot #3 Renovation</u>	<u>\$ 25,995</u>
Award to: Iowa Road Builders Company, Des Moines, Iowa	

(Mr. McMurray reported that two bids were received on this project. The primary reason the low bidder was not recommended was because he failed to sign the bid bond submitted as bid security. According to legal counsel, this meant there was no bid security submitted with that bid. The difference between the low bid and that proposed was \$781. Discussion on this matter ensued and the conclusion of same was that board policy and Iowa Code state that bid security must be provided with bids.)

<u>Quadrangle Dormitory Restoration</u>	<u>\$ 82,444</u>
Award to: Burger Construction Company, Iowa City, Iowa	

The board was requested to approve the following revised project budget:

<u>Quadrangle Dormitory Restoration</u>	<u>\$112,294</u>
Source of Funds: Dormitory Bond Improvement Reserve	

(The university reported that this is an uncommon project and the original estimate was too conservative.)

The following new projects were recommended for approval:



<u>University Hospitals--Coffee Shop Heating, Ventilating and Air Conditioning Renovation</u>	<u>\$ 34,700</u>
Source of Funds: Hospital RR&A	
<u>University Hospitals--Sixth Floor Corridor Relocation</u>	<u>\$ 46,700</u>
Source of Funds: University Hospitals Building Usage Fund	
<u>University Hospitals--Surgery Clinic Renovation--Final Phase</u>	<u>\$ 59,840</u>
Source of Funds: University Hospitals Building Usage Fund	
<u>Wolf Avenue/Melrose Avenue Traffic Signal</u>	<u>\$ 30,250</u>
Source of Funds: Treasurer's Temporary Investments Income	
<u>University Hospitals--Endoscopy Suite Remodeling</u>	<u>\$297,660</u>
Source of Funds: University Hospitals Building Usage Fund	
<u>University Hospitals--Abdominal and Neurological Angiography Suite Remodeling</u>	<u>\$220,000</u>
Source of Funds: University Hospitals Building Usage Fund	

Discussion arose concerning Institutional Road Funds. Regent Collison noted a comment made by the Board Office in its memorandum to the board that the Wolf Avenue/Melrose Avenue Traffic Signal Project was a good example of the type that should be funded from Institutional Road Funds, were those funds able to handle such projects.

Mr. McMurray commented that a list of projects to be funded under Institutional Road Funds will be presented to the board in September. He noted that last time the board received \$800,000 for construction for five years. He noted that \$2.5 million is needed. He said that the Wolf Avenue/Melrose Avenue Traffic Signal Project was not on the list for inclusion for use of Institutional Road Funds but noted it is an urgent project for the university. Regent Collison asked what could be done about getting projects such as Wolf Avenue/Melrose Avenue Traffic Signal Project included in the list of projects to be covered under the Institutional Road Funds before it is too late for inclusion. Mr. McMurray said the problem with that is the shortage of institutional road funding from the primary road fund of the State Highway Commission. He noted that some needs have to give when needs are placed against funding.

Mr. Richey commented that overall highway needs have not been met and added that it is not a very propitious time to get money from the primary road fund when such overall funds are short.

Mr. Richey noted that there is to be a study done on highway financing and possibly the concerns Regent Collison was expressing could be incorporated in that study. Regent Collison noted particular concern over the revitalizing of the Oakdale Campus and recommended some planning with respect to use of Institutional Road Funds for that project, also.

The university submitted for board approval a preliminary budget and project description for the Oakdale Campus Heating Plant Environmental Deficiencies Project. It was noted that this is a \$975,000 project

approved, as far as allocation is concerned, by the board at its June meeting. The university also submitted a proposed contract with Stanley Consultants, Muscatine, Iowa, to act as project engineer. The contract was noted to be in the usual form and provides for a basic fee of two times actual payroll costs, plus reimbursement for the customary out-of-pocket expenses limited to a maximum total of \$95,000. The university justified this level because of the complexity of this project where new equipment must be adopted into an existing plant and because of the need to explore several avenues of design in order to obtain the most economical installation. The Board Office recommended approval of this project.

It was reported by the Board Office that the board is under a federal order issued by the United States Environmental Protection Agency under date of March 25, 1976. An amendment has been filed by the executive secretary under the authority granted to him by the board to this order under the date of July 6, 1976, which changes the dates in the order because of the approximately four-month delay in the legislature providing the funds for this project. It was initially assumed that the funding would be accomplished by March 1, but the funding did not occur until July 1. The project timetable as far as the federal order and the state emission reduction program was presented to the board.

MOTION:

Mrs. Collison moved the board approve the Register of Capital Improvement Business Transactions for the month of July 1976; ratify the action taken by the executive secretary in award of three construction contracts described above; award two other construction contracts reported under Form C of the board's new procedure; approve a revised project budget shown above; approve six new projects as shown above; approve the preliminary budget and project description for the Oakdale Campus Heating Plant Environmental Deficiencies Project and contract with Stanley Consultants as shown above; and authorize the executive secretary to sign all necessary documents. Mr. Barber seconded the motion and it passed unanimously.

LEASED PROPERTY. The board was requested to approve a continuation of a lease of property by the board from Drake University for the Des Moines operation of the University of Iowa School of Social Work MSW program. The lease period is from July 1, 1976 through June 30, 1977. The terms are essentially the same except for an increase of 10% in the rental rate. The Board Office reported that this relatively modest increase brings the new square foot rate to \$4.07 which appears to be a reasonable rate for the facilities provided.

MOTION:

Mrs. Collison moved the board approve a continuation of a lease of property as described above. Mr. Zumbach seconded the motion and on roll call the following voted:

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

NAY: None.

ABSENT: None.

The motion carried.

LEASE OF PROPERTY. The board was requested to approve a lease of property by the Board of Regents on the Marycrest College Campus to continue the existing Social Work Training Center which location is advantageous to both the University of Iowa School of Social Work program and to the Marycrest College Department of Social Welfare. It was noted that the rental rate and terms of this lease appear to be fair and equitable. All terms and conditions remain the same as last year.

The university reported that the property requested for lease approval consists of approximately 630 square feet of office space in West Hall. Terms of the agreement would commence July 1, 1976 and end at midnight on the 30th day of June 1977. The tenant agreed to pay the landlord as rental for said term \$210.00 per month, in advance, on the first day of each month thereafter during the term of this lease, for a full term rental of \$2520.00.

