

The State Board of Regents met at the Hospital School, State University of Iowa, Iowa City, Iowa on Thursday and Friday, June 16-17, 1977.

	<u>June 16</u>	<u>June 17</u>
<b>Members of State Board of Regents:</b>		
Mrs. Petersen, President	All Sessions	All Sessions
Mr. Bailey	All Sessions	All Sessions
Mr. Baldrige	All Sessions	All Sessions
Mr. Barber	All Sessions	All Sessions
Mr. Brownlee	All Sessions	All Sessions
Mrs. Collison	All Sessions	All Sessions
Mr. Shaw	All Sessions	All Sessions
Mr. Slife	All Sessions	All Sessions
Mr. Zumbach	All Sessions	All Sessions
<b>Office of State Board of Regents:</b>		
Executive Secretary Richey	All Sessions	All Sessions
Mr. Barak	All Sessions	
Mr. McMurray	All Sessions	All Sessions
Mrs. Mininger	All Sessions	
Melissa Shipler, Secretary	All Sessions	All Sessions
Pauline K. Van Ryswyk, Secretary	Excused	Excused
<b>State University of Iowa:</b>		
President Boyd	All Sessions	
Vice President Brodbeck	All Sessions	All Sessions
Vice President Jennings	All Sessions	All Sessions
Assistant Vice President Small	Arr. Noon	
Director Colloton	All Sessions	
Director Hawkins	All Sessions	All Sessions
Director Tobin	All Sessions	All Sessions
<b>Iowa State University:</b>		
President Parks	All Sessions	Exc. 10:00 a.m.
Vice President Christensen	All Sessions	Exc. 10:00 a.m.
Vice President Hamilton	All Sessions	Exc. 10:00 a.m.
Vice President Moore	All Sessions	Exc. 10:00 a.m.
Assistant Vice President Madden	All Sessions	Exc. 10:00 a.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
Director Kelly	All Sessions	All Sessions
<b>Iowa School for the Deaf:</b>		
Superintendent Giangreco	All Sessions	
Business Manager Kuehnhold	All Sessions	
<b>Iowa Braille and Sight Saving School:</b>		
Acting Superintendent Petrucci	All Sessions	
Business Manager Berry	All Sessions	

GENERAL

The following business pertaining to general or miscellaneous items was transacted on Wednesday, June 15, 1977.

EXECUTIVE SESSION. President Petersen reported that the board needed to meet in executive session to discuss personnel matters at the Iowa Braille and Sight Saving School. President Petersen said there would be no further public session of the board today.

On roll call, 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 2:00 p.m. and arose therefrom at 5:00 p.m.

The following business pertaining to general or miscellaneous items was transacted on Thursday, June 16, 1977.

MINUTES OF THE MAY 19, 1977 MEETING. The minutes of the State Board of Regents meeting held May 19, 1977 were approved as distributed.

COMMITTEE ON EDUCATIONAL COORDINATION. There were no items raised for discussion pertaining to the Committee on Educational Coordination.

ANNUAL REPORTS ON TENURE. The Board Office noted that each of the Regents' universities submitted a statistical summary of tenure at their institution. It was reported that while these data provide valuable information upon which future faculty staffing decisions at least partially can be based, taken alone they present only a partial picture of faculty staffing patterns. They do not take into account such important elements as faculty quality, faculty development programs, and institutional uniqueness which may have contributed to the particular statistics.

The Board Office stated that last year several concerns were raised regarding the statistical portions of the institutional tenure reports. Therefore, the Board Office and the Interinstitutional Committee on Educational Coordination jointly developed and agreed upon a revised format for reporting tenure-related statistics. The revised format is divided into three sections. The first section deals, by college and department, with faculty on a tenure-track. Section two reports, also by college and department, the status of those faculty not on a tenure-track. Section three gives a summary by faculty rank of the data appearing in the first two sections.

From the data provided, it was determined that the University of Iowa has 66% of its tenure-track faculty on tenure, while 47.5% of its total faculty have tenure. At Iowa State University, the comparable percentages are 72.2% of the tenure-track faculty and 64.4% of the total faculty, while at the University of Northern Iowa 75.7% of the tenure-track faculty and 59.3% of the total faculty have tenure. The percent of total faculty with tenure is significantly lower at the University of Iowa than at the other two institutions. The reason appeared to revolve around the number of non-tenure-track personnel employed by the Health Sciences Schools. Of the 583 non-tenure track faculty employed at the University of Iowa, 378 are employed by the Health Sciences Schools. Yet, these schools employ only about 40% of the tenure-track faculty. If one considers the faculty composition of these Health Sciences Schools to be different significantly from that of the other academic units of the university, then removing these schools from

the comparative data might be useful. When this is done, it turns out that 58.5% of the rest of the university's total faculty have tenure. This percentage appears more nearly comparable to the 64.4% reported at Iowa State University and the 59.3% at the University of Northern Iowa.

Two points were made regarding the above percentages. First, while the percentage of tenure-track faculty holding tenure is quite high at all three institutions, when non-tenure track faculty are included the percentages are lowered by a significant amount. Secondly, institution-wide tenure percentages are difficult to relate meaningfully to the issue of flexibility, an issue which is important when considering tenure.

The Board Office commented that the Keast Commission, while speaking to tenure at the institutional level rather than at the department level, stated that it believes that an institution should not allow more than one-half to two-thirds of its faculty to be on tenure appointments. The Board Office expressed its feeling that tenure quotas at the institutional level could unfairly affect departments with a modest number of faculty on tenure. Those departments would not be allowed to grant tenure because a number of other departments within the institution had extremely large percentages of its faculty with tenure. Also, as enrollments decline, student interests shift, and as there is a need to reallocate resources, the level at which flexibility will be particularly important is at the departmental level.

The board was presented a chart showing tenure appointments recently granted which were not reflected in the report of those departments with high tenure percentages. That information is on file at the Board Office.

The Board Office stated that if tenure quotas existed, there is little doubt that the universities and the respective departments would find themselves in a dilemma. If the probationary faculty members are truly deserving of tenure on the basis of meaningful evaluations, then it could be viewed as both unfair and counterproductive to the best interest of the departments to deny tenure simply because those departments already have high percentages of their faculty with tenure. Nevertheless, close scrutiny must be given in those instances where a given department has such a high percentage of its faculty with tenure that additional grants of tenure will, in fact, completely tenure in the particular department. To grant tenure in those instances would be to close off almost all flexibility within the department.

Regent Zumbach said he feels it's very difficult to gauge the effectiveness of teaching in the classroom, but it is an important attribute in the tenure decision. He said he's noticed an increased effort to try to solicit the opinions of students in the classroom. He said that's been very valuable. He noted that a technique that the law school is using in that it is soliciting the opinions of alumni who are out in the world of work and who are trying to apply some of the things they have learned in the classroom. He commended the procedures being used by the institutions.

Regent Collison said she was quite impressed with the various kinds of instruments that were used to solicit student opinions. She said this type of evaluation has become more sophisticated over the years she's been a board member. She expressed concern, however, for the adverse effects of tenure upon affirmative action. She noted that various departments of the

institutions have not added tenured female or minority personnel. She said that while the length of the list would be prohibitive to point out the departments she was referencing, if one must stereotype those, those special departments which would be career-oriented toward females don't even reflect significant progress. Regent Collison said that while the academic deans have done fine jobs in getting the tenure policies promulgated, she asked for some light on the situation.

Vice President Brodbeck said the University of Iowa's deans are sensitive to this situation and said she feels there has been some improvement. She added that the institution's promotion list has indicated a number of women who have been promoted and not only tenured. Regent Collison asked if there is any way, if a department has been lacking in affirmative action demonstrations, that one can put pressure on it from the board level.

In response to Regent Collison's concern, President Boyd said he is very sympathetic to the whole question of affirmative action and has strongly supported it, as has the federal government. He said the most qualified person must be appointed. He said he does not believe that the university's departments are, per se, lacking in affirmative action because each position involves affirmative action procedures. He reminded members of the board that the federal government has backed away from any position of quotas on the grounds that they would be illegal. The university's position has been that every department must show an affirmative action search. Each position is monitored to see that affirmative action was followed to be sure that the search was broad enough to uncover the qualified persons from every background.

Regent Collison asked about the possibility or feasibility of having a state level affirmative action officer handle the affirmative action matters for the state. She said she would hate to see the state have to handle the matter but asked if it may be necessary. President Petersen said she is as concerned about the realities of affirmative action as much as Regent Collison is. On the other hand, President Petersen said if the board were to "transplant its authority" to a state officer that could involve a more dangerous situation than the problem, itself. She went on to say that she feels that the board has done the appropriate thing in insisting that there be affirmative action guidelines in the search and in having reports come forward to it to highlight the problem, continuing to sensitize people to the problem.

Vice President Christensen agreed with Regent Collison that the institutions are not making as much progress with respect to the tenure of women and minorities as they would like but emphasized that the institutions certainly are not ignoring the problem. He reported that Iowa State University has two affirmative action officers who look at all the data that come to each department for application. He said that although the so-called "score card" hasn't increased measurably and the university is disappointed, the practice still works. The university simply can't have quotas because it is against the law.

Vice President Martin commented that the University of Northern Iowa has affirmative action compliance officers. Before a department can recommend an appointment there must be certification of compliance in terms of procedures. He said he feels the university has an excellent mechanical arrangement, but affirmative action is more than mechanics. He

said the university makes extraordinary efforts to seek out qualified applicants for the position openings it has. There is affirmative action at the tenure stage. He said that when a recommendation for tenure is made, the incumbent is aware that the faculty member recommended should be the best qualified person. If there are other people better qualified, then the decision should be made not to recommend a tenured person.

Regent Baldrige expressed serious reservations about the board getting involved in the hiring process of the institutions under its control.

President Petersen stated that she has read material which indicates that in the future we're going to have a better opportunity for tenured women in that the pool of qualified people (women) who have been accepted and are graduating from graduate programs is increasing. She said both female and minority numbers are increasing in the number of those graduating from top notch programs. In response, Regent Collison appreciated President Petersen's comments but said that without encouragement from senior faculty and department heads we won't show any increase in the percentage of female and minority persons getting tenure. She said she feels the board should not take the tools of management in its hands, but should encourage and insist that these things are watched, cared for, and actually rewarded when the time comes for the decisions to be made on the department level.

President Boyd agreed with Regent Collison that encouragement is essential. It becomes the key to the whole situation and he said we should make it very clear that in the best interests of the ultimate quality of the institutions, encouragement for women and minorities is essential.

Regent Baldrige asked about the increasing percentage of persons on tenure in some university departments. He particularly noted those departments having 70% and more on tenure. He questioned if the board should be doing something about the trend. President Boyd informed the board that the University of Iowa's tenure statement is accompanied by a vitality statement, which is very critical. He strongly emphasized that the individual must be looked at in all of this and there is no way to apply a rigid formula for tenure application.

President Parks said that when he looks at Iowa State he sees a couple of the most heavily tenured departments are Economics and Physics. He went on to say that Agri-Economics was recently voted number one in the nation among agri-economics departments by fellow agri-economists throughout the country. He said sometimes a heavily tenured department means that the institution has a high quality department.

Regent Shaw noted that the supply of people is up and the demand for people is down. The average person teaching college students by 1990 is going to be over 50 years of age in comparison to the average age of 35 in the mid-1960's. Regent Shaw said the board can and should employ higher standards in granting tenure.

Vice President Christensen noted that when we look at the percentages of tenure we have to look at the total academic community of the faculty. He added that the reason Iowa State has a tenure track is to provide an opportunity for the departments to bring in people on a temporary basis, to bring in new ideas, new thoughts, and to have a turnover of visiting professors, adjunct professors, etc. He said that's a very healthy way of maintaining vitality within the university.

President Boyd noted that the University of Iowa does not have automatic sabbaticals. He commented that all such assignments are awarded on the basis of a worthwhile venture.

Regent Zumbach noted that most generally when a faculty person is hired, he or she is hired with the intention that he or she will stay at that institution for some period of time. He said a commitment is being made to that person at the time of hiring. Another observation made by Regent Zumbach centered around his feelings that the three hardest jobs on the institutional campuses may very well be the jobs of the three academic vice presidents. He said the academic vice presidents have to be the mainstay in holding up the board's standards of quality in the granting of tenure and the enforcing of the vitality statements and standards. President Petersen agreed with Regent Zumbach in his observation that the academic vice presidents need the board's full support. She congratulated the academic vice presidents on the work that has been done in their areas.

MOTION:

Mr. Baldrige moved the board accept the faculty tenure reports presented the board for the University of Iowa, Iowa State University, and the University of Northern Iowa. Mr. Zumbach seconded the motion and it passed unanimously.

President Petersen encouraged the institutions to continue working in terms of vitality, quality, and flexibility with respect to their faculties.

PARTICIPATION OF THE UNIVERSITY OF NORTHERN IOWA IN THE NATIONAL STUDENT EXCHANGE. The University of Northern Iowa requested the board authorize its membership in the National Student Exchange and also requested that the board approve the granting of resident tuition status to exchange students from National Student Exchange universities of other states.

The Board Office recommended the board approve membership of the University of Northern Iowa in the National Student Exchange, but that the request to grant in-state tuition status to out-of-state students attending the University of Northern Iowa via the exchange be deferred until the need for such action has been determined to exist.

Vice President Martin introduced Dr. Ed Amend, Director of the university's Individual Studies Program, and Dr. Tom Romanin, Assistant Vice President of Student Service, both of whom worked to prepare this proposal.

The university provided the following rationale for its proposed membership in the National Student Exchange:

The National Student Exchange is a consortium of state-supported colleges and universities which provides students an opportunity to exchange to an institution of higher learning in another area of the United States. This exchange takes place during either the sophomore or junior year and can be either for a semester or for an entire academic year. Students can attend participating universities at the tuition rates of their own institution or at resident tuition of the host institution. During 1977-78, 37 member universities expect to exchange over 1,000 students. The participation of the University of Northern Iowa would begin during the fall semester of 1978-79, but membership should commence July 1, 1977, in order to disseminate National Student Exchange information on campus and to other institutions and also to develop local administrative procedures.

The approximately 50 to 100 students from other institutions would expose University of Northern Iowa students to ideas and attitudes from other parts of the country. In addition, through National Student Exchange publicity, many students and faculty of other universities will be informed about the particular programs and strengths of the University of Northern Iowa.

Students take part in the National Student Exchange through two plans:

Plan A -- The student registers at the host institution only. Out-of-state fees are waived allowing him/her to pay in-state tuition directly to the host school. Financial aid obtained from the home campus generally cannot be used to pay tuition and fees.

Plan B -- The student registers for classes at the host campus, but pays his/her normal tuition and fees to the home institution. Financial aid awarded from the home school may be used to pay tuition and fees.

The university requested board approval for affiliation in the National Student Exchange under both Plan A and Plan B. It reported that many National Student Exchange universities take part through both Plan A and Plan B for the greatest flexibility in sending and receiving students.

The university reported that costs for National Student Exchange membership are both direct and indirect. The annual institutional membership fee currently is \$400. Additional indirect costs will be underwritten initially at the University of Northern Iowa through the Individual Studies Program and the Division of Student Services. Recent new member institutions of the National Student Exchange have estimated their additional costs at from \$2,000 to \$4,000. Since the University of Northern Iowa already has an Individual Studies Program promoting and advising flexible study opportunities for undergraduates, that range of budgeted expense should be adequate, and the lower level of that range should be expected. A maximum of 50 students



would be sent and received during the first year (1978-79) and it was anticipated that exchanges in subsequent years will range between 50-125 students.

Participation in the National Student Exchange has been formally endorsed by the University Faculty Senate and by the student-faculty board of the Individual Studies Program. Planning on matters of academic and student personnel concern have been going on since last summer with corresponding support from both the Admissions and Registrar's offices. Coordination of the National Student Exchange at the University of Northern Iowa will be the responsibility of the Individual Studies Office, with considerable support, consultation, and implementation through the Division of Student Services.

