

The State Board of Regents met in the State Capitol Building, Des Moines, Iowa on Thursday and Friday, June 27 and 28, 1974. Those present were:

	<u>June 27</u>	<u>June 28</u>
Members of the Board of Regents:		
Mrs. Petersen, President	All Sessions	All Sessions
Mr. Bailey	All Sessions	All Sessions
Mr. Baldrige	All Sessions	All Sessions
Mr. Barber	All Sessions	Exc. 3:00 p.m.
Mr. Brownlee	All Sessions	All Sessions
Mrs. Collison	All Sessions	All Sessions
Mr. Shaw	Arr. 9:15 a.m.	All Sessions
Mr. Slife	All Sessions	All Sessions
Mr. Zumbach	All Sessions	All Sessions
Office of State Board of Regents:		
Executive Secretary Richey	Arr. 9:20 a.m.	All Sessions
Mr. Barak	All Sessions	
Mr. Caldwell	Arr. 10:15 a.m.	All Sessions
Mr. McMurray	All Sessions	All Sessions
Pauline Van Ryswyk, Secretary	All Sessions	All Sessions
University of Iowa:		
President Boyd	Arr. 9:20 a.m.	All Sessions
Executive Vice President Chambers	All Sessions	Exc. 1:45 p.m.
Vice President Hardin	All Sessions	Exc. 1:45 p.m.
Vice President Hubbard	All Sessions	Exc. 1:45 p.m.
Vice President Jolliffe	All Sessions	Exc. 1:45 p.m.
Vice President Shanhouse	All Sessions	Exc. 1:45 p.m.
Assistant Vice President Small	Arr. noon	Exc. 1:45 p.m.
Director Gibson		Exc. 1:45 p.m.
Director Hawkins	All Sessions	Exc. 1:45 p.m.
Dean Hering		Exc. 9:30 a.m.
Director Strayer	All Sessions	Exc. 1:45 p.m.
Professor Vernon	All Sessions	Exc. 1:45 p.m.
Iowa State University:		
President Parks	Arr. 9:20 a.m.	All Sessions
Vice President Christensen	All Sessions	All Sessions
Vice President Hamilton	All Sessions	Exc. 2:30 p.m.
Vice President Moore	All Sessions	All Sessions
Assistant to President Walsh	All Sessions	
University of Northern Iowa:		
President Kamerick	Arr. 9:20 a.m.	All Sessions
Vice President Stansbury	All Sessions	All Sessions
Provost Martin	All Sessions	Exc. 3:00 p.m.
Director Kelly	All Sessions	Exc. 3:00 p.m.
Director Miller		Arr. 10:50 a.m.
Iowa School for the Deaf:		
Superintendent Giangreco	All Sessions	Exc. 3:00 p.m.
Business Manager Geasland	All Sessions	Exc. 3:00 p.m.
Iowa Braille and Sight Saving School:		
Superintendent Woodcock	Excused	Excused
Business Manager Berry	All Sessions	Exc. 3:15 p.m.
Legislative Fiscal Bureau:		
Mr. Ethan Towne	All Sessions	Arr. 9:05 a.m.
Office for Planning and Programming:		
Ms. Bessie Gerstenberger	All Sessions	Arr. 10:00 a.m. ⁸⁹⁵

GENERAL

The following business pertaining to general or miscellaneous items was transacted on Thursday, June 27, 1974.

APPROVAL OF MINUTES. The minutes of the May 8-9, 1974 meeting were approved as distributed. Regent Collison commended Miss Van Ryswyk, minutes secretary, on the writing of the May minutes.

COMMITTEE ON EDUCATIONAL COORDINATION - Information Report on Educational Consortia. The board was presented a "Report on Educational Consortia" and an accompanying Directory of Consortia which described some of the various cooperative arrangements involving the Regent institutions.

The Board Office reported that the consortia movement in American higher education is not new. Many colleges and universities have had interinstitutional cooperative agreements for many years. The conditions that have lead to the "ripening" of the climate for cooperative arrangements include: stabilizing enrollments, the changing needs of the students and the other pressures to initiate new programs, the need to conserve expenditures, the quest for a balanced academic program and the movement toward statewide coordinating boards.