MOTION:

Mr. Slife moved the board approve a continuation of a lease of property on the Marycrest College Campus as described above. Mr. Baldrige seconded the motion and on roll call the following voted:

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

NAY: None.

ABSENT: None.

The motion carried.

LEASE OF PROPERTY. The board was requested to approve a lease of property at 415 E. 2nd Street owned by the Trinity Episcopal Church. The property is needed for the Muscatine Family Planning and Prenatal Clinic which will continue to provide obstetrics and family planning care under the direction of the Department of Obstetrics and Gynecology of the University of Iowa.

The property consists of 1,100 square feet of office and exam room space located on the ground floor of 415 E. 2nd Street, Muscatine, Iowa, to include all utilities except telephone. The tenant agreed to pay the landlord as rental for said term \$150 per month for a full term rental of \$1,800 (approximately \$1.60 per square foot per year). Rental payments will be funded through a Family Planning Grant from the State Department of Health.

**MOTION:**

Mr. Slife moved the board approve the above-named lease of property. Mr. Baldrige seconded the motion and on roll call the following voted:  
AYE: Bailey, Baldrige, Barber, Brownlee, Collison, Shaw, Slife, Zumbach, Petersen.  
NAY: None.  
ABSENT: None.  
The motion carried.

**BUILDINGS TO BE RAZED.** The board was requested to approve the razing of three structures:

26 Byington Road (Building #82)

(The program most recently housed in this 3,420 gross square foot house built in 1918 has been relocated. The cost of renovation would be substantial for use by any other program.)

201 Grand Avenue and Steindler Relocatable Office Building

(Both structures were extensively damaged by fire on May 7, 1976. The university has requested that the State Executive Council provide an emergency allocation of funds in the amount of \$48,825.19. These funds would be used to replace the equipment lost in the fire as well as the materials and supplies. In addition, some \$12,412.13 would be used to demolish the two structures and restore the site.)

**MOTION:**

Mr. Baldrige moved the board approve the razing of the structures listed above. Mrs. Collison seconded the motion and it passed unanimously.

**CITY OF CORALVILLE - OAKDALE SEWAGE TREATMENT.** The board was requested to approve an amendment to a contract dated September 19, 1968 between the State Board of Regents and the city of Coralville for the treatment of Oakdale sewage.

The university reported that the amendment was negotiated primarily for the purpose of adjusting the rate per 100 cubic feet of sewage and refining the method of rate calculation. All other changes were for the purpose of updating or clarifying the verbiage of the original contract.

The original contract provided for a rate of \$.11 per 100 cu. ft. of sewage treated. The proposed rate for fiscal 1976-77 is \$.22 per 100 cu. ft. of sewage treated. This rate was based on the proportional contribution of Oakdale sewage to total sewage applied to the cost of operating the Coralville sewage plant. The amendment also provided for annual review of the rate.

The university reported that the rate increase is due to increasing operating costs caused by inflation and by more stringent requirements imposed by governmental agencies. The university is currently engaged in a study of inflow and infiltration on the Oakdale Campus and it is anticipated that

implementation of measures indicated by the study will substantially reduce sewage flows and thereby reduce the impact of the higher rate.

Mr. McMurray recommended that action on this contract amendment occur at the same time as the board acts on the supplemental docket item shown below. In absence of objections, this procedure was followed. Action on this item occurs in the following item:

**AMENDMENT TO AGREEMENT BETWEEN THE STATE BOARD OF REGENTS AND THE STATE DEPARTMENT OF SOCIAL SERVICES FOR USE OF SEWER FACILITIES.** The board was requested to approve an amendment to an agreement dated April 3, 1969 between the Board of Regents and the State Department of Social Services for user of sewer facilities.

The university reported that the sewage from the Iowa Medical Security Facility is fed through the Oakdale sewage system and is treated at the Coralville sewage treatment plant. The amendment to the agreement between the Board of Regents and the State Department of Social Services is patterned after the amendment to the contract between the Board of Regents and the city of Coralville as described above in the preceding docket item.

**MOTION:**

Mrs. Collison moved the board approve an amendment to a contract dated September 19, 1968 between the State Board of Regents and the city of Coralville for the treatment of Oakdale sewage and also moved that an amendment to an agreement dated April 3, 1969 between the State Board of Regents and the State Department of Social Services for use of sewer facilities be approved. Mr. Bailey seconded the motion and it passed unanimously.

**FINAL BUDGETS FOR 1976-77.** The board was requested to approve the University of Iowa's final budgets as proposed by the institution:

A. General Education Fund	\$86,155,100
B. State Hygienic Laboratory	\$ 1,666,500
C. University Hospitals	\$55,260,600
D. Psychiatric Hospital	\$ 4,464,200
E. Hospital School	\$ 2,474,800
F. Oakdale Campus	\$ 1,533,600

The Board Office reported that it received the line budget books this morning and that information will be mailed to board members in the next few days.

Brief comments on each of the organizational units were presented to the board for informational purposes.

The preliminary budget of \$53,801,800 for the University Hospitals was adjusted by the amount of \$1,458,800 to a proposed final budget for 1976-77 of \$55,260,600. The adjustment contains only budget transfers from the Oakdale Campus to the University Hospitals budget as discussed with the board at various times during the past year. The adjusted state appropria-

tion in the final University Hospitals budget is \$15,524,600 which amounts to 28.1% of the final budget. The Board Office reported that it intends to initiate the transfer of appropriations from the Oakdale Campus to the University Hospitals in the amount of \$1,208,800 subject to approval of the board.

The preliminary budget for Oakdale Campus was changed in the final budget for 1976-77 to \$1,533,600 in order to transfer a portion of its activity to the University Hospital budget. The adjustment includes a reduction of \$247,400 for general expense other than fuel and electricity. Otherwise all of the adjustments are in the salary categories in the amounts of \$107,000 for faculty and institutional officials, \$487,400 for professional and scientific staff salaries

The other categories in the budget were not changed from the preliminary budget.

**MOTION:**

Mr. Shaw moved the final budget for the University of Iowa be approved as submitted by the institution:

General Education Fund	\$86,155,100
State Hygienic Laboratory	\$ 1,666,500
University Hospitals	\$55,260,600
Psychiatric Hospital	\$ 4,464,200
Hospital School	\$ 2,474,800
Oakdale Campus	\$ 1,533,600

Mr. Zumbach seconded the motion and it passed unanimously.