The Board Office noted that the Registrars Interinstitutional Committee on Coordination addressed the questions which the board raised when it referred to this proposal last month. The committee reviewed the university's proposal and felt that significant educational benefits would accrue from membership by the university. The committee also felt that most students, both at the University of Northern Iowa and elsewhere, would exercise the option by which they would pay their tuition and fees to their home institution in lieu of payment at the host institution they would be attending. Given this opinion of the Registrars Committee, and in light of the fact that the financial implications of the university's students attending other institutions and students from those institutions attending the University of Northern Iowa currently is subject to much speculation, the Board Office recommended that the board not authorize authority to grant in-state tuition status to students from other institutions who wish to attend the university via this program. Thus, the University of Northern Iowa would be participating in the National Student Exchange via Plan B as described above.

The Board Office commented that it would appear that the opinion of the Registrars Committee on Coordination is that restricting the University of Northern Iowa to Plan B would have little effect on its involvement in the program. Mr. Richey noted that he was not sure that the approval required for Plan A would be consistent with the Regents' residency rules. In-state tuition status for students from other institutions attending the university through this program might also be regarded as somewhat unfair by those persons who currently are residing within the state of Iowa, but for various reasons have not been granted in-state tuition status for purposes of attending one of the three Regents' universities. The Board Office noted that since the in-state tuition status does not seem crucial to the university's membership in the National Student Exchange, it would seem best that this area not be modified at this time.

Vice President Martin commented that the university has inquired of the consortium director as to whether there has ever been any legal problem in connection with residency rules and the response given was there have been no problems made aware of. He said, therefore, that he presumes that in other states there has been legal inquiry about the matter of waiver of residency. He said he has the notion that this would be a contractual exception to the Regents' residency rule and requested board authorization to proceed under both options, being careful to monitor the financial implications of both options.

Mr. Richey said he feels that if there is a legal problem involved, the board's rules may need to be amended to allow contractual exceptions if the board wishes to participate in such programs. The financial implications of granting residency status to non-resident students under contract at the university would be fairly small because of a relatively limited number of non-residents there. It could, however, get to be a significant financial burden to the other two institutions should they ever decide to become involved in the National Student Exchange.

Regent Bailey expressed concern over the possibility of "throwing a wrench in the works" as far as the board's non-resident tuition is concerned, upsetting what is quite fundamental as far as finances are concerned for all the Regents' institutions. He said he also feels that the board could have the problem of its students not electing to pay their own school's tuition.

Regent Slife said he was apprehensive about opening the board up to some kinds of problems with respect to the non-resident tuition matter and recommended the board proceed carefully in this respect. He strongly supported the Board Office recommendation with the understanding that if there are no legal problems, Plan A be approved, also.

Regent Shaw said he was very much in agreement with the philosophy of trying to increase the non-resident enrollment at the University of Northern Iowa. He noted, too, that the board must be extremely cautious in the area of non-resident tuition and making an exception to the general policy it now has.

Regent Baldrige shared Regent Shaw's concern but noted there are contracts in existence waiving out-of-state tuition which have not disturbed the overall policy.

President Boyd said the board shouldn't wind up with something, in approving the university's request, that would destroy other affiliations with the Committee on Interinstitutional Cooperation. He said the board may not be able to leave this open ended but it might be able to make some arrangement. He noted that the University of Iowa would be greatly disadvantaged in its situation to go the route of the Committee on Interinstitutional Cooperation because the University of Iowa would be the exporter, whereas the principal importer would be the University of Chicago.

Regent Collison said she would not like to close the door on this type of program which would open the doors for students to exchange; something they have not had an opportunity to do. She added, however, that since her tenure on this board she has always wished that resident/non-resident policies would be more flexible and more individual but added that she also recognizes the need for protection in this realistic world. Regent Collison suggested the university be allowed to discover the coverage in both Plans A and B with A as a provisional program so the university can explore how many students it would be able to attract "with a lid" as proposed in the university's proposition.

President Petersen suggested a little better review on the intentions of the residency/non-residency rules by the Registrars Committee.

MOTION:

Mrs. Collison moved the board approve membership of the University of Northern Iowa in the National Student Exchange under the condition that the student registers for classes at the host campus but pays his/her normal tuition and fees to the home institution. Financial aid awarded from the home school may be used to pay tuition and fees. Mrs. Collison also moved the board approve the concept of Plan A (as described above) with it coming back to the board for final approval in July after legal counsel is sought regarding same. Mr. Baldrige seconded the motion.

Dr. Amend noted that the board's limiting the university to Plan B would reduce the opportunity for its students and would also limit institutional flexibility. He noted that if the board would only be on Plan B, it would prohibit the University of Northern Iowa from participating with nine institutions which are on Plan A alone. On the other hand, over one-third of the students that are sent are sent by Plan A only institutions.

Mr. Richey said he assumed that if the motion above is passed that legal advice from a knowledgeable Iowa source will be obtained with respect to the residency/non-residency issue at the University of Northern Iowa and the other two Regents' universities.

VOTE ON MOTION:

The motion passed unanimously.

NORTH CENTRAL ASSOCIATION OF COLLEGES AND SCHOOLS MEMBERSHIP. The board was requested to accept the report on membership of the Iowa Braille and Sight Saving School in the North Central Association.

The Board Office reminded members of the board that former Iowa Braille and Sight Saving School Superintendent Woodcock had reported to the board that that school would seek a triple accreditation that would include the National Accreditation Council for Schools of the Blind, the Iowa Department of Public Instruction, and the North Central Association of Colleges and Schools. Last fall Mr. Woodcock reported that North Central Association accreditation had been received.

The Board Office congratulated the staff and administration at the Iowa Braille and Sight Saving School on its success in achieving North Central Association accreditation and encouraged it to seek approval from the Department of Public Instruction.

MOTION:

Mr. Baldrige moved the board accept the report on membership of the Iowa Braille and Sight Saving School in the North Central Association of Colleges and Schools. Mr. Zumbach seconded the motion and it passed unanimously.

IOWA COORDINATING COUNCIL FOR POST-HIGH SCHOOL EDUCATION. The board was presented a copy of the minutes of the Iowa Coordinating Council for Post-High School Education meeting held June 2, 1977.

The Board Office highlighted the minutes by saying the June 2nd meeting of the Coordinating Council was held in conjunction with the Iowa 2000 meeting. The primary activity of the council consisted of the acceptance of program proposals from the Eastern Iowa Community College District, the University of Iowa and the University of Northern Iowa, and the unanimous acceptance of the nominations for council officers for next year. Charles Laverty, a trustee from Simpson College, was elected as chairperson and Willis Ann Wolff, from the Higher Education Facilities Commission, was elected as vice-chairperson.

Regent Zumbach added that there was unanimous agreement at the meeting that President Boyd did an outstanding job as chairperson for the past year. President Petersen also thanked President Boyd for his leadership as chairperson of the Coordinating Council and noted that her thanks also comes from other segments under the Coordinating Council's leadership.

President Boyd noted that the Coordinating Council has talked about the opportunity that would arise for it to provide a forum for legislative seminars on educational issues and the willingness of the institutions to work with the legislature on problems that should be studied during interim periods.

President Boyd then commended Dr. Robert Barak on the fine work he performed as secretary-treasurer in preparing the newsletter of the Coordinating Council. Mr. Richey noted that he volunteered the service of the Board Office to provide secretarial service for the Coordinating Council.

REPORT ON 1977 LEGISLATIVE SESSION. The board was presented a summary report on the 1977 legislative session. The report presented the board by the Board Office concentrated on the 21 Senate bills and the 14 House bills which have gone to the Governor for action. In addition, there were four resolutions adopted by the legislature which are of interest to the board. The Board Office reported that a more complete explanation will be provided at a later date as enrolled bills have not been available to date on 15 of the 35 bills.

Mr. Richey called the board's attention to House File 57. He reported that this bill was viewed as a most important bill affecting future purchasing operations of the institutions. The legislature addressed in a comprehensive fashion the question of employment of prisoners in state penal institutions by Iowa State Industries. Mr. Richey called the board's attention to Section 8 of the bill which deals with purchase of products manufactured by Iowa State Industries by agencies of state government. It was added that the Purchasing Committee has reviewed this measure and has initiated steps to comply with the intent of the act.

House File 64 was raised for discussion which requires state agencies to develop and implement plans for offering employment to persons on a flexible career employment basis. Mr. Richey noted this bill was pushed very heavily in the legislature because of its affirmative action implications, specifically for women. Mr. Richey said the Board Office has some concerns about the bill as currently written. The major concern relates to failure to provide an exemption for the flexible employment quotas of presidents, deans, directors, teachers, professional and scientific personnel and student employees under the jurisdiction of the Board of Regents. Those persons are already exempted by law from merit system coverage, but are not exempted in this bill specifically. Some coordination efforts will be required between the Board of Regents and the director of the State Merit Employment Department. Mr. Richey said the Board Office may have to make some recommendations for change if the bill is found to be counterproductive in terms of its intent.

Regent Collison raised discussion pertaining to Senate File 388. She noted that the bill repeals, effective July 1, 1978, the standing appropriation for the Mental Health Research Fund, provisions of which are found in Section 225.43, etc. of the Code. This was a standing appropriation of \$75,000 annually with the purpose of the fund being to provide for improvement in the care, diagnosis and treatment of adults and children afflicted with mental or emotional illness or mental retardation and for the prevention thereof through research and study at the State Psychiatric Hospital, mental health institutes, hospital for epileptics and schools for the mentally retarded. Regent Collison said she feels the board should support the effort to get these research funds back. Mr. Richey commented, however, that the board has been told that it won't be provided money for mental health in any more standing appropriations. He noted, though, that the Board Office will be watching very carefully to insure that a continued level of support is provided in annual appropriations. Mr. Richey noted that Mr. Max Hawkins will address this matter to the Governor's Task Force.

Mr. Hawkins, legislative liaison for the University of Iowa, said the bill for \$75,000 was in the Governor's recommendation for one purpose only. That was to get rid of standing appropriations and it was fully the State Comptroller's intent to replace these funds. It doesn't take effect until July 1978, and until that time the money is put into the Department of Psychiatry at the University of Iowa where the research would be done. Mr. Richey recommended that \$75,000 amount be placed in the University of Iowa's general fund base for 1977-78 and should be included in the university's preliminary budget.

Senate Joint Resolution 11 was raised for discussion. The Board Office noted that this resolution directs the Legislative Council to authorize the establishment of a joint interim subcommittee of the Senate and House Committees on State Government to conduct during the 1977 legislative interim a comprehensive study of the public retirement systems in this state and the feasibility of the establishment of a single integrated retirement system for all public employees with study given to social security coverage for all public employees including the adequacy of benefits of both past and future retirees, actuarial soundness of the various funds, and methods of financing increased benefits. Some \$15,000 is appropriated to the Legislative Council to finance the cost of actuarial studies deemed necessary by the joint subcommittee.

The complete report is on file in the Board Office.

REPORT ON MEETING OF HIGHER EDUCATION FACILITIES COMMISSION. Regent Bailey presented the board with an oral report pertaining to the last meeting of the Higher Education Facilities Commission. He reported that a contract was approved for the optometric scholarship grants after making some changes in the contracts. He added that the commission revised deadlines for the awards for next year so presumably more students will qualify.

Regent Bailey noted that he suggested the possibility of getting an Attorney General's ruling on United Student Aid Funds. He said that amounts to almost \$2 million and added he would like to see that money used for benefits of students.

Regent Bailey stated that the Higher Education Facilities Commission also held the first of its regional lifelong learning meetings at Storm Lake on Tuesday dealing with continuing education. He noted that there was good attendance at the meeting. Regent Bailey noted that President Boyd has provided very good leadership as chairman of the continuing education ad hoc committee.

President Boyd added that the extension deans have arranged things so that there will be representation by the Regents' institutions at all five of the regional meetings.

CAPITAL APPROPRIATIONS -- 1977 SESSION. The board was requested to:  
1) accept the report on capital appropriations and bonding authority and allocate the appropriations and bonding authority to the projects shown on the report; 2) authorize Iowa State University to negotiate for architectural services for the Horticulture Addition and Remodeling project, subject to approval of the appropriation by the Governor; 3) give tentative approval to the schedule for bonding set forth in the report; 4) approve the preliminary budget source of funds (revised) and the revised procedure outlined by the University of Iowa for its Lindquist Center - Phase II; 5) approve the project, project budget, and description for the project entitled "Utilities - Chilled Water System Additions - 1977" and approve an engineering services contract with Brown Engineering Company, Des Moines, Iowa, for services on this project and approve a change order to the Marley Cooling Tower Com in the amount of \$97,525 for same; and 6) approve a University of North project budget for the Gymnasium I Exterior Renovation Project totalling \$250,000 funded by 67th G.A. direct capital appropriations, approve the project, and approve selection of Thorson-Brom-Broshar-Snyder of Water Iowa, to provide architectural services on this project utilizing the rate contract approved at the May 1977 board meeting with this firm.

The Board Office reported that the final revised capital request of the Board of Regents before the legislature totalled \$50,585,000, plus a \$935,000 state-wide request for Phase II of the Handicapped Accessibility Program. The legislative response took two forms. First, House File 622 appropriates \$9,630,000 for seven line-itemed projects. Second, Senate Concurrent Resolution 30 authorizes issuance of \$15,515,000 in academic revenue bonds for utility needs of the universities. Thus, in total some \$25,145,000 of the board's capital request of \$51,520,000 is provided through House File 622 and Senate Concurrent Resolution 30. About 49% of the board's request was acted upon by the legislature. Both the direct appropriation bill and the concurrent resolution are now before the Governor for action.

The Board Office pointed out that the university capital registers contained a number of actions to initiate implementation of these projects.

MOTION: Mr. Baldrige moved the board accept the report on capital appropriations and bonding authority and allocate the appropriations and bonding authority to the projects listed below. Mrs. Collison seconded the motion and it passed unanimously.

CAPITAL FUNDING BY 1977 LEGISLATIVE SESSION

Direct Capital (H.F. 622)

<u>Institution</u>	<u>Project</u>	<u>Amount (\$000)</u>
SUI	Lindquist Center for Measurement - Phase II - Construction	\$ 5,500
ISD	Fire Safety Requirements - Complete Project	95
IBSSS	Fire Safety Requirements - Complete Project	150
IBSSS	Renovations/Remodeling	240
UNI	Gymnasium I - Perimeter Renovations	250
ISU	Horticulture Addition and Remodeling	<u>2,460</u>
	SUBTOTAL	\$ 8,695
(2)	State-wide Handicapped Accessibility Program - Phase II	<u>935</u>
	TOTAL	<u>\$ 9,630</u>

1 - Publication clause provided for effective date. All other appropriations are effective July 1.

2 - Allocations to be determined.

Academic Revenue Bond Program (S.C.R. 30)

SUI	Reconstruction of Boiler #8	\$ 625
SUI	Replace Electrical Substations Serving University Hospitals	1,500
SUI	Boilers #5 and #6 - Controls and Instrumentation	120
SUI	Medical Research Center - Electrical Renovations	310
SUI	Steam Distribution - Complete West Side Loop	555
ISU	Centrifugal Chiller and Cooling Tower	2,500
ISU	Breeching Extensions - Steam Generators #5 and #6	150
ISU	Repair Turbine Generators #1 and #4	140
ISU	Utilities Extensions	410
ISU	Sanitary and Storm Sewers	85
ISU	Steam Tunnels and Condensate Returns	160
ISU	Power Factor Improvements	120
UNI	Coal-fired Boiler Replacement - Full Funding	8,685
All Three Institutions	Administrative Charges	<u>155</u>
	TOTAL BONDING	<u>\$15,515</u>

MOTION:

Mr. Baldrige moved the board authorize Iowa State University to negotiate for architectural services for the Horticulture Addition and Remodeling Project, subject to approval of the appropriation by the Governor. Mrs. Collison seconded the motion and it passed unanimously.

The Board Office stated that the legislature authorized the issuance of \$15,515,000 in bonds for utility-type projects at the universities. In approval of the resolution, the legislature also approved the board's ten-year building program as submitted to it.

The bonding by institution would be as follows:

University of Northern Iowa	\$8,775,000
University of Iowa	\$3,140,000
Iowa State University	\$3,600,000

The Board Office commented that it has discussed with the board's bond consultant and with bond counsel a schedule for the sale of these bonds. Under the schedule, the board would sell bonds in July totalling \$8,775,000 and in September, bonds would be sold totalling \$6,740,000. Maturity schedule for the University of Northern Iowa issue has been tentatively established to run over 20 years with the first principal payment occurring July 1, 1980 in the amount of \$275,000 and 17 additional payments made thereafter with the last one dated July 1, 1997. Each of those payments would be



\$500,000. This is basically the same type of maturity schedule utilized on all academic revenue bond issues to date.