There are currently over 80 recognized consortia in American higher education with over 800 institutional members. More recently, a number of states have recognized the advantages inherent of interinstitutional cooperative arrangements and there are now a number of state level programs to encourage cooperation between the various higher education segments.

Curriculum Changes - UNI. The board was requested to approve the curriculum changes at the University of Northern Iowa as presented in the Board of

Regents Docket of May 1974. Vice President Martin commented that Dr. Fred Lott, Assistant Vice President at UNI, was present for any specific questions regarding the curriculum changes.

The university submitted comments of faculty members of UNI regarding the curriculum changes. It was suggested that a review of the entire Teaching English as a Foreign Language area within the Regent institutions be made. Regent Bailey recommended this study be done before the board commits itself on this curriculum change.

Vice President Christensen said the committee is very willing to proceed with the review of TEFL.

MOTION: Mr. Bailey moved the board study the Teaching English as a Foreign Language area and that UNI hold up on this particular phase until completion of the study in order to avoid action that would be undone at some sizeable expense. The motion died for lack of a second.

MOTION: Mrs. Collison moved the board approve the curriculum recommendations of the University of Northern Iowa as presented in the Board of Regents Docket of May 1974. Mr. Slife seconded the motion.

President Petersen recommended the Committee on Educational Coordination proceed with the review of the TEFL area.

Regent Bailey said the board needs to look at curriculum recommendations as presented by the universities with a considerable amount of concern and should be very conscientious in its examination of new proposals in order to be sure that there is no duplication or some inefficiencies that the legislature would have a proper basis for criticizing.

June 27-28, 1974

While the "Baldrige Questions" have provided a valuable service in providing the board with some standard questions regarding the new and expanded programs at the universities, there are a few key issues which are not addressed and others which need to be amplified further in order to present the Regents with information which is adequate for informed decision making. The proposed questions should not place any significant restrictions upon the institutional abilities to meet changing needs of students in Iowa anymore than the present "Baldrige Questions" do. The proposed questions are merely intended to require factual responses to replace the somewhat general and simplistic answers which have heretofore been provided to many of these questions. The Board Office is aware that beginning programs cannot always be justified on the basis of cost analysis or immediate job opportunities but, the board should know what these costs are and what opportunities are available and the fact that they cannot be justified on these bases at the time that the programs are considered. The only new questions being proposed are those questions regarding facilities, libraries and professional criteria which are necessary to give the board a complete picture of the implications of the proposed program.

The facilities and library questions are crucial to an understanding of the scope of the costs involved in establishing or expanding a given program. The purpose of the question regarding the professional criteria is to inform the board of the requirements which will eventually be needed in order for a program to be fully accredited. Certain programs have specific criteria by which they are gauged, which should be known to the board. For example, some area studies programs require that faculty have not only academic training in that area but, have travel and language expertise as well. If these criteria are needed in order to establish a quality program, the board should know about their availability at the institution proposing the programs.

Some problems regarding the "Baldrige Questions" are listed under each of the ten questions below:

1. At what institutions, public and private is the program or a similar program offered at present?

Problem. The present question does not provide guidelines as to geographic limits or scope of the question. Consequently, there is a need for some accompanying geographic guidelines to this question. This listing should include: (1) public and private institutions in Iowa; (2) the eleven state area or border states; and (3) where appropriate, some national perspectives of the program in question (if available). Also it would seem to be desirable for the institutions to list all institutions in Iowa which offer a particular program. For example, UNI in answering this question for the B.A. in General Studies which is before the board this month did not mention that Drake has such a program.

2. What implications are there for potential duplication of the program in Regents institutions or other institutions?

Problem. In this question, like the previous one, there is a need to delineate the scope of this question. The Board Office has suggested the eleven state area because of the need to look at a wider area than just the state of Iowa. Some programs such as veterinary medicine are so expensive for a state to provide that it is desirable for the sake of economy to see which nearby states offer a particular program, and cooperative arrangements should be explored.

3. Is the proposed program compatible with the mission of the institution?

Problem. The present question does not require the institution to delineate the ways in which a given program enhances the mission of the institution. Consequently, the answers to this question are usually so broad and ambiguous as to be meaningless.