**TENNIS COURT FEES.** The university requested the board approve tennis court fees of 50¢ for students, \$1.50 for faculty and staff, and \$2.00 for the public.

President Boyd introduced Mr. Larry Kutcher, President of the Student Senate, University of Iowa, who was present for discussion.

The Board Office reported that the institutional request of tennis court fees for the recreation building and stadium tennis courts of \$1.50 for faculty-staff and \$2.00 for the public represents an increase of 50¢ each over the fees currently charged. The university proposed to initiate a charge for students of 50¢ whereas students previously have been allowed use of the facilities without charge.

The university reported that demand for recreational facilities is high and growing. The additional funds would be used to improve and extend the services.

The cost of operating the recreational services, which is supported from the general education fund, amounts to about \$8 per student. The proposed fee of 50¢ for students is a small portion of the cost.

Mr. Kutcher noted that all activities and services of the university are an integral part of student culture. He said students support such programs by paying entry fees ranging from \$1.50 to \$10 per sport for intramural programs. He said the tennis courts are now being paid for by students

themselves in the amount of approximately \$3.50 per semester to pay off the bonds. He said that although the students are now already paying a great deal for recreation, the university officials disagree. He said that while the Student Senate is against user fees for State University of Iowa recreation facilities in principle, it recognizes the need for money. He urged adoption of the proposal before the board but said the Student Senate does not feel this is a final solution in any respect. He said students are asking when will charges of this type end.

Regent Shaw asked whether the proposed fees are per hour. Assistant Dean Jennings said the user fees are for each time a person uses the courts. Regent Shaw asked whether students will be able to use the courts as much as desired as the university was proposing that for a charge the public could also use the courts. Assistant Dean Jennings said the students would have first priority to the courts.

Regent Zumbach said he hoped that some of the money proposed for user fees could be used to build more tennis courts.

MOTION: Mr. Zumbach moved that tennis court fees of 50¢ for students, \$1.50 for faculty and staff and \$2.00 for the public be approved as requested by the University of Iowa. Mrs. Collison seconded the motion.

Regent Baldrige said he is sure that there are complaints that recreational facilities are inadequate and agreed with Regent Zumbach that he doesn't disagree with user fees if there are facilities to be used. He noted, also, that the money won't seem to be generating any new facilities. Assistant Dean Jennings noted that the income derived from collection of these fees would be used to hire an extra supervisor for the Recreation Building, to extend Recreation Building hours, to provide supervision on the stadium courts and in the proposed tennis center, for the purchase and repair of tennis nets and wind screens, and preventative maintenance on the tennis courts. He said the bind the university is placed in is how to get maximum utilization of what it now has in view of the budget situation.

VOTE ON MOTION: The motion passed unanimously.

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

MOTION: Mrs. Collison moved the board accept the report and ratify changes in investment portfolio for quarter ending June 30, 1976. Mr. Bailey seconded the motion and it passed unanimously.

LINDQUIST CENTER FOR MEASUREMENT - PHASE II. The board was requested to approve the contract with CPMI, Des Moines, Iowa, to act as a construction manager during the planning activities on the Lindquist Center for Measurement - Phase II project.

The University of Iowa recommended utilization of construction management services during the planning phase of the construction of the Lindquist



Center for Measurement - Phase II project and that the firm of CPMI be engaged to carry out the construction management planning activities. Cost of these services would be \$30,000 plus the computer utilization time. These costs would come out of the \$300,000 allocated to the University of Iowa for planning of this building. This particular contract is to use construction management only during the planning phase. The use of construction management during this phase is primarily due to the university not having the in-house capability to provide these services which can be provided by a construction manager. The university has been extremely cautious in use of construction management. The Board Office felt strongly that construction management could bring major advantages to this project.

The university reported that CPMI was selected following on-campus interviews with four firms with construction management capabilities. CPMI was recommended as being capable of performing the services desired. The firm has been used with satisfactory results on projects at Iowa State University and the recent hospital construction activity at the University of Iowa. Also, the nature of construction management services favors a firm located conveniently to this project.

The university noted that the services to be rendered by CPMI during the planning phase include establishment of a project schedule, formulation of a preliminary budget and cost control, establishment of management and coordination procedures, and assistance in the preparation of architectural service specifications. In addition, CPMI offers a service which utilizes a special-purpose computer to assist with project programming, design, and a simulation of construction options from the point of view of building function. These services will be offered to the University of Iowa at a cost of \$30,000 plus computer utilization time.

The use of construction management during the planning phase offers several advantages to the university including: 1) assistance in making certain that the modeling and options procedures consider the cost and operational efficiencies, 2) provision for an unbiased review of options and early design concepts with the intention of isolating areas of cost saving and simplification of construction techniques, 3) assistance in determining currently-available building materials and systems components and identifying their impact on project costs and construction schedules, 4) the ability to incorporate into the planning process the option of "fast-track" scheduling which may allow utilization of the facilities as much as 18 months earlier than would be the case without the use of construction management in the planning phase, and 5) an ability to proceed with architectural selection in early fall.

MOTION: --

Mr. Baldrige moved the board approve the contract with CPMI, Des Moines, Iowa, to act as a construction manager during the planning activities on the Lindquist Center for Measurement - Phase II project. Mrs. Collison seconded the motion and it passed unanimously.

The following business pertaining to the State University of Iowa was transacted on Friday, July 16, 1976.

**RESOLUTION - PRESIDENT'S RESIDENCE.** The board was requested to adopt the following resolution:

In view of the fact that suitable campus accommodations are now available for use by the Institute of Urban and Regional Planning which has been occupying space in the residence traditionally occupied by the President of The University of Iowa, and in view of the Board of Regents' traditional position that occupancy of the campus residences provided for the Presidents of the Universities governed by the Board of Regents is required in the performance of the official duties of the presidents, be it resolved that President Willard L. Boyd is hereby directed to occupy the residence provided for the President of The University of Iowa on the campus of the University and that such occupancy shall commence on or before November 15, 1976.

President Petersen noted that at the time President Boyd was appointed and elected to the presidency at the State University of Iowa, there was a tremendous space problem and it was necessary at that time to utilize part of the president's house for the housing of the Institute of Urban and Regional Planning. The board did not at that time make the usual requirement that the president, as a condition of employment, live in the house. She reported that there are campus accommodations now available at the Oakdale Campus for the Institute of Urban and Regional Planning.