The Board Office noted that the board's bond consultant recommends that the board take advantage of this market as early as possible, as the market is expected to soften near the end of the year. Assumptions were made in legislative discussions on academic revenue bonding that the net interest rate on these issues would be under 5%. That assumption is still valid provided that the sale of these bonds does not extend beyond September. It was noted that no action can take place on these bonds until July 1, as that is the effective date of the concurrent resolution.

MOTION:

Mr. Baldrige moved the board give tentative approval to the schedule for bonding as follows:

Friday, July 1 -- Iowa State University, Ames  
Adopt a resolution to advertise for sale, issuance of \$8,775,000 for the University of Northern Iowa

Thursday, July 21 or Thursday, July 28 --  
University of Northern Iowa, Cedar Falls  
Adopt a bond resolution for the University of Northern Iowa issue. Take bids on sale of bonds for the University of Northern Iowa. Pass a resolution on award of the bonds for the University of Northern Iowa. Adopt a notice of sale for Iowa State University and the University of Iowa issues.

Thursday, September 15 -- University of Iowa,  
Iowa City  
Adopt separate bond resolutions for the University of Iowa and Iowa State University issuance. Take bids and sell bonds for the University of Iowa and Iowa State University. Adopt resolutions awarding sale of bonds for the University of Iowa and Iowa State University.

Mrs. Collison seconded the motion.

Mr. Richey reported that this motion is broader than it appears. He said the bond resolution doesn't take effect until July 1 if the Governor signs it. He said the motion, in effect, sets the date of the special board meeting which will include consideration of budgets and salary policies for fiscal year 1977-78.

Mr. Richey reported that the Board of Regents' Merit Pay Plan hearing will be held on June 25th. Regent Baldrige asked if the entire board should attend the hearing and President Petersen said two or three board members would be sufficient. Mr. Richey said the plan needs to be adopted on July 1, 1977 based on legislative action. He recommended the board discuss its institutional budgets, then, on June 30 and July 1, 1977. He noted that the July board meeting will be held, hopefully, to one day, July 28.

VOTE ON MOTION:

The motion passed unanimously.

The board then discussed the following institutional docket items due to their involvement in the total capital consideration:

Lindquist Center for Measurement -- Phase II, University of Iowa

The Board Office reported that the asking to the Governor and the legislature for the construction portion of this project was \$5,640,000. The Governor recommended funding at the \$5.5 million level and the legislature followed through in House File 622 to provide the funding at that level.

The university submitted a revised source of funds, which restores the project to the \$5,640,000 level with the \$140,000 difference coming from Treasurer's Temporary Investment Income. Total project costs, including movable equipment which will be requested of the 1978 session, remains at \$6,505,000. The university reported that because of delay in funding, the project schedule has had to be altered as follows:

1. Structural steel contracts will now be awarded around July 21, 1977.
2. Phase I, which involved excavation, footings and foundation, and Phase III, which is general construction, will now be collapsed into a single bidding time span which would be in early September.
3. Occupancy of the structure is now delayed from the original date of January 1979 to April 1979.

MOTION:

Mr. Baldrige moved the board approve the revised preliminary budget, source of funds and revised procedure for the Lindquist Center - Phase II Project. Mr. Brownlee seconded the motion and it was passed unanimously, subject to the signing of the appropriation bill.

Utilities - Chilled Water System Additions - 1977, Iowa State University

The board was asked to:

- 1) approve the project, project budget, and description. This project involves the installation of a 5,000-ton centrifugal chiller, cooling tower cell, and extension of the chilled water distribution system from the area of the Campanile to Carver Hall, completing the south loop. The project is funded from the new bonding authority for utilities approved in Senate Concurrent Resolution 30. There are two components to the budget. The first component is \$2,500,000 for the centrifugal chiller and cooling tower, and the other component is \$120,000 for the extension of the distribution system, making a total project budget of \$2,620,000. The \$120,000 comes from the \$410,000 portion of Iowa State's utilities program entitled "Utilities Extensions."
- 2) approve an engineering services contract with Brown Engineering Company, Des Moines, Iowa, for services on this project. Terms of that contract are outlined in the university material. The contract would be on an hourly rate basis with a maximum upset of

\$97,900, not including resident inspection. The university anticipates being able to take bids on the chiller itself in early fall, assuming that there is a bond sale for Iowa State University no later than November or December. Approval of the engineer's contract at this time will enable that schedule to be maintained.

3) approve a change order to the Marley Cooling Tower Company in the amount of \$97,525. When the university took bids in December 1976 for the cooling tower to serve Turbine Generator No. 3, it was recognized that if two cooling tower cells could be purchased under the same contract with the additional cell to serve the proposed chilled system addition, a saving in the cost of the second cell could be obtained. Bids were taken with the provision that the price for the addition of the second cell could be accepted by July 1977. The cost of the first cell, as shown in the Turbine Generator budget, was \$121,385, while the cost of the second cell is the \$97,525, the change order amount. Also, the university has provided in Division 7 of the Turbine Generator contract series for a cooling tower basin which would accept both cells. The university will charge the cooling tower cell and basin costs to the Turbine Generator No. 3 budget until such time as funding is provided through academic revenue bonds for the Chilled Water System Additions project.

MOTION:

Mr. Bailey moved the board: 1) approve the project, project budget and description; 2) approve an engineering services contract with Brown Engineering Company, Des Moines, Iowa, for services on this project; and 3) approve a change order to the Marley Cooling Tower Company in the amount of \$97,525 on this project. Mr. Barber seconded the motion and it passed unanimously, subject to the Governor's signature on the revenue bond resolution.

Gymnasium I Exterior Renovation, University of Northern Iowa

The board noted the actions recommended as follows:

- 1) approve a project budget totaling \$250,000 funded by 67th G.A. direct capital appropriations.
- 2) approve the project.
- 3) approve selection of Thorson-Brom-Brosnar-Snyder of Waterloo, Iowa, to provide architectural services on this project utilizing the hourly rate contract approved at the May 1977 board meeting with this firm.

The Board Office reported that the project intent is to renovate the exterior of the building which is rapidly deteriorating. Water leaks into office and classroom areas through the windows, walls and roof. The brick exterior of the building has a number of large cracks which periodically fill with water and freeze. The original window frames and sills are wooden and have rotted badly. Leaks around windows and two

walls have stained interior partitions and ceilings throughout the building and have caused paint to peel in every area.

The Board Office reported that although the use of this building as a gymnasium for intercollegiate athletics has lessened with the opening of the UNI-Dome and its usage for physical education will continue to diminish as new physical education facilities are constructed, the building should be maintained because it can be used for recreation and intramural purposes.

The university noted that it wants to complete this work by early fall to avoid further deterioration. It proposed to use Thorson-Brom-Broshar-Snyder as project architect and to pay any architectural fees billed prior to July 1 from available university funds with later reimbursement from the capital allocation.

The Board Office stated that House File 622 has not been approved by the Governor as of this date. In the event that the \$250,000 appropriation is not approved, the university proposed that the design fees be borne by the university from other funds such as RR&A.

MOTION:

Mr. Brownlee moved the board: 1) approve a project budget totaling \$250,000 funded by 67th G.A. direct capital appropriations; 2) approve the project; and 3) approve selection of Thorson-Brom-Broshar-Snyder of Waterloo, Iowa, to provide architectural services on this project utilizing the hourly rate contract approved at the May 1977 board meeting with this firm. Mr. Slife seconded the motion and it passed unanimously, subject to approval of House File 622.

FUEL AND PURCHASED ELECTRICITY. The board was requested to approve transfers of \$1,000 and \$64,000 from the University of Iowa and the University of Northern Iowa, respectively, to Iowa State University, Iowa School for the Deaf and Iowa Braille and Sight Saving School in the amounts of \$41,000, \$1,000 and \$23,000, respectively, to allocate 1976-77 savings and reallocate 1975-76 savings of fuel and purchased electricity.

The Board Office reported that savings of \$227,000 have been estimated on the basis of expenditures through May for the universities and Iowa School for the Deaf and through April for Iowa Braille and Sight Saving School at the appropriation level after deducting support by University Hospital private patients. Savings were stated to include a rebate on natural gas expenditures of \$108,036 to the University of Iowa, but inadvertently did not.

Savings as stated for 1976-77 amount to: \$172,000, \$0, \$76,000, \$2,000, for the University of Iowa, Iowa State University, University of Northern Iowa and Iowa School for the Deaf, respectively, and a deficit of \$23,000 for Iowa Braille and Sight Saving School. The proposed allocation of savings for 1976-77 was calculated on the basis of the revised budgets for the three general universities, Iowa School for the Deaf, and the Iowa Braille and Sight Saving School. This distributes the savings among the institutions after covering the deficit for the Iowa Braille and Sight Saving School.

The board was reminded that actual savings for 1975-76 were less than estimated for the allocation procedure by \$98,000 largely because of an overestimate of savings of \$111,000 by the University of Iowa. Such an overestimate or an underestimate may occur for any of the institutions during the year-end closing and the process of correcting inventory values. In order to avoid any cumulative effect of errors in estimating fiscal year expenditures even though estimates are prepared late in the fiscal year, it was proposed that a correction be incorporated based on actual expenditures for 1975-76. The result of adding transfers to correct the 1975-76 allocation and to allocate savings for 1976-77 amounts to transfers of \$1,000 and \$64,000 from the University of Iowa and the University of Northern Iowa, respectively, and transfers to Iowa State University, Iowa School for the Deaf and the Iowa Braille and Sight Saving School in the amounts of \$41,000, \$1,000, and \$23,000.

Actual expenditures and savings including the rebate noted above will be reported to the Board of Regents at its September meeting.

MOTION: Mr. Baldrige moved the board approve transfers of \$1,000 and \$64,000 from the University of Iowa and the University of Northern Iowa, respectively, to Iowa State University, Iowa School for the Deaf and the Iowa Braille and Sight Saving School in the amounts of \$41,000, \$1,000 and \$23,000, respectively, to allocate 1976-77 savings and reallocate 1975-76 savings of fuel and purchased electricity. Mr. Barber seconded the motion and it passed unanimously.

ALLOCATION OF FEDERAL TITLE I FUNDS, SPECIAL EDUCATION. The board was requested to allocate allocations of federal funds from Title I as amended by Public Law 89-313 as follows:

Iowa School for the Deaf	\$207,033.84
Iowa Braille and Sight Saving School	63,112.88
University Hospital School	67,831.60
Child Psychiatric Services	6,488.24
TOTAL	<u>\$344,466.56</u>

The Board Office reported that the Department of Public Instruction has allocated Title I funds on the basis of the student count as of October 1, 1976, to schools under the jurisdiction of the Department of Social Services and the State Board of Regents which involves: the Iowa School for the Deaf, the Iowa Braille and Sight Saving School, the University Hospital School, and Child Psychiatric Services. The amount allocated per student for 1977-78 is \$589.84. The allocation results in an overall amount of \$344,466.56 which is a \$54,462.33 increase over the amount provided for 1976-77.

The Board Office commented that although the federal funds for the state of Iowa increased only from about \$730,000 to \$739,000, a larger proportionate increase is being provided for the institutions under the Board of Regents because of a change in the "hold harmless" clause in the regulations. The "hold harmless" clause assures that the funding level will not drop below the level provided in previous years. The "hold harmless" clause now assures that the present level of funding will be maintained for 1977-78 for the entire state whereas last year it applied to each agency. Conse-

quently, the Department of Public Instruction is now applying a uniform amount per student for all schools under both the Department of Social Services and the State Board of Regents.

As a consequence of changes in enrollment count and the additional funding for the Regents' schools, the allocations amount to increases of 27.4%, 17.2% and 29.4% for Iowa School for the Deaf, Iowa Braille and Sight Saving School and University Hospital School, respectively, and a reduction of 69.5% for the Child Psychiatric Services. The Board Office has discussed the reduction for Child Psychiatric Services with the Department of Public Instruction and found that a small adjustment might be acceptable but that maintaining the 1976-77 allocation level of funding would likely be subject to question by the federal auditors. Also, the Board Office reported that it has been informed that the Child Psychiatric Services has received a federal grant from the Department of Health, Education and Welfare which will replace some of the loss of Title I funds.

The Board Office stated that the Child Psychiatric Services provide follow-up services to the child, parents and school, and the local school district when the child returns home. The costs of these services are not allowed in the Title I program. These costs are estimated by the institution at approximately \$60,000. Approximately 200 children are involved in the follow-up program. Mr. Richey suggested that the institution explore the possibilities of contracting with the area education agencies for services as appropriate for children who return to the responsibility of the local school districts.

MOTION:

Mr. Bailey moved the board allocate federal funds from Title I as amended by Public Law 89-313 as follows:

Iowa School for the Deaf	\$207,033.84
Iowa Braille & Sight Saving School	63,112.88
University Hospital School	67,831.60
Child Psychiatric Services	6,488.24
	<u>\$344,466.56</u>

Mr. Baldrige seconded the motion and it passed unanimously.

INFORMATION ITEMS. The board was presented information on the following items: 1) faculty negotiations at the University of Northern Iowa, 2) blue-collar unit, 3) security unit, and 4) social service unit.

REPORT ON CONSTRUCTION CONTRACTS COMMITTEE. The board was requested to accept the report from the Construction Contracts Committee.

The Board Office reported that at the January 1975 board meeting, Regent Bailey suggested that the board's contract documents be reviewed. The Construction Contracts Committee devoted its efforts, up to November 1976, to development of uniform construction documents for Board of Regents' construction projects. Those uniform documents are now in use for all Board of Regents projects, except those which involve federal funds, in which case the board is up to this point required to use modified AIA documents. After completion of that phase of effort the committee turned its attention to development of standard agreements between owner and

architect and engineer. The committee reported that it has been able to develop a standard agreement between owner and architect. The Board Office reported that the proposed standard agreement generally followed the outline and format and uses some of the language of the standard form of agreement between owner and architect published and widely used by the American Institute of Architects. It was noted, however, that the proposed agreement was essentially a new document which not only incorporates many of the excellent features of the various agreement forms previously used by the institutions but, more importantly, draws very heavily on the extensive experience of the entire committee in the procurement and management of architectural design services. The committee reported that the most significant aspect of the committee's work on the proposed form of agreement was the limiting of professional compensation to two basic forms: 1) a fixed fee, or 2) a multiple of direct personnel expense with a fixed maximum.

In addition to a more appropriate basis of compensation, the standard agreement included innovative provisions for: 1) the submittal by the architect of monthly written reports of project progress; 2) the presence of the architect at the start-up of major items of building equipment; 3) a post-occupancy warranty review; 4) a description of nonreimbursable services to be provided by the architect; 5) the furnishing of record documents by the architect; and 6) a very clear delineation of basic services, additional services, reimbursable expenses and conditions of payment.

Lastly, the proposed standard agreement integrates the architect's construction phase services with provisions of supplementary conditions of the uniform general conditions for the contract for construction, requires the architect to comply with the board's equal employment opportunity regulations, and is written without reference to gender.

A report on future activities of the committee was also presented.

Regent Bailey commended the Construction Contracts Committee for its efforts in this area and added he is pleased to see something developed which will be very useful for the future. President Petersen also expressed appreciation for all the time and effort that has gone into this endeavor.

MOTION: Mr. Bailey moved the board accept the report from the Construction Contracts Committee. Mr. Shaw seconded the motion and it passed unanimously.

APPOINTMENTS TO BOARDS AND COMMITTEES. The board was requested to approve several appointments to various boards and committees due to expiration of appointments on June 30, 1977:

Committee on Educational Coordination (Three-year term)

Vice President Christensen, Iowa State University  
(expires June 30, 1980)

Vice President Brodbeck, State University of Iowa  
(expires June 30, 1980)

Iowa Coordinating Council (Three-year term)

President Boyd, State University of Iowa  
(expires June 30, 1980)

Vice President Hubbard, State University of Iowa (Alternate)  
(expires June 30, 1980)

MOTION: Mr. Brownlee moved the board approve the renominations of the above persons for a three-year term. Mr. Barber seconded the motion and it passed unanimously.