4. Is there a special need in the state of Iowa for this program? If so, please explain.

Problem. The responses to this question frequently are quite general and usually not based upon any kind of information which demonstrates a real need for a given program. For example, in responding to this question institutions often provide rather vague answers such as ". . . eventually many vocational and technical graduates will have greater leisure time and some will be expected to want to take up this program of study . . .", ". . . given the large number of older persons in the state of Iowa, this is the kind of major that older persons might wish to use as a goal for his part-time studies." It would seem that programs should be based upon some more solid evidence of need. The Board Office suggests that this question be answered by providing some statistical evidence of need and that this evidence include, where appropriate and available, information on Iowa, the region and the nation. Also if a program is being encouraged by a given industry or agency this information should be provided.

5. What is the assessment of the educational quality of the program at present?

Problem. This question is usually responded to by the institution which is requesting the program and is generally answered in rather vague terms (i.e. "a remarkably balanced division," "excellent courses and outstanding instructors"). It would seem that some more concrete indications of "quality" should be provided.

6. What is the anticipated demand for the program from students now enrolled or who might be enrolled at this institution?

Problem. The anticipated demand is usually not expressed on any firm evidence of student desire to enroll in a particular program. It is usually based on the estimates of the particular faculty requesting the program.

June 27-28, 1974

7. What expectations are there for professional employment, for graduates in this field in the state, in the region, and the nation for the future?

Problem. The answer to this question is usually not answered by reference to any statistical information even when this information is available.

8. Are the estimated increased costs as stated by the institution, realistic?

Problem. There is a need for specific costs to be listed and some additional cost questions to be explored in order for this question to be fully and clearly answered. Some recent responses to this question include "the first-year costs are realistic" and "yes." It would seem more valuable for the Regents to know exactly what these costs are estimated to be.

9. What will be the increased costs: Amount for faculty, current expenses, space, library, etc., first-time and annually after the program reaches full operation?

Problem. This question is generally answered in a general way and with no references to specific costs.

Question ten refers to review by the Coordinating Council and basically is appropriate as stated.

The above examples indicate that additional, more precise information about new and expanded programs is needed. Consequently, the Board Office recommends some refinements in the "Baldrige Questions" in order: (1) to obtain additional information that has been mentioned by the Regents at various board meetings; (2) to elicit specific information about new and proposed programs which are suggested by the "Baldrige Questions"; and (3) to provide information on some related aspects of the proposed programs to give the board a complete picture of potential impact of a given program.

The following section contains the Board Office recommendation for program review. Board members will note that the underlined portions contain new or revised items and crossed out items have been deleted.

15 Review Process for New or Expanded Academic Programs at Regent Universities

- A. (See Section 1.04 of this Guide for Committee on Educational Coordination.)
- B. All matters of major importance referred to the Committee on Educational Coordination by the board shall be referred automatically to the Iowa Coordinating Council for Post High School Education for review and recommendation.
- C. The Committee on Educational Coordination shall furnish answers to the following questions when proposed new or expanded academic programs are referred to it by the board for review and recommendation:
1. At what institutions, public and private, is the program or a similar program offered at present?
 - a List degree programs in this discipline offered at non-Iowa institutions in the eleven state area including specialty and degree level for any low enrollment, specialized undergraduate, and graduate programs for all advanced graduate programs.
 - b Are degree programs offered in this discipline at other state or private universities in Iowa? If so, in which specialties, at which institutions, and at what levels? How similar or dissimilar are these to the program herein proposed?
 - c If information is available on institutions offering the proposed program on the national level, in which specialties, at which institutions, and at what levels is this program offered? How similar or dissimilar are these to the program herein proposed?
 2. What implications are there for potential duplication of the program in Regents institutions or other institutions in Iowa or the states bordering Iowa? Have cooperative arrangements been explored with institutions offering similar programs?
 3. In what way is the proposed program compatible with the mission of the institution?
 4. Is there a special need in the state of Iowa for this program?
 - a Please provide statistical information supporting the need for this program in the state of Iowa.
 - b Is there a national need for more people trained in a program such as herein proposed? Please describe job opportunities or societal needs nationally. Refer to any national studies as needed.
 - c If there is a national and local need for more people to be trained in this field, and at the level in the proposed program, are there special reasons why it should be offered at your institution rather than at one of the other state institutions?
 - d Is there interest on the part of local industry, agencies, or research centers in the proposed program? Please document.
 - e What is the anticipated demand for the program from students now enrolled or who might be enrolled at this institution?
 - f What expectations are there for professional employment for graduates in this field in the state, in the region, and in the nation for the future. 902