**MOTION:**

Mr. Slife moved the board adopt the resolution shown above. Mr. Brownlee seconded the motion and it passed unanimously.

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

IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Friday, July 16, 1976.

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

CURRICULUM ITEMS. The board was requested to refer the proposed curriculum items to the Interinstitutional Committee on Educational Coordination for appropriate action.

The university requested approval of a Pest Management Curriculum, a curriculum in Computer Engineering, and a Bachelor of Science Degree in Nuclear Engineering.

MOTION: Mr. Bailey moved the board refer the proposed curriculum items to the Interinstitutional Committee on Educational Coordination for appropriate action. Mr. Barber seconded the motion and it passed unanimously.

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

John J. Balinsky as Professor and Chairman of the Department of Zoology, effective July 19, 1976 to June 30, 1979. This is a three year term (probationary) appointment. Salary \$29,000 per year, twelve months' basis, plus fringe benefits.

MOTION: Mrs. Collison moved the board approve the appointment of John J. Balinsky as shown above. Mr. Bailey seconded the motion and it passed unanimously.

APPOINTMENT. The board was requested to approve the following:

Approval of appointment of Sanford R. Greenfield as Professor and Chairman of the Department of Architecture, effective July 19, 1976 to June 30, 1981. Salary \$35,000 per year, twelve months' basis, plus fringe benefits.

MOTION: Mr. Barber moved the board approve the appointment of Sanford R. Greenfield as shown above. Mr. Brownlee seconded the motion and it passed unanimously.

ACADEMIC SEMINAR. Vice President Christensen commented regarding the scheduled academic seminar to be held at Iowa State University on August 26. All of the board members indicated they would be in attendance on that date.

FINAL BUDGET FOR 1976-77. The board was requested to approve the final budgets for 1976-77 for Iowa State University in the amounts of \$71,461,800 for the general university, \$7,987,500 for the Experiment Station, and \$9,273,300 for the Cooperative Extension Service.

The preliminary budget and final budget remained the same except for the following changes.

The general university final budget was proposed in the amount of \$71,461,800 which is \$465,000 less than the preliminary budget in order to reflect a uniform budgeting and accounting change to eliminate short courses, conferences and off-campus course fees. These incomes and associated expenses have been moved to the restricted fund category and do not affect program offerings.

The general expense item was changed from the preliminary budget with respect to both fuel and purchased electricity and other items of general expense. The fuel and purchased electricity has been reduced by \$112,000 because of a change in the source for the water system; whereas previously fuel had been used for operating the university's water system, now water is to be purchased from the city of Ames which requires a transfer of \$112,500 from the fuel account to other general expense. This adjustment in the fuel and purchased electricity budget as well as other items that pertain to opening new buildings will have to be taken into consideration in establishing the level above which additional funds will be requested from the legislature or below which savings will be used for the other purposes.

The final budget proposed for the Agricultural and Home Economics Experiment Station includes an additional \$98,000 of federal funds as a result of a nationwide increase of approximately \$13 million earmarked for mission-oriented basic research under the Hatch Act of which Iowa State University's portion is approximately 2.1564%.

Of the expenditure categories under the Agricultural and Home Economics Experiment Station budget only the salaries and wages categories were adjusted from the preliminary budget. Faculty and institutional officials' salaries were increased to carry out the mission-oriented research above noted. Professional and scientific staff salaries were reduced to reflect transfer of positions to the general service staff which was correspondingly increased.

No change in income over that set forth in the preliminary budget for the Cooperative Extension Service in Agriculture and Home Economics was proposed. The salaries categories were reduced by \$568,000 for faculty and institutional officials, increased by \$358,000 for professional and

scientific staff and increased by \$124,000 for general service staff. These adjustments pertain to implementation of the Booz, Allen & Hamilton professional and scientific pay and classification system and the reduction in the number of positions within the cooperative extension service by \$78,700. The reduction of \$78,700 in the salary category was shifted to general expense. This shift in funds was because of the uncertainty of continued level of federal funding for the Cooperative Extension Service.

MOTION:

Mr. Bailey moved the board approve the final budgets for 1976-77 for Iowa State University in the amounts of \$71,461,800 for the general university, \$7,987,500 for the Experiment Station, and \$9,273,300 for the Cooperative Extension Service. Mrs. Collison seconded the motion and it passed unanimously.

Regent Collison expressed concern about the budget of the Cooperative Extension Service and said it should be looked at in the long-range planning relating to world hunger, etc.

CEDAR RAPIDS AREA EXTENSION OFFICE - LEASE RENEWAL. The board was requested to approve a lease renewal with the Cedar Rapids Area Extension Office.

The university reported that the Cedar Rapids Extension office has been located in the Hawkeye Plaza Building since December of 1969. The previous lease, December 1, 1974 to November 30, 1975, provided 2,312 square feet of space at \$3.31 per square foot. The lessor, the Joint County School System of Cedar, Johnson, Linn, Washington, Iowa and Benton Counties, has undergone a reorganization during 1975, and is now the Grant Wood Area Educational Association. The association deferred negotiations for a new lease until their plans were finalized and the terms of the previous lease have continued.

The proposed lease was for a period of two years, July 1, 1976 to June 30, 1978, for the base rental of \$3.31 per square foot for space, heat, electricity, air conditioning, insurance and janitor service plus \$1.80 per square foot for remodeling, or a total of \$5.11 per square foot for 1,484 square feet. There was an option to renew the lease for a period of three years at \$3.50 per square foot. The university added that the rent was reasonable in comparison to other rental rates in the Cedar Rapids area.

MOTION:

Mr. Bailey moved the board approve a lease with the Cedar Rapids Area Extension office with the terms as described above. Mr. Slife seconded the motion and on roll call the following voted:  
AYE: Bailey, Baldrige, Barber, Brownlee, Collison, Shaw, Slife, Zumbach, Petersen.  
NAY: None.  
ABSENT: None.  
The motion carried.

A copy of the lease is on file at the Board Office.

1976-77 FORM OF CONTRACT FOR STUDENT TEACHING AGREEMENTS. The board was requested to approve the form for the contract to be used for student teaching agreements by Iowa State University for the year 1976-77.

The Board Office noted that the contract form was identical to that which the board approved for use by Iowa State University at the board's September 1974 meeting. The rate of remuneration to the local school districts was also identical with that approved at the September 1974 meeting.