President Petersen reported that additional appointments will be made at a later date.

SUMMER SESSION COMMENCEMENT DATES. The Board Office presented the board with the following dates in order that they could make plans regarding their attendance at institutional summer commencements:

State University of Iowa  
July 29, 1977 - 7:30 p.m. - Hancher Auditorium

Iowa State University  
August 18, 1977 - 9:30 a.m. - C.Y. Stephens Auditorium

University of Northern Iowa  
July 29, 1977 - 7:30 p.m. - University of Northern Iowa Dome

President Petersen requested board members indicate their plans to attend the commencement exercises to the institutions. Regent Bailey asked for guidance on the importance of Regents' representation at the institutional commencements. He asked about the institutional feeling about summer commencements in comparison to the regular commencement exercises and President Petersen commented that she realizes it is more difficult to work summer commencements into summer schedules and that while board attendance would be very much appreciated, members should not feel obligated to attend.

SCHEDULED DATE FOR HEARING ON PROPOSED REGENTS MERIT SYSTEM PAY PLAN. The board was informed that the public hearing for the Regents Merit System Pay Plan would be held June 25 at 10:00 a.m. at the Iowa State University Scheman Auditorium. The Board Office noted that the proposed plan would be based on the policies embodied in the Governor's recommendation to the General Assembly for compensation for 1977-78. In the event that the legislature would act by the date of the public hearing, the pay plan would be revised to reflect the legislative actions.

MOTION: Mr. Slife moved the board designate the chairman of the board to hold a public hearing on behalf of the Board of Regents for the Regents Merit System Pay Plan on June 25. Mr. Shaw seconded the motion and it passed unanimously.

President Petersen noted that the motion was made with the understanding that any board members that can attend would be welcome.

IOWA BRAILLE AND SIGHT SAVING SCHOOL SUPERINTENDENT SEARCH. The Board Office reported that the committee appointed by the Board of Regents to screen candidates for the superintendent position at the Iowa Braille and Sight Saving School has met on two occasions. During the course of



those two meetings, the committee narrowed the number of applicants and has since made its findings known to the board. The final applicants were interviewed by the board in executive session on Wednesday, June 15.

BOARD OFFICE PERSONNEL REGISTER. There were no actions reported on the Register of Personnel Changes for the Board Office for May 1977.

NEXT MEETINGS.

June 30-July 1	Iowa State University	Ames
July 28-29	University of Northern Iowa	Cedar Falls
September 15-16	University of Iowa	Iowa City
October 20-21	University of Northern Iowa	Cedar Falls
November 17-18	Iowa School for the Deaf	Council Bluffs
December 15-16	Iowa State University	Ames

President Petersen asked board members and institutional executives if there were additional matters to be discussed pertaining to general or miscellaneous items. There were no additional matters raised for discussion.

EXECUTIVE SESSION. President Petersen reported there were several matters that needed to be discussed in executive session relating to: strategy in regard to collective bargaining, a personnel matter in regard to the Board Office, a personnel matter dealing with the University of Northern Iowa, and personnel matters dealing with the Iowa Braille and Sight Saving School's superintendent search. President Petersen requested that the board vote to go into executive session with the understanding that it may continue its discussion with respect to the superintendent search at the close of tomorrow's meeting, also.

On roll call vote as to whether to 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 5:50 p.m.

The following business pertaining to general or miscellaneous items was transacted on Friday, June 17, 1977.

EXECUTIVE SESSION. President Petersen reported a personnel matter at the Iowa Braille and Sight Saving School (superintendent search) needed to be discussed in executive session. President Petersen requested that the board vote to go into executive session with the understanding that it may continue its discussion with respect to the superintendent search, if necessary, in the interim between this meeting and the next.

On roll call vote as to whether to 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 10:45 a.m. and arose therefrom at 11:35 a.m.

STATE UNIVERSITY OF IOWA

The following business pertaining to the State University of Iowa was transacted on Thursday, June 16, 1977.

HOSPITAL SCHOOL PROGRAM REPORT. The board was presented written information relating to the University of Iowa Hospital School and the University of Iowa Hospital School for Severely Handicapped Children. The reports were presented by John W. Colloton, Director and Assistant to the President for Health Services and Dr. Al Healy, Chairman of the new Division of Developmental Disabilities, respectively.

Director Colloton introduced Dr. Fred Smith, Chairman of the Department of Pediatrics and Dr. Al Healy to the board who were present for discussion.

Director Colloton provided the board with a brief history of the progressive integration of the hospital units into a single system. He pointed out that in these integrations a number of benefits have been achieved for the hospital units in that a common medical care evaluation protocol for all of the hospital units has been established in accordance with the Joint Commission of Hospital Requirements as well as the state-wide standard review organization. A considerable amount of cost effectiveness has been achieved because of the integrations in that several department head positions were eliminated where there appeared to be duplication between the University Hospital and other units. A common employee relations program for all eligible professional staff that embraces recruiting or entrance performance evaluation and employee health programs was also initiated. Also, due to the reorganization, the relationships with the State Licensing Commission and Joint Commission on Accreditation of Hospitals and third party reimbursement contract insurers have been enhanced.

Director Colloton presented a report addressed to President Boyd to the board for information relating to the Hospital School. He noted that in discussions the following conclusions have emanated:

- a) The present University Hospital School operation is approximately 75% hospital and 25% school,
- b) Provisions of the federal law entitled "Education for All Handicapped Children Act of 1975" calling for "general supervision" of handicapped education by the Iowa State Department of Public Instruction are presently met through the following methodologies:
  - 1) Compliance by the University Hospital School with all State Department of Public Instructional guidelines.
  - 2) Ongoing dialogue at both the state and area educational agency levels relating to individual children, general consultative needs of area agencies, and training of area based professionals through University Hospital School resources.

- 3) Interdisciplinary evaluation by University Hospital School staff of Area Educational Agency referrals resulting in the formulation of regimes of instruction and care for individual children to be implemented at the area level.
  - 4) Contractual ties between the University Hospital School and Area Educational Agency X (Grant Wood) designed to meet the educational responsibilities of Area X.
- c) Present relationships of the University Hospital School with the Colleges of Education, Dentistry, Nursing and Speech and Audiology, while minimal in terms of faculty members, are significant to the interdisciplinary programs being offered in the University Hospital School and must be maintained through perpetuation of operating protocols now extant between the University Hospital School and these university units.
- d) Coordinate with the dramatically shifting emphasis in the care of disabled children, it would be our recommendation that an interdisciplinary advisory committee be constituted to evaluate on a continuing basis the need for revised and expanded missions of the University Hospital School, as relevant federal and state thrusts in this area evolve. It would be our recommendation that this committee, which would be advisory to the administration of the University Hospital School, be composed of the chairman of the Department of Pediatrics (Dr. Smith), the chairman of the Pediatric Division of Developmental Disabilities (Dr. Healy), the chairman of the Department of Special Education in the College of Education (Dr. Alan Frank), a representative of Speech and Hearing (Dr. James Hardy), a representative of the State Department of Public Instruction, and a representative appointed by Vice President Brodbeck. Dr. Healy should serve as Chairman of this advisory body.
- e) Coordinate with the operational integration of all University of Iowa Hospital and other health service units initiated under your leadership some five years ago, the University Hospital School should now be made a part of that integration. We would see this being achieved through clinical direction emanating from the new Department of Pediatrics Division of Developmental Disabilities headed by Dr. Al Healy. Dr. Healy would also assume the administrative responsibility for coordination of the multidisciplinary programs now extant within the Hospital School. This then will eliminate the position of Director of the Hospital School which position will be subject to affirmative action guidelines when it is filled as a Pediatric Department faculty position. To the degree feasible, the University Hospital School departments having counterparts in the University Hospitals would be operationally integrated in a manner analagous to that by which similar integration was achieved with Psychiatric and Oakdale patient care programs over the past five years. They would, however, retain their programmatic identities that contribute to the unique interdisciplinary nature of the University Hospital School. Hospital licensure dimensions of this integration have previously been initiated and accreditation elements are now being explored. All is in accord with the present University Hospital School enabling statute.

Direction of special education programs would continue to rest with the College of Education and be effectuated through enhanced and refined relationships between the College of Education and the University Hospital School. Initial characteristics of this relationship would consist of Dr. Alan Frank's appointment to the advisory committee described above and joint appointment of Al Healy, M.D. in the College of Education. Until alternative arrangements are consummated, Dr. Alan Frank will oversee special educational programs on behalf of the College of Education.

In summary, Director Colloton said he feels that all of the units now located in the University Hospital School can be functionally integrated while some can be administratively merged. Specifically, this would entail integrating the Child Development Clinic and the interdisciplinary programs of the University Hospital School under the Division of Developmental Disabilities of the Department of Pediatrics. Close functional liaison would be maintained with the Genetics Division of the Department of Pediatrics and the State Services for Crippled Children program, the funding mechanisms of which necessitate discrete administrative alignments. All three units would continue to be housed in the University Hospital School.

MOTION:

Mr. Baldrige moved the board accept the Hospital School report and approve the reorganization of the University Hospital School as recommended by Director Colloton above. Mrs. Collison seconded the motion.

In response to a question as to the relationship of the State Department of Social Services to the proposed advisory committee of the University Hospital School, Dr. Healey noted that there is a good working relationship as well as interrelationship between the University Hospitals and that department. That relationship is not necessarily an advisory one. Dr. Healey noted that the role of the Hospital School is varied and necessitates interaction with many of the ongoing programs that the state provides for children.

President Boyd suggested that the proposed internal advisory committee consist basically of internal persons with other agencies being asked to provide consultation. He noted that there will be a number of external constituencies that the university will want to stay in close contact with and that may be the best way to handle it.

Regent Baldrige recommended that the internal review committee be established and noted that it may vary as experience dictates as to membership. President Boyd said he would feel free to alter this committee's membership or abandon it, if necessary. He noted that the university has the board's broad outline of how the committee will be put together, subject to change without coming back to the board.

Dr. Healey reported that the University Hospital is currently a university affiliated facility funded under public law which mandates it to bring to the communities of Iowa the full impact and service of the university. The university is doing that by submitting feasibility studies, undertaking relationships with existing community organizations, etc. President Petersen



Regent Collison asked how many physician's assistants remain to practice in Iowa. Dr. Eckstein reported that there are about ten physician's assistants currently employed in Iowa City in the Veteran's Administration Hospital. He noted that 75% of the 70 graduates of the program (in the past four years) have remained in the Midwest area.

Regent Collison raised concerns about the proliferation of community college programs and the university's program with respect to physician's assistants. Dean Eckstein reported that the university feels that its program is a much better one for a physician extender than the abbreviated kinds of programs. He noted that a large number of the 55 competing programs have the same kind of philosophy involved, however.

Regent Baldrige asked how many graduates of the program are working in satellite areas. Dean Eckstein responded that students are involved in Red Oak and Muscatine. It's also occurring in Boone-Madrid (an area that the university, however, is not affiliated with). He added that the Board of Medical Examiners requires a special kind of application when the physician extender is going through the function under remote supervision. The idea of satellite offices seems to be catching on.

Regent Baldrige asked Dean Eckstein how he feels the state examination reflects the ability of the student. He cited a particular instance of where a physician's assistant didn't go through the university's program but went through an abbreviated program, instead. He passed the state examination for licensing and is not a physician's assistant. Dean Eckstein said the application for a certification for practice as a physician's assistant is a two-part application. He said the national certified examination is the examination that the state accepts. The physician applies and to employ the physician's assistant has to describe whether or not he accepts that person. The physician's assistant, in turn, describes his or her qualifications in training. The state requirement is that he or she has graduated from an approved program. Regent Baldrige said he gathered, then, that some physicians might limit such a person more than others.

Regent Shaw noted that the Davenport community has been very receptive with respect to the preceptorship programs and family practice residencies. He asked about the locations of the satellite programs. Dean Eckstein said that where the physician's assistants go and where they take certain preceptorships depends upon the attitudes of the physicians toward the concept. There is a community aspect to it. He noted that preceptorships aren't as popular as family practice resident programs and said that may be due to the fact that the family practice program is larger with a great deal of impetus in the state-wide thrusts. The physician's assistant program started as a demonstration program and so doesn't get the stability and thrust that the larger program has.

Regent Shaw asked if there is involvement in talking with medical communities in various parts of the state with respect to what physician's assistants can offer. Dean Eckstein responded in the affirmative. He said that while the university tries to push the program and the interest in the program, there are no resources available whereas there are more monies available for advertisement of the family practice program. He noted, however, that the university participates with the State Medical Society in its planning and policy positions with respect to physician's assistants.

State Hygienic Laboratory. The board was presented with an annual report of the State Hygienic Laboratory which is on file at the Board Office.

The following business pertaining to the State University of Iowa was transacted on Thursday, June 16, 1977.

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

APPOINTMENTS. The board was requested to approve the following appointments with salary as budgeted:

Ray B. Mossman as Treasurer of the University of Iowa for 1977-78.

Leonard R. Brcka as Secretary of the University of Iowa for 1977-78.

MOTION: Mrs. Collison moved the appointments of Mr. Mossman and Mr. Brcka be approved as shown above. Mr. Zumbach seconded the motion and it passed unanimously.

SPECIAL SECURITY OFFICER. The board was requested to approve the commissioning of Clifton Sumpter as permanent special security officer at the University of Iowa.

The university reported that Clifton Sumpter has been a full-time member of the Department of Security and Parking since December of 1976. He has completed approximately three years of course work at the university. He graduated from the Iowa Law Enforcement Academy six-week basic recruit course on May 27, 1977.

MOTION: Mr. Barber moved the board commission Clifton Sumpter as a permanent special security officer at the University of Iowa. Mr. Bailey seconded the motion and it passed unanimously.

FACULTY TENURE REPORT. Action and discussion of this item is found under the general portion of these minutes.

APPROVAL OF PROPOSED MASTER OF ARTS DEGREE IN AFRO-AMERICAN STUDIES. The board was requested to refer the proposed Master of Arts degree in Afro-American Studies to the Interinstitutional Committee on Educational Coordination for study and recommendation.



The Board Office reported that the Afro-American Studies Steering Committee believes that the establishment of a Master of Arts degree program in Afro-American Studies would help to meet the needs of students, educational institutions, and the state of Iowa itself. Presently, graduate programs relating to Afro-American studies are offered in cooperation with the American Civilization Program and lead to the degrees of Master of Arts and Doctor of Philosophy in American Civilization. The Board Office noted that although students who pursue Masters degrees in American Civilization, English and History at the University of Iowa can take courses in Afro-American Studies, no existing program fully satisfies the needs of a student seeking an intensive, advanced-level concentration in Afro-American Studies.

MOTION: Mrs. Collison moved the board refer the proposed Master of Arts degree in Afro-American Studies to the Interinstitutional Committee on Educational Coordination for study and recommendation. Mr. Slife seconded the motion and it passed unanimously.

President Petersen commented that the Coordinating Council for Post-High School Education indicated an interest in this program and it was accepted by the Coordinating Council.

Regent Baldrige spoke highly about the kind of presentation given the board for justification of this program.

TERMINATION OF DEGREE PROGRAM - MASTER OF ARTS AND DOCTOR OF PHILOSOPHY DEGREE PROGRAMS IN CHILD BEHAVIOR AND DEVELOPMENT. The board was requested to refer the proposal to terminate the Master of Arts and Doctor of Philosophy degree programs in Child Behavior and Development to the Inter-institutional Committee on Educational Coordination for study and recommendation.

The Board Office reported that the above degree programs have been housed in the Institute of Child Behavior and Development. In the spring of 1973, following a review, the graduate council suspended student admission to the M.A. and Ph.D. Child Behavior and Development degree program at the request of the institutional provost. At the same time, the institute was reorganized following a comprehensive review of its functions and programs. The review committee recommended that the institute's academic programs be strengthened by expanding its depths and scope and bringing about better integration with academic offerings and other disciplinary areas. Thus, it was decided to relocate the academic programs, along with associated faculty, in units with strong programs that logically and naturally encompassed, as well as broadened, the program focus. A major portion of the institute's program and faculty were shifted to the Department of Psychology and a second major element of the institute's program was shifted to the Division of Early Childhood and Elementary Education in the College of Education.