5. What is the assessment of the educational quality of the program at present?
6. Summarize the estimated expenditures and incomes for the program herein proposed by completing the table below. Include only costs and incomes as a result of initiating and operating the proposed program.

Expenditures (Incremental) Year	<u>1st</u>	<u>2nd</u>	<u>3rd</u>	<u>4th</u>	<u>5th</u>
Faculty (Teachers and Researchers)					
Fellowships and Scholarships					
Graduate Assistantships					
General Expense					
Equipment'					
Library Resources (personnel, acquisitions, and equipment)					
Construction of New Space or Major Renovation					
Other Items (Please List)					
TOTAL EXPENDITURES					
ESTIMATED INCOME					
State Appropriations					
Student Fees					
Federal Funds					
Non-Federal Gifts & Grants					
Sales and Services					
Other Income					
TOTAL-ESTIMATED INCOME					

6-B Are the estimated increased costs, as stated by the institution realistic?

6-C What will be the increased costs, Amount for faculty, current expenses, space, library, etc., first time and annually after the program reaches full operation?

7. How are these costs to be financed?
By transfer of funds from other areas?
By outside funding?
8. Are the faculty resources adequate and appropriate for the effective implementation of the program?
 - a Estimate how many additional FTE Teaching/Research positions will be allocated to the department each of the next five years. How many of these will be used for the proposed program?
 - b How many and what additional non-academic support positions will be allocated for each of the next five years specifically for this proposed program?
 - c How many additional graduate teaching assistants will be involved in teaching undergraduate courses as a result of approval of this program?
9. Indicate space and facilities currently assigned to the department for the operation of its present program in the subject discipline by type of space in n.s.f., i.e. how much classroom, laboratory, offices, etc. Indicate buildings used.
 - a Indicate additional space and facility needed for the proposed program by type of space set out in 9
 - b If additional space is required, what space under construction or funded for construction will be made available for the proposed program? What current space will be assigned to this function and what is present usage of that space?
 - c Indicate space needs for program for 10 years and whether those space needs will require a capital project.
 - d Will remodeling renovation of present facilities be necessary? If so what will be the total cost of renovation or remodeling?
10. Are the other educational resources adequate for the effective implementation of this program?
 - a As best you can, give some quantitative estimate of library holdings needed for the program such as:
 1. Number of books for the proposed program.
 2. Total number of journals (titles) in the university library currently subscribed to.
 3. Number of journals in the proposed program.

June 27-28, 1974

11. Are there other needs which have not yet been described? If so, please list them; estimate their initial cost and the annual cost thereafter.
12. Name the accrediting agencies and learned societies which would be concerned with the particular program herein proposed.
What professional criteria are currently available in the discipline and how has your program been developed in accordance with these criteria? Please attach copies of criteria.
13. Has the program been before the Iowa Coordinating Council for Post-High School Education? What comments were made by the Council?

The Committee on Educational Coordination reported that adoption of the process proposed by the Board Office could place significant restrictions upon institutional abilities to meet changing needs of Iowa students.

Beginning programs cannot always be justified on the basis of cost analysis or immediate job opportunities. In addition, it was felt that some of the proposed questions may be irrelevant to the needs of Regents members. A detailed response to the questions, for each proposed program, would probably necessitate the adding of staff (and staff support) at each university.

Vice President Christensen said there has been insufficient time for the committee to review all of the possible implications of the proposed procedure and to determine its value to the members of the State Board of Regents and to the Regents universities. He said that if the board desired the committee would review both the "Baldrige Questions" and the Board Office proposal and present its recommendations to the board at a later date.