MOTION: Mr. Bailey moved the board approve the form for the contract to be used for student teaching agreements by Iowa State University for the year 1976-77. Mr. Baldrige seconded the motion and it passed unanimously.

McNAY FARM (LUCAS COUNTY) - PURCHASE FROM THE ALUMNI ASSOCIATION. Iowa State University reported that this farm has been under an annuity trust agreement between the Iowa State University Alumni Association and Mr. McNay. Following the death of Mr. McNay, the farm now is unencumbered and can be disposed of by the Alumni Association. A resolution was presented to the board for its approval regarding purchase of the McNay Farm from the Alumni Association.

The university reported that Iowa State University, through its Agriculture and Home Economics Experiment Station, is now operating a research program on a tract of land of 480 acres, more or less, known as the McNay Farm in Lucas County. Iowa State intends to continue this research program because of the potential benefits to the economy of the state of Iowa, and particularly to the economy of southern Iowa, in the area of developing economically viable cow and calf agricultural activities suitable for that half of the state. Iowa State University's Alumni Association has agreed to sell the said 480 acres to the state of Iowa for the use and benefit of Iowa State University and its Agriculture and Home Economics Experiment Station for the price of \$335,000 to be paid upon the delivery to the secretary of the state of Iowa, in form satisfactory to him, a merchantable title to the property in fee simple, free and clear of all tax obligations, property liens, or any other form of financial obligation.

MOTION: Mr. Baldrige moved the board approve the resolution purchasing McNay Farm from the Alumni Association. Mrs. Collison seconded the motion and on roll call the following voted:  
AYE: Bailey, Baldrige, Barber, Brownlee, Collison, Shaw, Slife, Zumbach, Petersen.  
NAY: None.  
ABSENT: None.  
The motion carried.

A copy of the resolution is on file at the Board Office.

RESIDENCE DEPARTMENT - LEASE AGREEMENT. The board was requested to approve a lease agreement between the First National Bank of Ames, Iowa and the Iowa State Board of Regents acting for Iowa State University.

The Board Office reported that in a continuing effort to meet the extremely high student demand for university housing, Iowa State University has determined the availability of a building suitable for student housing which is located on Lincoln Way, southwest of the Memorial Union and owned by the First National Bank of Ames, Iowa. The university determined that with certain minimal modifications this building would be suitable for single-student housing, with a capacity of approximately 30 students. The lease on this building would run from July 1, 1976 through May 31, 1977 and would involve a rental fee of \$5,000 payable on a quarterly basis beginning on July 1, 1976, following execution of the lease. If 30 students would be housed in this facility, the income generated should be approximately \$13,500. It was assumed that this income would be sufficient not only to cover the \$5,000 rental fee but also to cover the expenses generated by maintenance, upkeep, repairs, utilities and custodial services, construction of temporary partitions and removal of these partitions upon expiration of the lease, as well as restoration of the premises to their initial condition (excluding reasonable and ordinary wear and tear and damages by the elements).

Regent Bailey commended the university for its initiative in locating this building for student housing.

MOTION:

Mr. Bailey moved the board approve a lease agreement between the First National Bank, Ames, Iowa and the Iowa State Board of Regents acting for the Iowa State University. Mr. Zumbach seconded the motion and on roll call the following voted:

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

NAY: None.

ABSENT: None.

The motion carried.

A copy of the lease agreement is on file at the Board Office.

SANITARY SEWER EASEMENT WEST OF C & NW R.R., WEST OF RIVERSIDE DRIVE, AMES, IOWA. The board was requested to approve the easement and grant Iowa State University authority to secure approval from the State Executive Council of the sanitary sewer easement west of C & NW R.R., west of South Riverside Drive.

The university noted that the easement agreement proposed was required for the construction of a sanitary sewer line by the city. This construction is an extension of an existing sanitary sewer line that is serving the new Veterinary Medicine Facilities and is necessary to serve a southwest area of the city.

The university reported that the consideration for this grant is the fact that the sanitary sewer line to be constructed will be part of the jointly operated sewerage facilities and may also serve the requirements of facilities hereafter constructed or operated by the grantor. No cost of the facilities to be constructed within this easement shall be assessed or charged to the grantor.



**MOTION:** Mr. Slife moved the board approve the easement and grant Iowa State University authority to secure approval from the State Executive Council of the easement agreement. Mr. Barber seconded the motion and on roll call the following voted:  
AYE: Bailey, Baldrige, Barber, Brownlee, Collison, Shaw, Slife, Zumbach, Petersen.  
NAY: None.  
ABSENT: None.  
The motion carried.

A copy of the easement is on file at the Board Office.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. Executive Secretary Richey reported the Register of Capital Improvement Business Transactions for the period of June 11 through July 15, 1976 had been received by him, was in order, and recommended approval.

The following construction contracts were recommended for board ratification:

<u>Seed Laboratory Project</u>	<u>\$1,626,590</u>
Award to: Allen Construction Company, Ames, Iowa	
<u>Schilletter Village Addition, Phase II</u>	
Award to: Allen Construction Company, Ames, Iowa	<u>\$1,158,700</u>

(Mr. McMurray reported that there was a single bid received on this project and since it was a highly successful and very good bid, the university is able to fund the equipment for those units out of the bond funds rather than utilizing Dormitory Improvement Funds.)

(Mr. Madden commented about the Schilletter Village Addition, Phase II, by stating that these single student housing units will be comparable to furnished dormitory units and in addition, will have a stove and refrigerator.)

The following amended budget was presented for approval:

<u>Seed Laboratory Project</u>	<u>\$2,131,956</u>
Source of Funds: 66th G.A. Capital Appropriation (1975 Session)	
66th G.A. Capital Appropriation (1976 Session)	
Iowa Crop Improvement Association	

The board was also presented a project budget for Phase II of Schilletter Village:

<u>Schilletter Village Addition, Phase II</u>	<u>\$3,000,000</u>
Source of Funds: Dormitory System Revenue Bonds	

The following contract change order was recommended for board approval:

Design Center, Phase II  
Change Order for \$68,582 to the general contractor, Bor-Son Incorporated, Minneapolis, Minnesota. This change order was for the purpose of making changes in the site development plan for the building. The changes are funded within the existing project budget under the landscaping and site development line for which there is \$250,000 available.