The Board Office commented that with the transfer of the institute's academic degree programs to other units, students who would have entered the institute's programs now enroll in the degree programs of those units. The work of all students who remained in the institute to finish programs which they had started is now completed, and so the university requested approval to remove these degree programs from the list of approved graduate programs.

MOTION:

Mr. Baldrige moved the board refer to the Interinstitutional Committee on Educational Coordination the proposal to terminate the Master of Arts and Doctor of Philosophy degree programs in Child Behavior and Development for study and recommendation. Mrs. Collison seconded the motion and it passed unanimously.

PROPOSED BACHELOR OF SCIENCE DEGREE IN THE DEPARTMENT OF POLITICAL SCIENCE. The board was requested to refer to the Interinstitutional Committee on Educational Coordination the proposed Bachelor of Science degree in the Department of Political Science for study and recommendation.

The Board Office stated that Professor Peter Snow, Chairman of the Department of Political Science, has indicated that the changing emphasis in the study of political science over the last few decades has resulted in the emergence of a scientifically-based study of political science. This is now one of the dominant thrusts in the profession, and this mode of research is one of the dominant thrusts within the University of Iowa's Political Science Department. The departmental faculty feel that this scientific approach to the study of political science should be more adequately represented in the undergraduate curricula. The primary difference between the B.S. degree and the B.A. degree would be that the B.S. degree would involve a reduction in the foreign language requirement and would require a significant amount of math/statistics to prepare students for scientific study in political science.

MOTION:

Mrs. Collison moved that the proposed Bachelor of Science degree in the Department of Political Science be referred to the Interinstitutional Committee on Educational Coordination for study and recommendation. Mr. Brownlee 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 1977 had been received by him, was in order, and recommended approval.

The following construction contracts were recommended for ratification, having been approved by the executive secretary:

Zoology Building II - Replace Water Pipes

Award to: AAA Mechanical Contractors, Inc., Iowa City, Iowa \$79,333.00

Hawkeye Court Apartments - Repair Roofs, Phase II

Award to: Hawkeye Roofing & Home Improvement Co., Hiawatha, Iowa \$31,167.00  
(The preliminary budget and project description was also included in the register. This is a \$45,000 project funded from Dormitory Improvement Reserve and consists of repairing eight roofs and replacement of three other roofs.)

Raze Sidwell Building

Award to: Gordon Russell Trucking, Inc., Iowa City, Iowa \$ 9,293.00  
(This project initiates the Lindquist Center for Measurement - Phase II project.)

Quadrangle Dormitory Roof Replacement, Dining and Recreation Addition

Award to: Hawkeye Roofing and Home Improvement Co., Hiawatha, Iowa \$25,757.00

Nursing Building - Roof Replacement

Award to: Hawkeye Roofing & Home Improvement Co., Hiawatha, Iowa \$27,922.00

Music Building - Roof Replacement

Award to: Hawkeye Roofing & Home Improvement Co., Hiawatha, Iowa \$130,227.00

The following construction contract actions were recommended for board action:

University Hospitals - Internal Medicine C-32 Inpatient Unit Remodeling -  
Rejection of Bids

Bids were taken on this project on May 10 for general, mechanical and electrical contracts. The board approved this project at its March meeting with a total budget of \$200,860 funded from University Hospital Building Usage Funds. The project consists of remodeling 5,500 square feet on the third floor of the General Hospital to convert an open ward to semi-private inpatient accommodations for 22 patients.

The university recommended that inasmuch as the total of the three low bidders was \$309,400 as compared with the construction budget of \$182,600, all bids be rejected and that the project be rebid on a reduced scale. The project has gone out for rebidding on June 28.

Communications Center - Journalism Photographic Laboratories Air Conditioning System

Award to: AAA Mechanical Contractors, Inc., Iowa City, Iowa \$25,997.00

The Board Office reported that it was necessary to approve a revised project budget inasmuch as the contract award is over that budget approved earlier by the board. The revised project budget totals \$33,400, as compared with the original budget of \$26,700. The university stated that the project has been bid twice in an effort to keep project costs within the budget. While the redesign and rebidding was successful in reducing the low bid for construction cost by over \$3,900, it was not sufficient to come within the preliminary budget, which was obviously too low for the work specified. Source of funds for the entire project is University RR&A.

The following revised project budget was presented for board approval in addition to the revised budget noted above (Communications Center - Journalism Photographic Laboratories Air Conditioning System):

Dental Science Building - Waterproofing and Repair

Source of Funds: From Dental Science Building Usage Fund to \$894,700.00  
Income from Treasurer's Temporary Investments

The Board of Regents was informed that the revised budget represents an increase of \$244,700. The Board Office noted that the board has a contract with Parkview Company, Iowa City, Iowa which was approved in May of 1976 to correct construction deficiencies which resulted from seepage through below grade foundation in the building and to bring the work into conformity with previously established specifications. The subsequent work by the contractor has revealed that the waterproofing in the structural slab was significantly more deficient than was originally anticipated. The initial program of joint repair and continued maintenance had to be discarded in favor of a more positive repair procedure. The new revised budget reflects the cost of removal of the deck, upper slab and stairs; repairs to the structural slab and to the waterproofing system as well as replacement of the upper slab and stairs.

The board was reminded that it has previously given approval to commence a lawsuit against the original contractor, Hawkins/Korshoj, to recover all of the project costs, since the project defines the measure of damages.

Vice President Jennings explained that the real problem with this project is the water seepage. The polyurethane film that was to be in the steps was found to be either missing or inadequately installed. The dirt that was to be under it was much harder clay than was originally thought and the cement that is basically the roof of the auditorium was found to be a much more porous cement than supposed to be. He added that the steps have to be torn out this summer to be recompleted by the first part of October.

The following new projects were recommended for approval:

<u>Hawkeye Court Apartments - Repair Roofs, Phase II</u>	
Source of Funds: Dormitory Improvement Reserve	<u>\$45,000.00</u>

<u>Quadrangle Dormitory Roof Replacement, Dining and Recreation Addition</u>	
Source of Funds: Dormitory Improvement Reserve	<u>\$36,400.00</u>

MOTION:

Mr. Barber moved the board approve the Register of Capital Improvement Business Transactions for the month of June 1977; ratify the awards of contract made by the executive secretary; reject the University Hospitals - Internal Medicine C-32 Inpatient Unit Remodeling project bids and request that the project be rebid on a reduced scale; approve a revised project budget for the Communications Center - Journalism Photographic Laboratories Air Conditioning System Project; approve a revised project budget for Dental Science Building - Waterproofing and Repair; approve the new projects as listed above; and authorize the executive secretary to sign all necessary documents. Mr. Zumbach seconded the motion and it passed unanimously.

INCREASE IN UNIVERSITY HOSPITAL BUDGET - 1976-77. The board was requested to approve the budget increase of \$492,000 to \$57,671,600 for 1976-77 for the University Hospitals as requested by the institution.

The Board Office reminded members of the board that a budget increase based on experience during the first half of 1976-77 was approved by it in March. The additional increase requested was based on nine months' experience and represented a refinement of the previous estimates.

The Board Office examined measures, as provided by the institution, of admissions, specialty care unit census, operating suite hours (major surgery), etc., over the first nine months versus the first six months which was the basis for estimating the budget increase approved in March. Admissions are down slightly (2%) as is the specialty care unit census (5%) whereas operating suite hours (major surgery) is up 15%. Other measures have changed very little.

The Board Office stated that although the proposed budget refinement amounts to an increase of only 0.9%, it should be pointed out that the March increase plus the proposed June increase may be thought to bring the annual spending rate above the proposed budget of \$57,671,600. The university informed the Board Office that the budget increases are based on expenditures and incomes over the entire year so that the budget for 1977-78 will be based on \$57,671,600 plus increases allowed in the appropriations process.

The Board Office recommended the budget increase be approved on the basis of the need for additional staff which has been recognized previously by the board and the refinement of the income estimate.

MOTION:

Mr. Baldrige moved that the budget increase of \$492,000 to \$57,671,000 for 1976-77 for the University Hospitals be approved. Mrs. Collison seconded the motion and it passed unanimously.

ALCOHOL PERMITS. The board was requested to authorize the university business manager and treasurer to execute on behalf of the State University of Iowa all documents to be submitted by the university in connection with alcohol permits issued by the Department of the Treasury - Bureau of Alcohol, Tobacco and Firearms.

The university reported that at its meeting on December 9-10, 1954, the Iowa State Board of Education (now Board of Regents) named Elwin T. Jolliffe as the person authorized to execute the documents referred to above. Mr. Jolliffe is retiring on June 30, 1977 and it was, therefore, necessary to change this authorization. It was suggested by the Bureau of Alcohol, Tobacco and Firearms that the authorization be granted to the appropriate officer by title so that new authorizations need not be obtained when there is a change of incumbent.

MOTION:

Mr. Zumbach moved the board authorize the university business manager and treasurer to execute on behalf of the State University of Iowa all documents to be submitted by the university in connection with alcohol permits issued by the Department of the Treasury - Bureau of Alcohol, Tobacco and Firearms. Mr. Brownlee seconded the motion and it passed unanimously.

BUDGET INCREASE - GENERAL UNIVERSITY - 1976-77. The board was requested to approve a budget increase in the amount of \$2,124,661 to \$87,691,761 for the general university (general educational fund).

The Board Office reported that a final budget of \$86,155,100 for general program operations for the general university was approved by the board in July of 1976. During the process of preparing the budget requests for the 1977-79 biennium, it was recognized that student fee income for 1976-77 would be less than anticipated by \$588,000. Accordingly, the budget was reduced by \$85,567,100.

The institutional request for a budget increase was due to transfer of \$2,124,661 of state appropriations to replace federal funds losses. This amount is \$90,105 less than the actual losses reported in April for 1976-77.

MOTION:

Mr. Brownlee moved the board approve a budget increase in the amount of \$2,124,661 to \$87,691,761 for the general university (general educational fund). Mr. Zumbach seconded the motion and it passed unanimously.

CITY OF IOWA CITY - SEWER CONTRACT AMENDMENT. The board was requested to approve modification No. 1 to a contract for joint construction and use of sewer facilities for use by the city of Iowa City and the University of Iowa.

The Board Office noted that university domestic sewage is handled by the city of Iowa City under a contract that became effective March 11, 1966, but which does not allow for billing the university in accordance with billing procedures revised on August 1, 1976. The billing procedure has been revised from 50% of the water bill to a rate of 27¢ per 100 cubic feet of water consumed. Accordingly, the sewer contract amendment provides for "in computing the charge to the university, the water flow will be determined by: 1) actual water meter readings for university-owned buildings supplied by city water, and b) the total amount of water meter readings at university-owned buildings supplied by university water."

The proposed contract modification will cause additional charges of about \$79,450 to the general university. This amount of \$79,450 was included as a special need in the budget request of the Board of Regents for 1976-77, was included in the appropriations, and was included in the institutional budget for 1976-77.

The contract modification provides for the university to fund its share of the cost of a major capital improvement by mutual agreement with the city of Iowa City and provides for resolution of disagreement by a third party

in binding arbitration. This means of handling funding of major capital improvements would ensure funding by the city of Iowa City when the service from the improvement would not be utilized by the university, funding by the university when the service would be utilized by the university and proportionate funding between the two parties when a sharing of services is involved.

The Board Office added that the contract modification provides for continuing collection and treatment of domestic sewage, an equitable means for charging, and an equitable means for funding major capital improvements. The increased operating costs of \$79,450 are included in the institutional budget.

**MOTION:**

Mr. Baldrige moved the board approve modification No. 1 to a contract for joint construction and use of sewer facilities for use by the city of Iowa City and the University of Iowa. Mr. Barber seconded the motion and it passed unanimously.

**TUITION INCREASE FOR EARLY CHILDHOOD EDUCATION CENTER.** The board was requested to approve the proposed tuition increase for children attending the Early Childhood Education Center from \$75 per month to \$100 per month for full-day attendees and from \$27.50 per month to \$37.50 per month for half-day attendees.

The Board Office reported that the Early Childhood Education Center was created in 1973 to provide child care and educational experience for children between two months and five years of age, to provide practicum and student teaching experience for students pursuing a career in early childhood education, and to provide a population for research purposes. The enrollment has been held constant during the period since 1973 at 60 full-day attendees and 24 half-day attendees (12 each half day).

The program is provided on an 11-month basis for full-day attendees. It was proposed to adjust the period for half-day attendees to eight months in accordance with the calendar of the University of Iowa and two months during the summer session.

The Board Office added that the tuition and fees have been kept constant since the program was initiated in 1973 at \$75 per month for full-day attendees and \$27.50 for half-day attendees. It was proposed that these rates be increased to \$100 per month and \$37.50 per month, respectively. The current allocation of the fee for food service amounts to \$25 per month for full-day attendees and \$3.50 for half-day attendees which would be continued in 1977-78. The proposed tuition increase has been compared by the institution with others in the Iowa City area and found to be one of the lowest for other early childhood centers.

The current budget for the Early Education Childhood Center amounts to about \$239,000 including purchase of food. These expenditures support the director, three teachers, a nurse, secretary, cook, food worker, custodian, and 17 graduate assistants.

The Board Office reported that the funds to support the program are derived from tuition fees in the amount of about \$56,000 including the portion for food and \$183,000 from the General Education Fund through the College of Education.

MOTION: Mrs. Collison moved the board approve the proposed tuition increase for children attending the Early Childhood Education Center from \$75 per month to \$100 per month for full-day attendees and from \$27.50 per month to \$37.50 per month for half-day attendees. Mr. Barber seconded the motion.

Regent Collison recognized that enrollment has to be limited to a certain number of children for the space involved. She then recommended that when the board increases the rate that there be an effort toward helping those persons who cannot afford any rate. She recommended some kinds of scholarships in day care centers. Vice President Jennings said he would look into the matter further.

Regent Baldrige noted the 33% increase recommended and suggested a regular annual review of costs rather than going so long to request a tuition increase.

VOTE ON MOTION: The motion passed unanimously.

PROPOSED RENTAL RATE FOR HAWKEYE PARK HOUSING UNIT. The board was requested to approve the rental rate of \$130 per month for the Hawkeye Park Housing units.

The Board Office reported that when the board approved the construction of the Hawkeye Park housing units in March, the University of Iowa tentatively estimated that the rental rate should be \$130 per month. The university now proposed that the \$130 per month rental rate be approved. The university indicated that this rental would cover the estimated operating cost per unit of \$465.88 (including \$188 per unit yearly for repairs and services) and leave sufficient revenue to meet the debt service requirements. It was noted that the \$130 per month rental rate would include water service. It would not include gas and electricity charges which will be paid by the tenant directly to the local utility company.

MOTION: Mr. Zumbach moved the board approve the rental rate of \$130 per month for the Hawkeye Park housing units. Mr. Bailey seconded the motion and it passed unanimously.

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



IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Friday, June 17, 1977.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the month of May 1977 were ratified by the board.

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

Robert J. Angelici as Professor and Chairman of the Department of Chemistry. This appointment as chairman is to be effective for the period July 1, 1977 through June 30, 1981, salary as budgeted for 1977-78.

MOTION: Mr. Baldrige moved the board approve the appointment of Robert J. Angelici as shown above. Mr. Slife seconded the motion and it passed unanimously.

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

Jon C. Dalton as Acting Dean of Students and Adjunct Assistant Professor in the Department of Professional Studies. This appointment as acting dean of students will become effective July 1, 1977 until such time as a dean is appointed. Salary as budgeted for 1977-78.

MOTION: Mr. Brownlee moved the board approve the appointment of Jon C. Dalton as shown above. Mr. Bailey seconded the motion and it passed unanimously.

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

Johan A. Madson as Dean of Students and Adjunct Assistant Professor in the Department of Professional Studies effective June 30, 1977.

The university indicated that Dean Madson has accepted an appointment with another university.

MOTION: Mr. Barber moved the board accept the resignation of Johan A. Madson as Dean of Students and Adjunct Assistant Professor in the Department of Professional Studies effective June 30, 1977. Mr. Bailey seconded the motion and it passed unanimously.

FACULTY TENURE REPORT. Discussion of the faculty tenure report of Iowa State University is found in the general portion of these minutes.

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

Bernard O. Randol, Controller, to be the University Secretary for the fiscal year beginning July 1, 1977.