Mr. Richey reported that the most important thing the board does is approve academic programs. He said the purpose of the Board Office's proposed revisions is to get more specific information and require the institutions

to undergo a more rigorous review process and provide that information for both their own and the Board of Regents' use. He commented he has no objection to the committee reviewing the "Baldrige Questions" and the recommendation of the Board Office if it is done in a timely manner.

President Parks expressed disapproval with the proposal recommended by the Board Office and said it is a very intimidating type of format. He said it puts a heavy "status quo" implication on the institutions when they should be particularly alert to new programs. He said that was particularly true at the University of Northern Iowa. He said the board should not do something to get full information which will inhibit the institutions from moving ahead.

Mr. Richey responded that he did not discourage change in academic programs but that the basic information proposed could be gathered when the faculty and the institutional personnel are developing and reviewing a proposed new program.

Regent Bailey said he recognized what President Parks said but said his own analysis was that the questioning format proposed by the Board Office is quite similar to the type of format used by accrediting agencies in reviewing already established programs. He said it seems logical to him to analyze a proposed program in the same manner as one already established.

Regent Barber commented that he didn't see anything intimidating in the proposal as suggested by President Parks.

President Boyd strongly supported Vice President Christensen's recommendation that the committee be given adequate time to review both the "Baldrige Questions" and the process proposed by the Board Office. The

committee has served the board well. Its members are the board's academic leaders.

MOTION:

Mr. Baldrige moved the board refer the matter of program review procedures back to the Interinstitutional Committee on Educational Coordination for further study and for the committee to report back to the board as soon as possible. Mr. Bailey seconded the motion.

Vice President Martin reported the committee will come back to the board with the results of their review sometime in the fall.

President Petersen said she feels one of the greatest dangers of educational institutions is inertia. She said it is difficult to change things. She said she has been very satisfied with the kind of information that has come forward to the board regarding curriculum changes but added that doesn't mean it shouldn't be improved.

Regent Zumbach commented he feels the Committee on Educational Coordination has done a good job but that the board is operating now largely on good faith rather than good information, a concern of his for over a year. He said he feels that Mr. Richey and the Board Office are proposing some fine additions to the "Baldrige Questions" which he would like to be considered.

Regent Baldrige said he senses the board desires to get out of the reacting role with regard to recommendations from the Committee on Educational Coordination and get into an affirming role. He commented that he and Mr. Bailey attended a meeting on the role of boards recently and a great deal of discussion was on the role of affirming rather than rubber stamping. Mrs. Collison voiced support for the role of affirming because of the board's public responsibility.

Regent Shaw said the council is an independent agency and said he didn't feel it should in any way compromise its position as an independent agency nor should the board get into the question of support of other forms of education. He said the institutions are to deal with that on their own.

President Petersen responded that the position paper dealing with the financing of post secondary education in Iowa should not compromise the board's point of view. She added that before the paper is a finished document it would come back to the segments it represents.

President Petersen said if there are no objections to Mr. Richey being appointed to the task force he will be appointed. She said the board will look forward to progress reports regarding the task force.

President Petersen expressed thanks for the board for President Kamerick's service as president of the Coordinating Council for Post High School Education. She said the board appreciated his efforts on the council and he did a very fine job.

APPROVAL OF AREA SCHOOLS. The board was requested to approve the following area schools:

Merged Area I - Northeast Iowa Area Vocational-Technical School (Calmar)

CONTINUATION OF APPROVAL - to be revisited by the evaluation team during the 1976-77 school year.

The South Center is to be visited during the 1974-75 school year by a team (two representatives of the State Board of Public Instruction and one representative of the State Board of Regents) to assess the degree of progress toward meeting the recommendations of the evaluation report prepared during the 1971-72 school year.

Merged Area II - North Iowa Area Community College (Mason City)

CONTINUATION OF APPROVAL - to be revisited by an evaluation team during the 1974-75 school year.

Merged Area III - Iowa Lakes Community College (Estherville)

CONTINUATION OF APPROVAL - to be revisited by an evaluation team during the 1975-76 school year.

Merged Area IV - Northwest Iowa Vocational School (Sheldon)

CONTINUATION OF APPROVAL - to be revisited by an evaluation team during the 1974-75 school year.