The board was requested to approve an amendment in an engineering services contract with Brown Engineering Company on the Steam Generator No. 4 and Auxiliary Equipment Project. It was necessary to increase the ceiling by \$17,250 in order to complete the design work. The engineering firm did additional work in designing the improvements to the ash, water treatment and coal handling systems to increase capacity to the existing system which was not originally contemplated in the contract for engineering services. The ceiling was \$160,000 for this project. Funds for the additional services will be provided from funds allocated to this project and will not require an increase in the project budget.

The following new projects were recommended for board approval:

<u>Beef Nutrition Station - Beef Confinement Building</u>	<u>\$ 15,000</u>
Source of Funds: Beef Industry Council	
<u>Women's Gymnasium - Tennis Court Resurfacing</u>	<u>\$20,000</u>
Source of Funds: RR&A	

Regent Collison asked about transportation on campus. Assistant Vice President Madden responded that the student government operates and finances a shuttle service on campus. Regent Collison said she realizes that Iowa State University's campus is growing from a centralized area to a campus that has wider boundaries. She noted that the new Veterinary Medicine Facility is on the outer parameters of the campus and wondered if some transportation problems could be faced. Mr. Madden said the city of Ames has been in the process of developing "Cy-Ride" which will hopefully be back in operation in early September. Mr. Madden added that the university anticipates providing some transportation between the new Veterinary Medicine Facility and the main campus, also. Mr. Madden stated that there are some major cost considerations for the university to move into a full-fledged system of transportation which would be open to all users.

Vice President Moore commented that there hasn't been a university/city joint transportation system for a number of years. He said he's impressed that all aspects of the community have been working on the transportation problem. He said the cooperative attitude gives a positive attitude toward the situation. He noted that university students on the university Transportation Committee are also concerned.

Ms. Jill Wagner, representing the university Transportation Committee, stated that a special bus has been set up to transport married students to the library. She noted that the university has one bus which is referred to as "the all campus shuttle." She noted that all aspects of the transportation problem are being looked into.

**MOTION:**

Mr. Baldrige moved the board approve the Register of Capital Improvement Business Transactions for the period of June 11 through July 15, 1976; ratify the action taken by the executive secretary in award of two construction contracts described above; approve an amended project budget shown above; approve a project for Phase II of Schilletter Village; ratify the contract change order presented above; approve an amendment in an engineering services contract with Brown Engineering Company on the Steam Generator No. 4 and Auxiliary Equipment Project; approve the new projects shown above; and authorize the executive secretary to sign all necessary documents. Mr. Zumbach seconded the motion and it passed unanimously.

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

UNIVERSITY OF NORTHERN IOWA

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

REGISTER OF PERSONNEL CHANGES. The following resignations were presented to the board on the Register of Personnel Changes for the month of June 1976:

Anderson, Carlos W.  
Director for the Arts-Minority Group Education  
Effective June 1, 1976

Swartz, Clifford S.  
Coordinator for Veterans Affairs  
Effective June 1, 1976

In absence of objections, President Petersen approved the actions reported on the Register of Personnel Changes for the month of June 1976.

UNIVERSITY CALENDAR FOR 1978-79 AND SCHEDULE OF HOLIDAYS FOR 1978-79 and 1979-80. The board was requested to approve both the academic calendar and schedule of holidays as presented the board by the university.

The Board Office reported that the proposed schedule of holidays represented no major departure from the schedule of holidays approved by the board for the university for the years 1976-77 and 1977-78. It also noted that the proposed academic calendar for 1978-79 represented no significant change from the calendar for the year 1977-78.

MOTION: Mr. Barber moved the board approve the academic calendar for 1978-79 and schedule of holidays for 1978-79 and 1979-80 as presented the board by the University of Northern Iowa. Mrs. Collison seconded the motion and it passed unanimously.

The university calendar for 1978-79 and schedule of holidays for 1978-79 and 1979-80 are on file at the Board Office.

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

Dr. Thomas P. Romanin as Assistant Vice President for Student Services effective August 1, 1976.

Dr. George Glenn Ball, Professor of Education and Psychology, as Acting Head for the Department of Educational Psychology and Foundations for the 1976-77 academic year.

MOTION: Mr. Zumbach moved the board approve the appointments as shown above for Dr. Thomas P. Romanin and Dr. George Glenn Ball at the University of Northern Iowa. Mr. Shaw seconded the motion and it passed unanimously.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. Executive Secretary Richey reported the Register of Capital Improvement Business Transactions for the period of June 5 to June 30, 1976 had been received by him, was in order, and recommended approval.

Two construction contracts approved by the Board Office were presented the board for ratification:

Steam Condensate Line Replacement \$17,700  
Award to: Oscar D. Hansen & Son Plumbing & Heating, Inc.

O.R. Latham Stadium Removal \$17,990  
Award to: J.C. White Excavating Company

Seven changes orders on the Speech/Art Facility were submitted. These change orders were approved in principle by the board at its June meeting when the board allocated \$1,380,000 to the university for this building. It was noted that the cost of holding these restoration items open until June was \$64,118. The three prime contractors indicated in 1975 what their estimated inflation increase would be. The general contractor stipulated a \$48,000 inflation increase and held to that amount. The plumbing contractor initially stated that the maximum allowable inflation increase would be 10% but reduced that to 8% in the change order. The electrical contractor stated in October that he would try to hold to an 18% inflator but the change order provides for a 20% inflator. Something like 7.8% of the \$822,547 being restored to the project by the three prime contractors is for inflation.

The following new projects were presented for approval:

Patch & Seal Coat Parking Lots \$35,000  
Source of Funds: Reserved Parking

West Campus Storm Sewer - Phase II \$100,000  
Source of Funds: 66th G.A. Allocation

MOTION: Mrs. Collison moved the board ratify and approve the actions reported in the Register of Capital Improvement Business Transactions for the period of June 5 to June 30, 1976 and authorize the executive secretary to sign all necessary documents. Mr. Shaw seconded the motion and it passed unanimously.

STUDENT TEACHING CONTRACTS. The board was requested to accept a report on student teaching contracts for the school year 1975-76 and the form of contract for the school year 1976-77.

The Board Office reported that the form of contract for the school year 1976-77 is substantially the same as that used during the previous two years with the following exceptions:

1. Section 2.0 Options of Student Teachers. This section allows the student teacher the option of registering for 8, 12 or 16 hours of credit in student teaching which would mean that the student teaching period would range in length from 8 to 16 weeks.
2. The section on termination or change of assignment has been modified so that the resident coordinator may terminate or change the assignment of a student teacher only for good cause and only after consulting with all parties concerning the reasons for the termination or change in assignment.
3. Remuneration to cooperating educational agency. While there has been no change in the rate of remuneration to the contracting schools, Section 7.2 provides for an additional payment to those schools accepting student teachers who register for either the 12 or 16 semester hours of credit option.