MOTION: Mr. Bailey moved the board approve the reappointment of Bernard O. Randol, Controller, to be the University Secretary for the fiscal year beginning July 1, 1977. Mr. Barber seconded the motion and it passed unanimously.

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

Warren R. Madden, Assistant Vice President for Business and Finance, to be the University Treasurer for the fiscal year beginning July 1, 1977.

MOTION: Mr. Bailey moved the board approve the reappointment of Warren R. Madden, Assistant Vice President for Business and Finance, to be the University Treasurer for the fiscal year beginning July 1, 1977. Mr. Barber seconded the motion and it passed unanimously.

DORMITORY FUND TRANSFER. The board was requested to approve a transfer of \$150,000 to the Dormitory Improvement Fund from the Dormitory Surplus Fund.

The Board Office noted that the proposed transfer of \$150,000 from the Dormitory Surplus Fund to the Dormitory Improvement Fund is in addition to a mandatory amount of \$300,000 per year as set forth in the 1964 bond resolution. The mandatory amount does not provide for additional dormitory plant expansion or the inflation that has been experienced since 1964. The Board Office noted that considering the subsequent plant expansion (Schilletter Village Addition), and the inflationary cost increases, it was appropriate to transfer additional funds to the improvement fund balance.

The Board Office added that under the bond covenant, the amount of \$200,000 is set aside annually for adding to the bond reserve fund. When the amount in the bond reserve fund reaches the maximum required level, the \$200,000 can be transferred to either surplus or the improvement fund. The bonds issued for the completion of Schilletter Village raised the maximum amount required in the bond reserve fund, necessitating transferring the \$200,000 to that fund. After this year, the bond reserve fund will again be at the maximum required level and the \$200,000 will be available for use in the improvement fund. The university requested the transfer of \$150,000 from the surplus fund to the improvement fund to partially offset not having the \$200,000 transfer available this year.

MOTION: Mr. Slife moved the board approve a transfer of \$150,000 to the Dormitory Improvement Fund from the Dormitory Surplus Fund. Mrs. Collison seconded the motion. The motion passed unanimously.

GENERAL UNIVERSITY BUDGET INCREASE FOR 1976-77. The board was requested to approve the budget increase of \$536,311 to \$71,998,171 for general program operations - general university (general educational fund).

The Board Office noted that a budget of \$71,461,860 for the general university was approved by the board at its July 1976 meeting. The institutional request for an increase in the 1976-77 budget of \$536,311 is due to replacement of federal funds losses with state appropriations. The proposed increase was \$22,744 less than the actual loss of federal funds experienced by the university. The increased funds will be used in the amount of \$403,823 for salaries, wages and benefits and \$132,488 for general expense and equipment.

MOTION: Mr. Bailey moved the board approve the budget increase of \$536,311 to \$71,998,171 for general program operations - general university (general educational fund). Mrs. Collison seconded the motion and it passed unanimously.

SPECIAL SECURITY OFFICERS. The board was requested to approve the commissioning of the following special security officers:

Edward Arthur Collins and Johnny Lee Mueller as special security officers.

Steven Oakland, Curtis Anderson, Joseph Treloar, Paul Hayes and Norman Spurlock as temporary special security officers.

MOTION: Mr. Bailey moved the board commission the above temporary and permanent special security officers at Iowa State University. Mrs. Collison seconded the motion and it passed unanimously.

CENTRAL CONTROL SYSTEM. Iowa State University requested the board grant it approval: 1) of the project, 2) to negotiate for design services, 3) of a request to the 1978 session of the General Assembly for \$2,200,000 academic revenue bonding authority for this project, and 4) to pay debt service from the university's fuel account.

The Board Office recommended the board defer action on the institutional request pending review by the Budget Preparation Committee.

The Board Office noted that Iowa State University submitted a proposed project for \$2.2 million which it estimates will result in a 12% savings

(about \$0.5 million) in fuel costs. It requested authority to negotiate for design services. Academic revenue bonding authority of \$2.2 million with debt service to be funded from the university's fuel account was proposed as a part of the Regents' legislative program for the 1979 session.

It was noted by the Board Office that the proposal was for expansion of a program of energy savings utilizing a central control system to control automatically mechanical and electrical systems throughout the campus. The university introduced the program in 1972 with a central computer system. The system has been put into effect in the new veterinary medicine facilities.

The Board of Regents' energy conservation proposal dated August 30, 1976, was prepared by an ad hoc interinstitutional committee on conservation and has been submitted for funding to the State Comptroller, the director of the Energy Policy Council and the executive director of the Higher Education Facilities Commission. The cost of the Regents' proposal for all three universities amounted to \$15.3 million of which the Iowa State University requirement was estimated at \$6 million. No action was taken on this proposed program in the 1977 session. The project now proposed represented about a third of the previously estimated cost of the total program in both cost and fuel savings.

The board's proposal of August 1976 was submitted to the director of the Energy Policy Council and the executive director of the Higher Education Facilities Commission in order that the proposal could be incorporated into requests for federal funds. The Board Office reported that it is continuing to follow-up with the two agencies. The director of the Energy Policy Council indicated that some funding may be forthcoming for engineering design.

The Board Office indicated that legal review was necessary to determine if academic revenue bonding authority can be granted for the purpose of constructing a central control system with debt service to be paid from the university's fuel account. Also, there was the question of dependability of appropriations for fuel and purchased electricity on a "pass-through" basis in future years and the authority to expend such funds for other purposes before savings for the fiscal year have been assured. The Board Office stated that a detailed schedule needed to be prepared which would set forth bond principal, project cash flow, investment income, and debt service. The Board Office noted that if the proposed approach to funding construction of the central control system at Iowa State University was appropriate, the approach should be considered for the other institutions as well. The Board Office also noted that it might be in the best interest of the state to delay action until the availability of federal funds becomes clear.

The university explained that this proposal was requested in order to expand the existing system to serve approximately 65 major buildings on the campus in which the most dramatic fuel savings can be realized. The university submitted a progress report to the board in September 1975 and a memorandum dated April 1977 which indicated that a central control system could reduce fuel expenditures by 12%. This figure was developed by updating the figures contained in the feasibility study and in those cases where there was any question as to the validity of a specific item in the estimate, it was either eliminated or reduced by one-half.

The university reported that it was shown that the system could be amortized at 8% interest in slightly less than five years from the start of construction and slightly less than three years from the completion of construction based on a 12% fuel savings. The proposal submitted by the university was to sell \$2,200,000 of academic revenue bonds which would cover the installation and design of the system. Based on an anticipated interest rate of 5.5%, the annual debt service would be approximately \$292,000 which would be about one-half of the estimated net annual savings which could be recovered today had the system been installed. If the fuel savings were only 6% rather than 12%, there would still be sufficient savings to cover the debt service.

The university stated it wished to proceed at this time with the design of the project in order that installation might start at the earliest possible date after authorization of the bonds. It was estimated that design will take approximately 18 months with installation taking an additional two years. It is possible that the federal government may provide funds on a matching basis or as low-cost loans to help finance energy conservation measures and the university stated it would be highly desirable to be able to be in a position to take advantage of this possible situation.

The university proposed to investigate the possibility of acquiring design services from a consulting engineer or doing the work with physical plant design staff depending upon the availability of the staff. It was proposed to commit \$100,000 from the fuel account during the next two fiscal years in order to provide a source of funds for the design until such time as the bonds are authorized. The university stated that this proposal offered the board an opportunity to make a substantial savings in operating expense for the university with no increase in appropriations requests and while academic revenue bonds are proposed as the source of financing, there would be no requirement for an appropriation of tuition replacement funds.

The project budget as submitted by the university was as follows:

Equipment - Purchase and Installation	\$2,000,000
Design Services	100,000
Legal and Administrative	20,000
Contingencies and Miscellaneous	<u>80,000</u>
TOTAL	<u>\$2,200,000</u>

Source of Funds:

Academic Revenue Bonds	\$2,200,000
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Vice President Moore commented that over the last 50 years the emphasis was not placed upon the scarcity of materials or the scarcity of energy but was, rather, placed on the scarcity of capital funds. He noted that the emphasis is now changing to emphasis on energy scarcity. He said new legislation passed suggests that new thermostats be turned down to 65 degrees. He commented that while the intent of the resolution is good, the background of it is not so good because in doing that in some of the modern-controlled buildings, the air conditioning is turned on which is, perhaps, more expensive than leaving the heat on. Vice President Moore emphasized the fact that energy, now, seems to be a more scarce resource than money and the board should recognize that fact.

Vice President Moore responded to the comments made by the Board Office with respect to the recommendation for legal review to determine if academic revenue bonding authority can be granted for the purpose of constructing a central control system with debt service to be paid from the university's fuel account. Vice President Moore stated that the central control system certainly is a utility. He added that a bill was just passed authorizing \$15 million for utilities so he said he feels everything is legal in that respect. He said debt service is not to be paid for from the university fuel account, it's to be paid from student fees as in all other academic revenue bonding. He noted the university proposal was that the student fees be replaced from the fuel account. Vice President Moore noted that State Comptroller Selden would have to approve that proposal.

Vice President Moore also commented about the question of fuel and the purchase of electricity on a "pass-through" basis in future years. He noted that it could be argued that if a central control system were installed, it would enhance the dependability of future appropriations but if the future appropriations failed and the institution would have to live on a fixed fuel budget, the central control system would save the most money.

Regent Bailey commended the university for its efforts in attempting to come up with specific ways of energy savings. He noted, too, however, that if the university wished to go the academic bonding route the legislature would need to grant specific approval prior to that time. Vice President Moore concurred and said the university couldn't go forward with bonding at the moment without legislative approval. In clarification, Mr. McMurray said if the board went the regular revenue bond route, it would not require legislative approval but it would perhaps require the State Comptroller's approval on the fuel "pass-through" issue.

Regent Shaw said he's basically sympathetic to the idea of getting this project "off the ground" and added that it seems to be a general feeling across the country that energy savings are imperative. He added that it is unfortunate that there is negative involvement from the federal government with respect to energy savings.

Mr. McMurray commented that the board has already approved the central control system project and with respect to granting the university approval to negotiate for design services, he said that the university proposed to commit \$100,000 from the fuel count during the next two fiscal years to do that. Mr. McMurray said the Board Office has been in contact with the Energy Policy Council quite often over the past several weeks to try to get its thinking on this project on an interinstitutional basis. He said that in the opinion of the Board Office, it would be premature for the board to make any decision on negotiating for design services using that source of funds until such time as the contacts with the Energy Policy Council are exhausted. The Energy Policy Council expects to get some federal funding for this sort of project and has given the Board Office assurances that this project will be considered as a high priority as far as it's concerned for the use of those funds. Mr. McMurray added that he was talking about a 30-90 day period with respect to a final decision and noted that that schedule would fit in well with the budgetary cycle of the board.

Regent Baldrige said there are political aspects involved in the institutional request. He commented that the university might be in a much better position if it had other state government agencies informing legislators that this is needed. He noted he would hate to get this project mixed up with some other projects relating to academic revenue bonding.

President Parks noted that the system would be shared and if it would save fuel, as expected, it would be shared by everyone so there would be no real advantage to Iowa State. He emphasized that the university was not asking for your "everyday run of the mill kind of a capital appropriation."

Vice President Moore recommended the board grant the university authority to begin the design work on this project without making any funding commitments. Then, as the Energy Policy Council matter is resolved regarding federal funding in 30-90 days, that may be one avenue for funding. Vice President Moore said the university has several other sources of funds in mind if the federal funds don't come through. Regent Bailey said it would be politically advantageous to have matching funds, clearly separate from capital needs monies. He recommended the Board Office work on that matter. Regent Bailey noted that this type of system has been proven as a workable system in the university setting already through the veterinary medicine facilities.

Vice President Moore asked if the board could give Iowa State approval to negotiate for design services committing up to \$41,000 for same. President Parks commented that he understands that fuel savings can only be spent for academic purposes and design services would not fall under that category. Regent Shaw said he feels if there is any way to get this started with institutional money it should be started. President Petersen recommended the institution come back to the board in July, having worked out a source of funds.

Mr. Richey commented that Mr. McMurray just informed him that the Board Office will know by the end of July what the university's cost will be with respect to the electrostatic precipitator. Also, there are bond funds next year and if there are any savings on any of the utility projects that are bonded that the university could use, those monies could be transferred to the central control system account. President Petersen concurred.

MOTION:

Mr. Baldrige moved the board give tentative approval to the central control system project and also moved the university be granted approval to negotiate for design services with funding of same to be discussed at a later meeting. Mr. Zumbach seconded the motion and it passed unanimously.

ATHLETIC COUNCIL - STATUS OF COMPLAINT FILED UNDER OPEN MEETINGS LAW.

The board was presented an informational report summarizing the procedures that have been followed regarding the meetings of the Iowa State University Athletic Council and the complaint that has been filed under the Iowa Open Meetings Law.

MEMORIAL UNION ADDITION. The board was requested to adopt a resolution to release the Iowa State Memorial Union from any obligation to reconvey the property to the Board of Regents upon the satisfaction and discharge of the mortgage to Iowa-Des Moines National Bank dated July 1, 1972.

The Board Office reported that at the May meeting the board concurred in the recommendations of the Iowa State University Memorial Union Board of Directors to construct a Southeast Addition - Phase II to the Memorial Union Building. Through oversight, the board was not presented with the resolution which is required by the Iowa-Des Moines National Bank from both the Board of Regents and the Executive Council of Iowa. The bank has stated that there is a brief moment of time when without this resolution the Memorial Union would have reconveyed the premises to the Board of Regents as the 1972 mortgage will have been discharged prior to completion of arrangements for the new financing for the addition to the building. It was noted that the resolutions were identical to the ones that have been adopted by the board on earlier Memorial Union financing programs.

MOTION:

Mr. Slife moved the board adopt a resolution to release the Iowa State Memorial Union from any obligation to reconvey the property to the Board of Regents upon the satisfaction and discharge of the mortgage to Iowa-Des Moines National Bank dated July 1, 1972. Mr. Bailey 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 passed unanimously.

AREA EXTENSION OFFICE AT CRESTON - LEASE RENEWAL. The board was requested to approve the Creston Area Extension Office lease renewal for five years.

The university reported that the Creston Area Extension Office has been located in the same building since 1967. The present lease expires September 30, 1977 and provides 2,304 square feet of space for \$2.06 per square feet.

The proposed renewal was for five years for \$2.93 per square foot with no escalation clause. The university added that the increase seems reasonable considering the inflationary trend of the last five years. All other terms and conditions of the original lease remain in effect.

MOTION:

Mr. Brownlee moved the board approve the Creston Area Extension Office lease renewal for five years. 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 passed.



AREA EXTENSION OFFICE AT DAVENPORT - LEASE AGREEMENT. The board was requested to approve the rental of office space as described below. The final lease will be brought to the board for approval at a later date.

1. Lessor will agree to a 36-month lease, with an option to renew of 36 months, at a cost of \$6.00 per square foot, per year. Lessor will pay utilities, normal maintenance and janitor service.
2. The approximate square footage including common areas is 2,277 square feet. Broken down: 2,167.50 square feet of actual usable space and 109.5 square feet of hallway.
3. The rate will be \$13,662.00 yearly and \$1,138.50 monthly.
4. Storage space of approximately 208 square feet to be paid by lessee at the rate of \$1.50 per square foot per year or \$26.00 per month.
5. Lessor agrees he will recarpet and/or tile total space at lessors cost.
6. Lessor agrees to have space ready as close to October 1, 1977 as possible.

Vice President Moore noted that the university was not asking the board to approve this lease. He commented that he has asked the extension personnel to investigate this lease considering all factors. Vice President Moore noted that the central location has to be evaluated to determine if the cost differential warrants the move. He said this is a change in location for the Iowa State University Area Extension Office to the Alpine Office Center in Bettendorf. Mr. Moore said it should also be investigated as to whether the most advantageous price is being obtained. He noted that the extension office director has been considering this matter for several months and there is a general feeling that the best of the options is being made available. Vice President Moore said he feels that there has been an earnest effort in this regard.

Regent Baldrige emphasized that the board's concerns should not be interpreted as being adversarial to the university's proposal. He just commented that more information seems to be necessary prior to action.

In absence of objections, President Petersen recommended the lease agreement with the Area Extension Office at Davenport be reviewed further before action is taken by the board.