Merged Area V - Iowa Central Community College (Fort Dodge)

APPROVED (SUBJECT TO ANNUAL REVIEW) - to be revisited by an evaluation team during the 1983-84 school year.

Merged Area VI - Iowa Valley Community College District (Marshalltown)

CONTINUATION OF APPROVAL - to be revisited by an evaluation team during the 1974-75 school year.

Merged Area VII - Hawkeye Institute of Technology (Waterloo)

CONTINUATION OF APPROVAL - to be revisited by an evaluation team during the 1976-77 school year.

Merged Area IX - Eastern Iowa Community College District (Davenport)

CONTINUATION OF APPROVAL - to be revisited by an evaluation team during the 1976-77 school year.

Merged Area X - Kirkwood Community College (Cedar Rapids)

APPROVED (SUBJECT TO ANNUAL REVIEW) - to be revisited by an evaluation team during the 1983-84 school year.

Merged Area XI - Des Moines Area Community College (Ankeny)

APPROVED (SUBJECT TO ANNUAL REVIEW) to be revisited by an evaluation team during the 1983-84 school year.

Merged Area XII - Western Iowa Tech (Sioux City)

CONTINUATION OF APPROVAL - to be revisited by an evaluation team during the 1976-77 school year.

Merged Area XIII - Iowa Western Community College (Council Bluffs)

CONTINUATION OF APPROVAL - to be revisited by an evaluation team during the 1976-77 school year.

The institution is to be visited by a three-man team (two representatives of the State Board of Public Instruction and one representative of the State Board of Regents) to make an on-site follow-up visit during the 1974-75 school year to assess the degree of progress toward fulfilling the recommendations of the evaluation report prepared during the 1971-72 school year.

Merged Area XIV - Southwestern Community College (Creston)

CONTINUATION OF APPROVAL - to be revisited by an evaluation team during the 1975-76 school year.

Merged Area XV - Indian Hills Community College (Ottumwa)

CONTINUATION OF APPROVAL - to be revisited by an evaluation team during the 1976-77 school year.

Merged Area XVI - Southeastern Community College (Burlington)

CONTINUATION OF APPROVAL - to be revisited by an evaluation team during the 1976-77 school year.

These approval recommendations have been developed after a careful review of all materials submitted by the individual area schools and the reports prepared by the annual visitors and evaluation teams. The Regent Committee on Educational Relations assisted in the development of the format of the reports and the structure of the visitations and at least one representative of the Regent Committee accompanied the annual visitor to each area school.

The Board Office reported that the State Board of Public Instruction approved the recommendations at their June 17 meeting. It was noted that annual approval of the area schools by both boards is necessary for the area schools to be eligible for receipt of state aid.

MOTION: Mr. Baldrige moved the board approve the area schools as shown above. Mr. Zumbach seconded the motion and it passed unanimously.

NURSING ACCREDITATION. The board was requested to accept a report of the National League for Nursing on the Department of Baccalaureate and Higher Degree Programs offered by the College of Nursing at the University of Iowa.

The Board Office reported that the National League of Nursing Boards has voted to grant continuing accreditation to the baccalaureate and masters degree programs in nursing. This action was based on the self-evaluation report submitted by the faculty and a recent site visitation. Deliberations of the board were focused on assessing the extent to which the Criteria for the Appraisal of Baccalaureate and Higher Degree Programs in Nursing 1972 have been achieved and implemented.

The Board of Regents was presented a copy of the criteria and comments and recommendations of the Board of Review of the National League for Nursing.

MOTION: Mr. Baldrige moved the board accept a report of the National League for Nursing on the Department of Baccalaureate and Higher Degree Programs offered by the College of Nursing at the University of Iowa. Mr. Barber seconded the motion and it passed unanimously.

ACCREDITATION OF THE COLLEGE OF VETERINARY MEDICINE. The board was presented an evaluation report of the College of Veterinary Medicine. The

accreditation of the College of Veterinary Medicine was reviewed by an evaluation team representing the Council on Education of the American Veterinary Medical Association on March 4-7, 1974.

Five recommendations were included in the evaluation report. Those recommendations along with the responses of President Parks are:

Recommendation 1. There be no further delay in establishing permanent administrative responsibility in the departments of anatomy and physiology.