MOTION:

Mr. Baldrige moved the board accept the report on student teaching contracts for the school year 1975-76 and the form of contract for the school year 1976-77 as presented by the University of Northern Iowa to the board. Mr. Brownlee seconded the motion and it passed unanimously.

FINAL BUDGET FOR 1976-77. The board was requested to approve as requested by the University of Northern Iowa the budgets for general program operations of \$27,100,000, for dormitory system of \$5,650,000, and other budgets as set forth in the budget summary statement and the line budget book.

The Board Office reported that the final budget proposed of \$27,100,000 for general program operations contains a small income adjustment of \$23,900 from student fee income to round the budget figure. The significant adjustments pertain to implementation of the Booz, Allen and Hamilton study of professional and scientific staff positions. It was noted that the positions classified as institutional officials are being re-examined which might cause this position to be reclassified again. As a part of the program to implement uniform budgeting and accounting practices, general expense items are to be charged back to the users for telephone service and academic computing service in the amounts of \$13,000 and \$32,000, respectively.

The Board Office reported that equipment, library books and RR&A figures remain unchanged from those presented the board in the university's preliminary budget.

Salary lapses are budgeted at \$225,000 which is the same as for 1975-76 and amounts to 1.1% of the salary and wage budget. Unallocated funds

amount to \$196,440 for general purposes including \$120,000 for equipment, the President's contingency fund of \$46,000, a miscellaneous fund of \$70,000 and an item for federal funds losses of \$6,172. The budget for federal funds losses of \$6,172 is designated for a specific program and is designated as unallocated as an accounting treatment to facilitate tracking this particular item.

The University of Northern Iowa summarized the budgets derived from \$839,000 for enrollment increase costs for the board. It was noted that the dormitory-dining service budget is increased by \$51,150 to accommodate an additional 50 students which are expected.

**MOTION:**

Mr. Barber moved the board approve the budgets for general program operations of \$27,100,000, for dormitory system of \$5,650,000, and other budgets as set forth in the budget summary statement and the line budget book as requested by the University of Northern Iowa. Mr. Bailey seconded the motion and it passed unanimously.

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

## IOWA SCHOOL FOR THE DEAF

The following business pertaining to the Iowa School for the Deaf was transacted on Thursday, July 15, 1976.

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

POLICY REGARDING MANDATORY WEEKENDS AT HOME. The board was requested to defer action on this matter by the Board Office until additional information regarding both the financial implications and the feelings of the parents of the students involved is provided. Superintendent Giangreco raised no objection to deferral.

In absence of objections, President Petersen deferred discussion on policy regarding mandatory weekends for students at home.

COOPERATIVE EXCHANGE PROGRAM WITH LEWIS CENTRAL HIGH SCHOOL. The board was requested to approve the proposed cooperative exchange program with Lewis Central High School.

The Board Office reported that Iowa School for the Deaf was proposing an exchange program by which a small number of its students would be afforded the opportunity to engage in advanced classes in academic areas where these students excel and where Iowa School for the Deaf does not have the program at a level to meet their needs. In addition, these students would be presented the opportunity to mix with students without hearing impairments, thus presenting Iowa School for the Deaf's students with a situation nearer to that which they will find upon leaving the Iowa School for the Deaf. As part of this exchange program, Lewis Central has asked that a minimal number of its students be allowed to take certain vocational courses from Iowa School for the Deaf. It was assumed that, just as Iowa School for the Deaf is now doing, Lewis Central High School will obtain whatever approval it needs for this program from the State Department of Public Instruction. There is no cost to Iowa School for the Deaf.

Regent Collison said she was pleased to see this proposal for a cooperative exchange program and noted that programs such as these help enlarge the horizons of students.

MOTION:

Mrs. Collison moved the board approve the proposed cooperative exchange program between Iowa School for the Deaf and Lewis Central High School. Mr. Shaw seconded the motion and it passed unanimously.

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



Robert Schultze as Vice Principal and teacher in the Vocational-Technical Department, salary as budgeted.

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

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

The following construction contract was recommended for ratification by the board:

Visual Fire Alarm System \$19,817  
Award to: Kenworthy Electric Company, Omaha, Nebraska

MOTION: Mrs. Collison moved the board ratify and approve the actions reported in the Register of Capital Improvement Business Transactions for the month of June 1976 and authorized the executive secretary to sign all necessary documents. Mr. Bailey seconded the motion and it passed unanimously.

FINAL BUDGET FOR 1976-77. The board was requested to approve the Iowa School for the Deaf's final budget for 1976-77 in the amount of \$2,810,000.

The Board Office reported that the final operating budget of \$2,810,000 submitted by the school is the same as that submitted in the preliminary budget. Of the expenditure categories, only the salaries and benefits categories are adjusted from the preliminary budget. The changes in faculty and institutional officials' salaries and benefits do not alter the basic program at Iowa School for the Deaf. Other salary and benefit changes were detailed in the memorandum presented the board by the Board Office.

MOTION: Mr. Bailey moved the board approve the Iowa School for the Deaf's final budget for 1976-77 in the amount of \$2,810,000. Mrs. Collison seconded the motion and it passed unanimously.

CONTRACT FOR ARCHITECTURAL SERVICES. The Board Office reported that Iowa School for the Deaf was authorized to negotiate for architectural services on the Food Service Remodeling Project at the June board meeting. A contract has been negotiated with the firm of Wilscom & Mullins, Inc., Omaha, Nebraska. This is a \$650,000 project funded from 1976 capital appropriations.

Mr. McMurray stated that the Board Office received the proposal for architectural services this morning: He said the contract is basically

in order but said there are still a number of details that need to be worked out on it. He recommended that the board authorize the executive secretary to execute the contract, working out any problems which may arise. Mr. McMurray said he recommended the executive secretary execute the contract due to the fact that the next Board of Regents meeting will be in September and two months of valuable planning time could otherwise be lost.