AREA EXTENSION OFFICE AT MASON CITY - LEASE RENEWAL. The board was requested to approve the five-year lease agreement with the Area Extension Office at Mason City.

The university reported that the Mason City Area Extension Office has been located in the Willowbrook Plaza since 1967. The present lease provides 2,400 square feet for \$3.25 per square foot, and expires November 30, 1977.

The proposed renewal provided for an increase to \$4.50 per square foot. The university commented that the increase was not unreasonable considering the inflation over the last five years and the prevailing rental rates in the Mason City area. All other terms and conditions of the present lease remain the same.

MOTION:

Mr. Brownlee moved the board approve the five-year lease agreement for the Area Extension Office at Mason City. 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.

AGRICULTURE CONSORTIUM ARRANGEMENT. The board was requested to defer action on this item until sufficient information is available to make an assessment of the proposal.

The university requested the board authorize Iowa State University, by action of the Dean of Agriculture, to enter into a consortium agreement, known as Mid-America International Agricultural Consortium together with the Deans of Agriculture of the University of Missouri, Kansas State University, and the University of Nebraska.

The university reported that the purposes of the consortium could best be summed up as providing an effective means of pooling the efforts of these four colleges of agriculture into combined activities to encourage and implement improved agricultural practices in countries throughout the world.

President Parks said the university will be glad to furnish more information to the board on this arrangement.

In absence of objections, President Petersen deferred action on this item until sufficient information is available.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. Executive Secretary Richey reported the Register of Capital Improvement Business Transactions for the period of May 21 through June 17, 1977 had been received by him, was in order, and recommended approval.

The following construction contract awards were approved by the executive secretary and were recommended for board ratification:

Lyon Hall - Elevator Alterations

Award to: Schumacher Elevator Company, Inc., Denver, Iowa      \$ 26,850

Turbine Generator No. 3 and Auxiliary Equipment, Division 6 and Division 7 -  
Mechanical, Structural and Electrical Demolition and Alterations and  
Structural Additions

Award to: Neumann Brothers, Inc., Des Moines, Iowa \$437,944

Tennis Court Surfacing

Award to: Tennis Services of Iowa, Cedar Rapids, Iowa \$ 8,350

The following revised or amended project budgets were recommended for approval:

Lyon Hall - Elevator Alterations

Source of Funds: Dormitory System Surplus Fund \$ 35,000  
(The university reduced the original budget of March 1977 from \$50,000 to  
\$35,000.)

Turbine Generator No. 3 and Auxiliary Equipment, Division 6 and Division 7 -  
Mechanical, Structural and Electrical Demolition and Alterations &  
Structural Additions

Source of Funds: 66th G.A. Capital Appropriation \$3,495,000

Tennis Court Surfacing

Source of Funds: RR&A Funds \$ 10,000

MOTION:

Mr. Barber moved the board approve the Register of Capital Improvement Business Transactions for the period of May 21 through June 17, 1977; ratify the construction contract awards made by the executive secretary; approve the revised and amended project budgets; and authorized the executive secretary to sign all necessary documents. 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 pertaining to Iowa State University. There were no additional matters raised for discussion.

UNIVERSITY OF NORTHERN IOWA

The following business pertaining to the University of Northern Iowa was transacted on Thursday, June 16, 1977.

CAPITAL PROJECT HEARING - EDUCATION CENTER - PRICE LABORATORY SCHOOL: TELEVISION DISTRIBUTION SYSTEM AND RELATED EQUIPMENT. President Petersen called the meeting to order a few minutes after 11:00 a.m., Central Daylight Time, June 16, 1977, and the roll being called, there were present Mrs. H. Rand Petersen, president, in the chair, and the following named board members: Bailey, Baldrige, Barber, Brownlee, Collison, Shaw, Slife, Zumbach.

The president then stated that this was the day, time and place set for a hearing on the proposed plans, specifications and proposed form of contracts for the following project: Education Center - Price Laboratory School: Television Distribution System and Related Equipment.

President Petersen asked whether there were any present who desired to register objections concerning either the proposed plans and specifications or proposed form of contract on the project. No objections were filed.

The president then inquired whether the executive secretary had received any written objections to the project. The executive secretary stated that he had not received any such objections. There being no objections, the president declared the public hearing closed.

FACULTY TENURE REPORT. Discussion of the University of Northern Iowa's tenure report is found in the general portion of these minutes.

The following business pertaining to the University of Northern Iowa was transacted on Friday, June 17, 1977.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the month of May 1977 were ratified by the board.

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

Dr. Margarette F. Eby as Dean of the College of Humanities and Fine Arts and Professor of Music, effective approximately July 15, at a salary to be budgeted for fiscal year 1977-78.

MOTION:

Mr. Bailey moved the board approve the appointment of Dr. Margarette F. Eby as shown above. Mr. Zumbach seconded the motion and it passed unanimously.

Vice President Martin introduced Dr. Eby to the board and President Petersen welcomed her on behalf of the board.

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

Dr. Elinor Ann Crawford as Head of the Department of Physical Education for Women, effective at the beginning of the 1977-78 academic year. Dr. Crawford has been acting head for the past two years.

MOTION:

Mr. Bailey moved the board approve the appointment of Dr. Elinor Ann Crawford as shown above. Mr. Zumbach seconded the motion and it passed unanimously.

DEPARTMENT NAME CHANGE - MUSIC DEPARTMENT. The board was requested to refer the University of Northern Iowa's proposal to change the title of the University of Northern Iowa Department of Music to the University of Northern Iowa School of Music to the Interinstitutional Committee on Educational Coordination for study and recommendation.

The University of Northern Iowa requested that the board change the designation of the University of Northern Iowa's Department of Music to that of School of Music. The university feels that this redesignation is justified due to: the size of the faculty and student enrollment; the scope of the curricula; the existence of other schools of music no more complex than the University of Northern Iowa's Department of Music; and the department's feeling that a better caliber of student could be recruited due to increased prestige. The Department of Music numbers 38 faculty divided into six academic and performance areas. It enrolls over 300 music majors in its diverse curricula which contains the following degree programs and majors:

Bachelor of Music: Majors in Music Education, Performance,  
Theory-Composition

Bachelor of Arts: Major in Music

Bachelor of Fine Arts: Major in Music Theater

Master of Music: Majors in Composition, Music History,  
Performance

Master of Arts: Majors in Music Education, Music

Finally, the university concluded that management of its own facility and of a departmental budget in excess of \$700,000 leads the department to conclude that it has the administrative experience necessary to function as a School of Music.

The Board Office expressed concern that such a change in designation may, in the long run, have implications beyond the mere recognition that the Department of Music at the University of Northern Iowa is a rather comprehensive department.

The Board Office also noted that the redesignation of the Department of Music at the University of Northern Iowa to the School of Music might well lead to much more persistent questions with respect to the duplication issue which has risen repeatedly in the last legislative session.

Vice President Martin said Dr. Ronald Ross, Head of the Music Department, was present to answer questions about the proposed change.

President Kamerick noted that there is inconsistency in higher education in how the term "school" is used. In some cases it is used indicating a completely separate union with its own dean and with faculty separate from that of the college. In the case of the University of Northern Iowa, however, that is not what is intended and what is meant is to change the title only.

Regent Baldrige commented that the university's proposal may raise more questions regarding the duplication issue. Mr. Richey emphasized that the board needs all the information it can get on this proposal as the board was asked for a report on duplication during the appropriation subcommittee hearings. He stressed that the board must be in a position to respond effectively to such questions without damaging its programs or the attitudes towards its exercising of its responsibilities.

Dr. Ross commented that the proposal was not made to enhance the university's graduate profile. It was recommended to assist the university in recruiting students.

Regent Bailey noted that the institution should not feel the board is reluctant to proceed on the proposal but recommended the standard procedure be followed by referring the proposal to the appropriate committee for thorough review. Regent Baldrige seconded Regent Bailey's remarks.

MOTION:

Mrs. Collison moved the board refer the University of Northern Iowa's proposal to change the title of its Department of Music to a School of Music to the Interinstitutional Committee on Educational Coordination for study and recommendation. Mr. Bailey seconded the motion and it passed unanimously.

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

James Bailey, Assistant Business Manager, as University Treasurer for the 1977-78 fiscal year.

MOTION:

Mr. Slife moved the board approve the reappointment of Mr. James Bailey, Assistant Business Manager, as University Treasurer for the 1977-78 fiscal year. Mrs. Collison seconded the motion and it passed unanimously.

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

Gary Shontz, Chief Accountant, as University Secretary for the 1977-78 fiscal year.

MOTION:

Mr. Slife moved the board approve the reappointment of Gary Shontz, Chief Accountant, as University Secretary for the 1977-78 fiscal year. Mrs. Collison seconded the motion and it passed unanimously.

**ATHLETIC CONFERENCE CHANGE.** The board was requested to grant the University of Northern Iowa authority to withdraw from the North Central Intercollegiate Athletic Conference and authority to join in a new athletic conference, the Mid-Continent Athletic Association.

The Board Office stated that the university was proposing to join, as of July 1, 1978, a new athletic conference which would be made up of schools similar to the University of Northern Iowa. All proposed members now compete in the NCAA Division II and are state-supported institutions. Member institutions of the new conference most probably would be: the University of Akron, Eastern Illinois University, Northern Michigan University, Western Illinois University, Youngstown State University, Wayne State University, and the University of Northern Iowa.

The university reported that on April 27, 1977, representatives of five universities met and signed a statement of intent to form a new athletic conference, the Mid-Continent Athletic Association. These schools are committed to make a firm decision regarding establishment of the new conference no later than July 1, 1977. Wayne State University and the University of Northern Iowa also expressed some interest.

Although the matter had been discussed previously, the university's Athletic Board discussed this matter on May 12 again as to the most desirable course of action. A motion passed unanimously recommending that the university withdraw from the North Central Intercollegiate Athletic Conference and join the Mid-Continent Athletic Association Conference. If such action would be taken, the effective date of withdrawal from the North Central Intercollegiate Athletic Conference would be July 1, 1978. President Kamerick indicated that he and the university vice presidents concur with the recommended action.

President Kamerick pointed out that the university was asking for two grants of authority: one, to withdraw from the North Central Intercollegiate Athletic Conference; and two, to join the Mid-Continent Athletic Association Conference. The university noted that both in the old conference and in the new conference, the University of Northern Iowa is presently the only school not supported by student fees and/or direct institutional support.

President Kamerick introduced Dr. Raymond Schlicher, chairman of the university's Athletic Board, and Mr. Stanley Sheriff, the athletic director of the university.

Dr. Schlicher noted that the University of Northern Iowa has been in the North Central Intercollegiate Athletic Conference for 40 years and has had a good relationship with the members of the conference. He stated, however, that with the advent of the new facility on campus (the UNI-Dome), and with the increase of enrollment, the likelihood of the university's continuing in the North Central Intercollegiate Athletic Conference has been a

matter of conjecture for quite some time. He said a number of university personnel have carefully considered the possibility of remaining in the North Central Intercollegiate Athletic Conference as well as the possibility of moving out. He commented that it is now felt that a very good reason to move out is to upgrade the quality of competition and to play to larger crowds. He added that the university could be somewhat better off financially, also, by moving to the different association.

Regent Zumbach asked a question about the proposed increase to go to 72 scholarships rather than the 57 the university now has. Mr. Sheriff responded by saying the move to 60 scholarships in football only reaches the NCAA maximum limits for Division II. Based on the competition the university must seek based on institutional size, scope and mission, the university feels the increase would be necessary to compete against other schools with 60 football scholarships. It was noted that the 12 scholarships in basketball would remain unchanged.

Mr. Sheriff reported that the university is required to declare the number of sports in which it will compete. The university has an 11-sport program and plans to continue a strong 11-sport program. In the new conference each institution needs to agree to provide competition in four of six sports other than football and basketball.

Regent Zumbach said he has some concern over the financial increase involved in the proposal because of expanded scholarships and the responsibility for non-revenue sports. He said it's possible that non-revenue generating sports could become a real burden to the program.

Regent Bailey said he hoped the reason for the institutional request was to elevate the stature of the university rather than an increased sports emphasis. He said he didn't feel an increased sports emphasis would be in accord with present trends in higher education. On the other hand, he noted that if the university would stay with the present competition, it would normally be in the upper division whereas if the university would switch conferences, that might change.

Mr. Sheriff recognized Regent Bailey's concerns and said the university is not really projecting a tremendous increase in its sports activities. The university budget for its minor sports program in intercollegiate circles will remain approximately the same. The operational budget for football and basketball will also remain similar to the present status. There will be some increases, but there will be some spin-offs, also, through increased guarantees from institutions the university participates against. With respect to the 60 scholarships, he reported that the university was simply asking to be treated the same as all other Division II institutions.

Mr. Sheriff commented that as far as increasing the burdens of cost and finance is concerned, all of the university scholarship revenue is generated through fund raising. Contributions are solicited. He said the university is prepared to make that commitment with respect to revenue if the proposal passes, too. Mr. Sheriff admitted that he didn't anticipate that the university will ever reach the maximum of 60 actual athletic grants. Mr. Sheriff commented that he actually expects a possible increase in the football area from 45 to 50 grants rather than the maximum of 60. He emphasized that there



will not be a "mass escalation" involved. He stressed that the proposal simply suggests a realignment and an attempt to better the university's competition. He added that the university recruits student athletes who receive educational expenses based on financial need and they must also be counted. He noted that that's not gift money from a standpoint of athletic gift money and the university will have at least eight to ten participants in that category.

Regent Collison commented that parents of students who have been involved in the athletics program at the University of Northern Iowa have often expressed a concern about the minimal amount of media coverage for the university. She said the proposed change in conferences may alleviate that problem. She agreed with Regent Bailey in hoping that the change would not place an overemphasis on athletics at the university but added that she's sure the proposal would not cause the academic program to suffer.

MOTION:

Mr. Brownlee moved the board grant the University of Northern Iowa authority to withdraw from the North Central Inter-collegiate Athletic Conference and authority to join in a new athletic conference, the Mid-Continent Athletic Association. Mr. Slife seconded the motion.

Regent Slife said the board should keep in mind that the University of Northern Iowa's athletics have supplied a large number of athletic coaches around the state. He said it is obvious that its strong athletic program has been a major factor in production of those coaches.

VOTE ON MOTION:

The motion passed unanimously.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. Executive Secretary Richey reported the Register of Capital Improvement Business Transactions for the period of May 7 through June 7, 1977 had been received by him, was in order, and recommended approval.

The following construction contract awards were recommended for ratification, having been approved by the executive secretary:

Bartlett Hall Renovation

Award to: Young Plumbing and Heating, Waterloo, Iowa \$ 24,719.00

Replace Condensate Line Between Hagemann and Noehren Halls

Award to: Argabright Plumbing, Hudson, Iowa \$ 17,200.00

Grade and Pave Extension of College Street to Hillside Courts

Bridge Contract Award to: Taylor-Isenhower, Inc., Hudson, Iowa \$200,638.91

The following construction contracts were recommended for approval:

Grade and Pave Extension of College Street to Hillside Courts

Award Recommended to: Cedar Falls Construction, Waterloo, Iowa \$211,744.96

(The irregularity of a single bid was waived since plans and specifications for this work were advertised widely. The single bid was within the engineer's estimate.)

Noehren Hall -- Interior Painting, 1977

Award Recommended to: Modern Painting, Waterloo, Iowa \$ 24,627.00

(The irregularity of a single bid was waived since: 1) specifications were furnished to five vendors, but for a variety of vendor reasons, four vendors chose not to bid; and 2) the single bid came in well under the \$40,000 preliminary estimate of contract cost.)

The following new projects were recommended for approval:

Gymnasium I -- Exterior Repairs

Source of Funds: 67th G.A. Capital \$250,000.00

(This project was covered in detail under the following docket item.)

Exterior Window Repainting--Sabin Hall, Wright Hall and Arts and Industries Building

Source of Funds: University RR&A \$ 43,000.00

Roof Repairs--Price Laboratory School and Science Building \$ 65,000.00

Source of Funds: University RR&A

Speech/Art Complex--Sound System for Directing Practice Room \$ 28,000.00

Source of Funds: Strayer/Wood Theatre Equipment Fund

(On this latter project, the university intends to issue a purchase order to its acoustical consultant on the overall project, Bolt, Beranek and Newman, Inc., of Downers Grove, Illinois, for the design work on this sound system. There is a need to coordinate the design and the tie-in of this system with the existing systems within the building.)