Dr. Park's Comment: The Dept. of Veterinary Anatomy and the Dept. of Veterinary Physiology and Pharmacology were combined on May 1, 1974 into the Dept. of Veterinary Anatomy, Physiology and Pharmacology (per Board of Regents approval at the April meeting). Dr. Neal R. Cholvin, formerly acting chairman of the Dept. of Veterinary Physiology and Pharmacology, has been named chairman of the new department.

Recommendation 2. Cooperation between the teaching and research programs of the College be encouraged to enable teachers to do more research and researchers to be involved in teaching.

Dr. Park's Comment: Interviews are currently being conducted for the purpose of seeking an Associate Dean of Veterinary Research. It is anticipated that this individual will work closely with department heads in coordinating teaching and research responsibilities of faculty members.

Recommendation 3. Every effort be made to maintain the present hospital facility at a high level of appearance and sanitation pending the move to the new building.

Dr. Park's Comment: Efforts are being made to maintain present facilities in a satisfactory condition pending the move to new facilities.

Recommendation 4. Salary scales be brought to competitive levels for purposes of recruitment and retention of senior faculty. (the evaluation committee's report noted that "recent adjustments of the salary scale have been largely based on capitation grant funds. Under this circumstance, loss of such federal funds could be disastrous to a salary scale that is already well below the average of the other colleges of veterinary medicine in the United States").

Dr. Park's Comment: Every possible step is being taken to bring salaries to a competitive level.

Recommendation 5. The Laboratory Animal Section be given authority commensurate with its responsibility for animal care in all departments.

Dr. Park's Comment: Recommendations relative to the Laboratory Animal Section are being implemented.

MOTION: Mr. Baldrige moved the board accept the accreditation report of the College of Veterinary Medicine. Mr. Barber seconded the motion.

Regent Collison commented she feels the accreditation report is a very good one.

VOTE ON MOTION: The motion passed unanimously.

President Parks reported that a \$6 million grant will come through for the university veterinary medicine program, thanks to Congressman Scherle in trying to secure these funds. President Petersen expressed pleasure for the board that the money has come for the university.

INFORMATION ITEM - ACCREDITATION. The board was presented a report on accreditation which is on file at the Board Office.

The Board Office reported that the National Commission on Accrediting has elected Dr. Willard L. Boyd, SUI President, for a two-year term succeeding Dr. Lloyd Elliott, President of George Washington University. The NCA is one of two national non-governmental groups which serve the accrediting needs of postsecondary education. In January of next year the NCA will merge with the Federation of Regional Accrediting Commission of Higher Education. The new organization will be called the Council on Postsecondary Accreditation.

COPA will embrace a wider spectrum of accrediting agencies than heretofore

engaged in by either organization. It also will include on its governing board representatives from both non-profit and proprietary sectors of higher education, specialized and professional groups, trade and technical schools, the federal and state governments, college trustees, and public citizens.

MOTION: Mrs. Collison moved the board accept the report on accreditation. Mr. Bailey seconded the motion and it passed unanimously.

REPORT ON BUDGET REQUEST FOR 1975-77. It was recommended that the board request the State Comptroller to extend the deadline for budget requests for the Board of Regents from September 1, 1974 to October 1, 1974.

President Boyd reported that it has been indicated to the university that a request for an extension of time would be well received by the State Comptroller.

The Board Office reported that it was difficult to assess budgetary needs for salaries for 1975-77 because the current study on merit employees was not completed. It was felt that the Merit System study for 1974-75 should be completed and the total needs for salaries assessed before considering any one segment of salary requirements. The time required to complete the study and to assess salary needs for all employees is such that the subject should be deferred to September. Such an extension would permit a more orderly preparation of the budget request.

MOTION: Mr. Bailey moved the board request the State Comptroller to extend the deadline for budget requests for the Board of Regents from September 1, 1974 to October 1, 1974. Mr. Shaw seconded the motion.

President Boyd said the Budget Preparation Committee recommends the board adopt Option A for the purpose of calculating this need. The Board Office recommended use of both Options A and B as a vehicle for discussion of equipment needs and funding sources.