Regent Baldrige asked how the firm of Wilscam & Mullins, Inc. was selected for this project. Mr. McMurray responded that the Iowa School for the Deaf has used this firm on several projects beginning with the Cornice Repairs Project last December. He noted that the school has expressed a high degree of satisfaction with the work of this firm and its responsiveness to the needs of the school in a number of other areas. Mr. McMurray commented on the procedure used for hiring architectural firms at the universities. He said in the case of university hiring, a notice is sent out to the Iowa Chapter of the AIA that an architect is being sought. He said that the procedures are different for the universities than at the Iowa School for the Deaf and Iowa Braille and Sight Saving School because the small schools lack in-house capability.

Regent Collison noted that Iowa State University has some very talented individuals in institutional planning and management and expressed the hope that Iowa School for the Deaf might utilize those talents in the planning of the food service centralization. Superintendent Giangreco added that this architectural firm has done this type of work in both Council Bluffs and Omaha. President Parks stated that Thomas Walsh, Assistant Director of Food Service Administration in the Dormitory System, could provide this service to the school. Regent Baldrige concurred that it might be a good idea for the school to utilize the in-house talents at Iowa State University. Superintendent Giangreco added that the school uses Iowa State University every chance it gets.

**MOTION:**

Mr. Baldrige moved the board authorize the executive secretary of the board to approve an agreement with the firm of Wilscam & Mullins, Inc., Omaha, Nebraska for architectural services for the Food Services Project. Mrs. Collison seconded the motion and it passed unanimously.

President Petersen asked board members and institutional executives if there were additional matters to be brought up for discussion concerning Iowa School for the Deaf. There were no additional matters discussed.

## IOWA BRAILLE AND SIGHT SAVING SCHOOL

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

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

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

Four items were on the register. They are:

Masonry Tuckpointing - Main Building, West Side

A purchase order was issued to Karr Tuckpointing, Vinton, Iowa in the amount of \$4,276 which was issued within the existing project budget.

Interior Painting - Three New Stair Columns

A single bid received was rejected because it was 80% over budget. The institution plans to solicit bids again.

Superintendent's Residence Alterations - Rear Entrance, West

This is a \$4,950 project approved at the June meeting. Only one firm bid was received and it exceeded the original project budget. It was necessary for the board to approve a revised budget totaling \$5,500. The firm bid received has been analyzed by the institution, is considered a good bid, and a purchase order was issued to McDowell Construction Company, Vinton, Iowa in the amount of \$4,960. The architect's fees amount to \$350 and contingencies amount to \$190, making a total budget of \$5,500.

Engineering Services Contract on the Water Tower Demolition Project

Iowa School for the Deaf asked permission to negotiate a contract for engineering services at the June meeting. A contract was negotiated with the firm of Shive-Hattery, Vinton, Iowa. Because of the necessity for the engineering firm to begin this work immediately if it were to be done this summer, the executive secretary approved the contract for engineering services which had as its basic terms a schedule of hourly rates for personnel involved with a maximum charge of \$750. The board was asked to ratify the action taken by the executive secretary.

MOTION:

Mr. Shaw moved the Register of Capital Improvement Business Transactions for the month of June 1976 be approved including the revised budget for Superintendent's Residence Alterations and ratification of the engineering services contract on the Water Tower Demolition Project. The executive secretary was authorized to sign all necessary documents. Mr. Zumbach seconded the motion and it passed unanimously.

FINAL BUDGET FOR 1976-77. The board was requested to approve the final budget in the amount of \$1,517,750 for 1976-77 for Iowa Braille and Sight Saving School.

The Board Office reported that the budget proposed was identical with that proposed in the preliminary budget. The only adjustment shown in the final budget summary statement was \$11,000 which was shifted from professional and scientific staff salaries to faculty and institutional officials' salaries. The adjustment results from work with the Board Office on analysis of the professional and scientific classification compensation plan which reveals that the position for psychological services should be transferred to the faculty category.

The narrative presented by the school to the board indicated minor reassignment of work schedules for teachers amounting to 1.25 FTE. The budget is based on salary savings of \$23,371 as compared with the budget of \$14,117 and a revised estimate of \$14,497 for 1975-76. Mr. Richey asked Mr. Berry if the school has reevaluated the salary savings to make sure the school doesn't come up with a budget deficit. Mr. Berry noted that the legislature did not appropriate the full 8% requested for salaries and that makes the difference. He said that maybe the salary savings will be used in reverse and Mr. Richey said that is what will hopefully be avoided.

Mr. Berry noted an increase of 35.2% in budget for the library. He said the school has a lot more books than is indicated by that dollar amount but it comes through the school from the printing house for the blind and is in the blind media. That budget is much greater than the one being referred to for the increase in budget.

MOTION: Mrs. Collison moved the board approve the final budget for Iowa Braille and Sight Saving School in the amount of \$1,517,750 for 1976-77. Mr. Bailey seconded the motion and it passed unanimously.

USE OF FACILITIES. The board was requested to authorize Iowa Braille and Sight Saving School to negotiate a contract for the use of the east basement of Palmer Hall by the Happy Time Child Care Center with said contract being subject to approval by the executive secretary and ratification by the board in September.

The Board Office reported that at the December 1975 meeting the board approved use of the facilities by the Happy Time Child Care Center for the period of January 5, 1976 to May 31, 1976 with the exception of those days when the Vinton Community Schools were not in session. The cost of this lease was \$525 for the approximately four months use. In addition, child and adult meals were provided at \$1 each plus any surplus food generated by the Child Care Center from a commodities allocation from the Department of Public Instruction. The Iowa Braille and Sight Saving School provided utilities. Most of the cleaning and custodial work was provided by the Child Care Center. It was intended that about 20 students would use the facility on a daily basis.

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The Board Office stated that the Child Care Center has now indicated an interest in entering into a new lease for this space for the full 1976-77 school year. There are a number of details still to be worked out and Mr. Berry indicated that the contract will be ready for approval in August. Mr. Berry requested that the executive secretary approve the contract so that it can be in effect at the start of school and that the board ratify his action in September.

MOTION:

Mr. Baldrige moved the board authorize Iowa Braille and Sight Saving School to negotiate a contract for the use of the east basement of Palmer Hall by the Happy Time Child Care Center with said contract being subject to approval by the executive secretary and ratification by the board in September. Mrs. Collison seconded the motion and it passed unanimously.

President Petersen asked board members and institutional executives if there were additional matters to be brought up for discussion. There were no additional items discussed.

ADJOURNMENT. The meeting of the State Board of Regents adjourned at 11:00 a.m., Friday, July 16, 1976.

  
R. Wayne Richey, Executive Secretary