MOTION:

Mrs. Collison moved the board approve the Register of Capital Improvement Business Transactions for the period of May 7 through June 7, 1977; ratify the construction contracts approved by the executive secretary; approve the Grade and Pave Extension of College Street to Hillside Courts and Noehren Hall -- Interior Painting, 1977 projects; approve the new projects; and authorized the executive secretary to sign all necessary documents. Mr. Baldrige seconded the motion and it passed unanimously.

Mr. McMurray noted that both contract awards on the Grade and Pave Extension to College Street to Hillside Courts project has been approved by the Department of Transportation so the project can now proceed.

CAPITAL PROJECT - GYMNASIUM I EXTERIOR RENOVATION. Discussion of this item is found under the general portion of these minutes.

IOWA PUBLIC INTEREST RESEARCH GROUP AGREEMENT. The board was requested to defer action on the proposed agreement between the University of Northern Iowa and the University of Northern Iowa Chapter of the Iowa Public Interest Group until the October board meeting. Also, the board was requested to allow the university to continue collection of funds for the University of Northern Iowa Chapter of the Iowa Public Interest Research Group between now and October by the method which has been effect over the last two years.

The Board Office noted that the board deferred action on this agreement last month due to time constraints. The university submitted a request that this agreement be taken up this month; however, the university received, shortly before the board meeting, a request from IPIRG that this matter be deferred until October pending the results of a study to be carried out by the University of Northern Iowa Student Government with respect to the activities of and needed support for the University of Northern Iowa Chapter of the Iowa Public Interest Research Group.

As background, the Board Office noted that this proposal from the University of Northern Iowa has been brought forward because the mechanism approved in April 1975 is due to expire at the end of the current academic year. The university administration indicated its preference for a positive check-off approach (opt-in) method of funding the group by which students would need to place a check mark on a form if they wished to be billed for support of the Iowa Public Interest Research Group. The negative check-off currently is used at both Iowa State University and the University of Northern Iowa, while the positive check-off approach is used to fund the group at the University of Iowa. It was noted that in the past, the board has indicated no need for uniformity of funding mechanisms for the group among the three Regents' universities.

The issue revolved around several facets. The Iowa Public Interest Research Group chapter feels that it has adequate student support to justify the continuation of the present funding mechanism. In addition, it argues that if a positive check-off system is instituted, it would not receive adequate funding to carry out the wide range of activities it engages in. The university, on the other hand, expressed concern with the question of consumer protection and whether a negative check-off funding mechanism results in a number of students funding an organization they do not really support. In addition, the university felt that the decline in students supporting the group indicates the diminishing interest in the Iowa Public Interest Research Group. Finally, because of the decline in the number of students supporting the group, the university indicated that the costs of administering the system have increased with respect to the dollars generated in support of the group. It was noted, however, that the university continues to support the concept of the Iowa Public Interest Research Group and of a funding mechanism for the group.

Regent Shaw expressed reservations about the request to defer because he said it is a case where "inaction is action." Under such circumstances, he said he would not vote in favor of the request of the university. He

commented that less than 30% of the students are participating even though they have to take positive action to get out of paying it. He concluded he feels that's apart from the original concept established by the board on this matter.

Vice President Stansbury noted that the university has advance registration. It began last spring and the university had to proceed at this point with the old way of collecting money. If it hadn't been done that way in the fall semester, it would inconvenience the university administratively. He said the action the board takes on this issue could be effective for the spring semester.

Regent Collison said the issue is student-oriented and said she would like to see it left in the hands of the students as they make a study and decide whether opt-in or opt-out should be utilized.

Regent Zumbach indicated his traditional support for the Iowa Public Interest Research Group but commented that the group should be on notice that it does have the responsibility to demonstrate student support. He noted that this group is a little different than the typical student organization.

Regent Bailey said he would not like to see the board take action without the students being present to give their position. He expressed admiration for the group in trying to function within the system.

Regent Barber said he understood Regent Bailey's thoughts and noted that while he was in sympathy with the group's effort, he did find it difficult to rationalize how a volunteer consumer protective oriented organization can say you're automatically in unless you fight to get out. He suggested the students "sell the program" and supported Regent Shaw's position.

Regent Collison recommended the board defer action so that the university could proceed. She said that by taking any other action the board could be indicating opposition which the organization doesn't deserve.

MOTION:

Mrs. Collison moved the board defer action on the proposed agreement between the University of Northern Iowa and the University of Northern Iowa Chapter of the Iowa Public Interest Research Group until the October board meeting. Mrs. Collison also moved that the board allow the university to continue collection of funds for the University of Northern Iowa Chapter of the Iowa Public Interest Research Group between now and October by the method which has been in effect over the last two years. Mr. Zumbach seconded the motion. The motion carried with Regents Barber and Shaw voting nay.

TENANT PROPERTY RENTALS. The board was requested to approve the schedule of tenant property rentals as submitted by the University of Iowa.

The Board Office reported that the University of Northern Iowa was proposing to increase the rental fees on 14 of the 15 residential properties which it owns and which are located on the north edge of the campus. Long-range plans for these properties call for their removal and for use of the space in ways more directly related to university purposes; however, in the meantime, the university rents these properties at rates competitive for similar housing in the vicinity. The proposed increases ranged from \$5 to \$10 per month. The annualized increase in income resulting from the rental of these properties would amount to \$1,128. This represented a 6.5% increase over the present rates which were increased by 10.4% the previous year.

MOTION:

Mr. Slife moved the board approve the 1977-78 tenant property rentals for the University of Northern Iowa. 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.

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

IOWA SCHOOL FOR THE DEAF

The following business pertaining to the Iowa School for the Deaf was transacted on Thursday, June 16, 1977.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the month of May 1977 were ratified by the board.

APPOINTMENT OF SECRETARY-TREASURER 1977-78. The board was requested to reelect, upon the recommendation of Superintendent Giangreco, Melvin H. Kuehnhold as Secretary-Treasurer of the Iowa School for the Deaf for the year beginning July 1, 1977, with the understanding that reports to the board will be made through the superintendent of the school and that the treasurer's bond, in the amount of \$50,000.00, will be purchased from the lowest responsible bidder.

MOTION:

Mr. Slife moved the board reelect Mr. Melvin H. Kuehnhold as Secretary-Treasurer of the Iowa School for the Deaf for the year that will begin July 1, 1977, with the understanding that reports to the board will be made through the superintendent of the Iowa School for the Deaf and that the treasurer's bond, in the amount of \$50,000.00, will be purchased from the lowest responsible bidder. Mr. Bailey seconded the motion and it passed unanimously.

The board was presented the following supplemental academic docket item:

RESIGNATION. The board was requested to accept the resignation by retirement of Miss Melda E. Alber effective July 1, 1977.

The Iowa School for the Deaf reported that Miss Alber has been employed at the Iowa School for the Deaf since 1935. She has served as a high school English teacher, school psychologist, high school principal, and director of education. Her work at the school has been outstanding and her contributions in the area of deaf education both at the school and nationwide have been numerous.

MOTION:

Mrs. Collison moved the board accept the resignation of Miss Alber with commendation and appreciation for her devotion and service to the Iowa School for the Deaf and its students as well as to the state of Iowa. Mr. Shaw seconded the motion and it passed unanimously.

Regent Baldrige recommended recognition for Miss Alber when the board meets at the Iowa School for the Deaf in November.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The board was requested to ratify the actions reported in the Register of Personnel Changes for the month of May 1977.

The Board Office noted two items on the register, both of which were change orders on the Kitchen Addition project. Neither change order required special attention of the board.

The Board Office announced that the school plans to take bids on June 27 on the Girls' Locker Room Addition and the Phase I Fire Safety Improvement projects. If these projects come in within budget, the executive secretary will make the awards shortly thereafter with formal action taking place at the regular July board meeting. It was noted, however, that if the executive secretary cannot award these contracts for some reason, the Board Office reserved the right to bring the awards to the special board meeting scheduled for June 30 and July 1 so that this work can proceed as quickly as possible.

MOTION:

Mr. Bailey moved the board approve the Register of Capital Improvement Business Transactions for the month of May 1977 and authorized the executive secretary to sign all necessary documents. Mrs. Collison seconded the motion and it passed unanimously.

BUDGET INCREASE FOR 1976-77. The board was requested to approve a budget increase of \$83,000 to \$2,893,000 as requested by the Iowa School for the Deaf. The Board Office also recommended that the institution continue to exercise care that increased funds be used for non-recurring items. Since the money was not budgeted and came in unexpectedly, it is doubtful that a state pick-up of any loss of these funds should be expected or even requested.

The Board Office reported that an increase of \$89,000 in institutional income less reversions to the state treasury of \$6,000 provides a net of \$83,000 in additional funding for 1976-77. The increase in institutional income consists of \$80,600 from federal funds for the school lunch program due to eligibility of a majority of students resident on a seven day a week basis and due to qualification of residential students as a family of one in determination of eligibility for reduced or free meals. Sales and Services are \$2,800 less than estimated due to reduction in sale of meals and farm products but other income is up by \$10,400 due to better return on investment of funds than estimated.

Appropriations of \$36,000 were provided for unemployment insurance which is not needed in 1976-77 due to a continuation of federal funding of unemployment insurance. The State Comptroller has approved use of \$30,000 for RR&A which was approved by the Board of Regents at its April meeting. The remainder of \$6,000 will revert to the state treasury.

The proposed budget increase of \$83,000 would be expended in the amount of \$11,000 for equipment (garbage compactor) in the food service dining area, \$108,000 for completion of RR&A projects, including carpet replacements, painting, tank repairs, window replacement, concrete work, window coverings and remodeling of girls' dressing room. Based on the need for equipment and RR&A at Iowa School for the Deaf, Mr. Richey recommended the budget increase.

MOTION:

Mrs. Collison moved the board approve a budget increase of \$83,000 to \$2,893,000 as requested by the Iowa School for the Deaf. She added that the institution should continue to exercise care that these funds be used for non-recurring items. Mr. Bailey seconded the motion and it passed unanimously.

President Petersen noted it might be wise to keep a record of the RR&A projects the school initiates with these funds in case there are future inquiries on this.

DEFERRED COMPENSATION AGREEMENT. The board was requested to defer action on this matter and consult with counsel for the purpose of determining whether or not the board has the statutory authority to enter into such an agreement with a contractor. If such authority does exist, it was recommended that the board request that the counsel develop the Form of Agreement which needs to be utilized in pursuit of that authority. Upon development of the agreement, if legal, the board was requested to seek approval of the Internal Revenue Service before entering into the agreement.

The Board Office reported that the school physician for Iowa School for the Deaf has requested that the school enter into a deferred compensation agreement with him. This agreement would provide that any monies due the school physician be paid into an insurance policy naming the physician as the insured and Iowa School for the Deaf as the beneficiary.

It was noted that the physician is not considered an employee of the school, but is instead considered a contractor. The current terms of that contract are that the physician is scheduled to receive \$6,994 from the school in exchange for providing routine medical services required in the school's infirmary for fiscal year 1976-77. The deferred payment agreement would have an effective date of August 15, 1976, which would mean that all payments due for fiscal year 1976-77 would be used to initiate the deferred payment agreement.

There was no question but that the board has the authority to enter into deferred payment agreements for its employees. Both types of agreements, deferred compensation and tax shelter, have been approved by the Internal Revenue Service as to form. The question which needed to be addressed, however, was whether the board and/or the state has statutory authority to enter into such an agreement on behalf of a contractor. The Board Office recommended the board proceed cautiously since this proposal "breaks new ground." The Board Office expressed some concerns that this could lead to numerous requests from contractors to have payments deferred and the administrative overhead costs could become sizable in such an event.

In absence of objections, President Petersen deferred action on this matter until the July 28-29 meeting.



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

COMMENCEMENT EXERCISES. President Petersen reported that Dr. Edward C. Merrill, Jr., president of Gallaudet College, District of Columbia, spoke at the commencement exercises at the school. She noted that he did a very fine job and added that the school had its largest graduation class this year.

IOWA BRAILLE AND SIGHT SAVING SCHOOL

The following business pertaining to the Iowa Braille and Sight Saving School was transacted on Thursday, June 16, 1977.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the month of May 1977 were ratified by the board.

APPOINTMENT OF M.D. BERRY AS SECRETARY-TREASURER FOR 1977-78. The board was requested to reappoint Mr. Berry as Secretary-Treasurer of the Iowa Braille and Sight Saving School for 1977-78.

MOTION: Mr. Barber moved the board approve the reappointment of M. D. Berry as Secretary-Treasurer of the Iowa Braille and Sight Saving School for a term ending June 30, 1978. Mr. Baldrige 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 May 1977 had been received by him, was in order, and recommended approval.

The following purchase orders were recommended for board ratification:

Exterior Painting - Six Buildings

Award to: Conklin Decorating, Independence, Iowa \$17,449.30  
(Separate purchase orders, each of which is well under \$10,000, were issued to Conklin Decorating for each of the six painting projects.)

Refurbishing of Palmer Hall - Draperies

Award to: Smulekoff, Cedar Rapids, Iowa \$ 8,750.00

The Board Office reported that both projects are funded from institutional RR&A. Two bids were received on each project.

Mr. McMurray noted that the school has negotiated a contract on the Water Tower Demoliton project. Some of the details still need to be worked out, however. He recommended that the board approve a project budget, based upon the negotiated contract at this time, totaling \$9,950 which is about at the level at which the project was started six to eight months ago. He said that when the details are worked out the executive secretary can approve this contract and it will be brought back to the board for ratification in July.

MOTION: Mrs. Collison moved the board approve the Register of Capital Improvement Business Transactions for the month of May 1977 and authorized the executive secretary to sign all necessary documents. Mr. Shaw seconded the motion and it passed unanimously.

COOPERATIVE ARRANGEMENT WITH THE DEPARTMENT OF PUBLIC INSTRUCTION. The board was requested to approve a cooperative arrangement between the Department of Public Instruction and the Iowa Braille and Sight Saving School for a two-week school.

The Board Office reported that this proposal would provide a summer school program for 12 to 15 visually-impaired students who are in need of instruction in orientation and mobility, techniques of daily living, braille, industrial arts, typing, etc. These students are enrolled during the regular year at the various area education agency programs throughout the state.

The Iowa Braille and Sight Saving School portion of the arrangement would be to provide without charge the use of Palmer Hall and certain equipment with which to conduct the school. The Department of Public Instruction would fund the total program with Grant Wood Area Education Agency X acting as fiscal agent.

The Board Office indicated that this kind of cooperative arrangement is highly desirable from both the perspective of increased cooperation between the Iowa Braille and Sight Saving School and the area education agencies and the opportunity to acquaint students currently in the area education agencies with the Iowa Braille and Sight Saving School program.

Regent Baldrige asked if the two-week recommendation was due to a funding shortage. Acting Superintendent Petrucci noted the time frame of two weeks was being recommended because this is being initiated so late in the year and also because this is a pilot program. She added that funding may be a factor, although she was not familiar with that aspect. She expressed her hope that if all goes well, the program may be requested to run longer than two weeks next year.

MOTION:

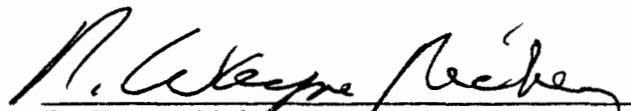
Mr. Slife moved the board approve a cooperative arrangement between the Department of Public Instruction and the Iowa Braille and Sight Saving School for a two-week school. Mr. Zumbach seconded the motion and it passed unanimously.

President Petersen asked board members and institutional executives if there were additional matters to be raised pertaining to the Iowa Braille and Sight Saving School.

COMMENCEMENT EXERCISES. Regent Collison noted that the commencement services were very well done and showed evidence of a smooth transition from past Superintendent Woodcock to Acting Superintendent Petrucci. She noted that Representative Grassley gave the commencement presentation and gave a very good speech.

The following business of the board was transacted on Friday, June 17, 1977.

ADJOURNMENT. The meeting of the State Board of Regents adjourned at 10:45 a.m.,  
Friday, June 17, 1977.

  
R. Wayne Richey, Executive Secretary