The Board Office reported that in the April docket an institutional recommendation of 10% per year increase in budgets for equipment purchases was presented. Based on preliminary budgets for 1974-75 and budget increases at 10% per year as recommended by the institutions, budget requests for 1975-76 and 1976-77 would be as follows:

<u>Option A</u>	<u>Budget</u> <u>1974-75</u>	<u>Requested</u> <u>1975-76</u>	<u>Requested</u> <u>1976-77</u>
University of Iowa	\$1,230,000	\$1,353,000	\$1,488,000
Iowa State University	421,000	464,000	510,000
University of Northern Iowa	288,000	317,000	348,000
Iowa School for the Deaf	34,000	37,000	41,000
Iowa Braille & Sight Saving School	18,000	20,000	22,000
	<u>\$1,991,000</u>	<u>\$2,191,000</u>	<u>\$2,409,000</u>

The Board Office in April recommended intensive study of budgeting needs for equipment. Enclosed herewith as Exhibit A are actual expenditures for equipment for each year from 1969-70 through 1972-73 from general funds, restricted funds, and plant capital, equipment inventory value at the beginning of each year, and expenditure from each source of funds as a percentage of inventory at the beginning of each respective year. The five-year average percentages and inventory at the beginning of fiscal 1973-74 are summarized as follows:

	<u>Inventory</u> <u>6-30-73</u>	<u>Five-year Avg't % Expenditure/Inv.</u>			
		<u>General</u>	<u>Restricted</u>	<u>Capital</u>	<u>Total</u>
University of Iowa	\$ 63,757,000	2.4%	3.3%	2.9%	8.7%
Iowa State University	30,105,000	2.9%	6.0%	2.5%	11.4%
University of Northern Iowa	5,804,000	5.7%	0.6%	3.6%	9.9%
Iowa School for the Deaf	709,000	4.7%	0.7%	---	5.4%
Iowa Braille and Sight Saving School	426,000	4.2%	1.9%	---	6.1%
	<u>\$100,800,783</u>				

*Four-year average for UNI

A method for determining budget requests could relate expenditures to equipment inventory based on a reasonable rate for equipment replacement due to wear and obsolescence. The Internal Revenue Service permits depreciation of equipment by indus-

trial firms in eight years which is the equivalent of 12.5% per year. Universities have a responsibility to keep up with rapid technical development. Some exemplary instruction likely can be performed on old equipment, but for many technical fields it would seem appropriate to expose students to examples of modern equipment. In view of lower expected wear-out for university application relative to industrial application, a 10% replacement rate would seem reasonable and is consistent with the five-year average of 9.9%. The five-year average of 17.5% for UNI is unusually high because of a 48.1% rate in 1968-69.

As summarized above, equipment funds are derived from general program funds, restricted program funds, and capital funds. Capital funds are provided typically to equip a new building and, as a consequence, favors the one or more departments which are to occupy the new building. Restricted program funds typically are provided to equip specific grant programs which perhaps do not require equipment replacement to the degree of programs from the other two sources of funds. General program funds provide equipment for instruction and other services of a continuing nature and should be funded adequately to maintain instruction and other services at an acceptable level of quality. Therefore, it is suggested that equipment funding from general program funds should not be permitted to fall below some minimal level even though considerable funding from restricted program operations or capital programs may be available.

Assuming that funding from restricted and capital funds will continue to bear about the same relationship to equipment inventory, it is suggested for preliminary consideration that the budget requests for 1975-76 be based on the following percent of general program expenditures to inventory to maintain a total rate of about 10% the figures as follows for 1976-77 include an additional amount of 10% for inflation.

Option B	Inventory 6-30-73	Gen'l Program Expenditure To Inventory	Budget Request	
			1975-76	1976-77
University of Iowa	\$ 63,757,000	2.5%	\$1,594,000	\$1,753,000
Iowa State University	30,105,000	2.5%	753,000	828,000
University of Northern Iowa	5,804,000	5.5%	319,000	351,000
Iowa School for the Deaf	\$ 707,000	7.0%	\$ 50,000	\$ 55,000
Iowa Braille & Sight Saving School	426,000	7.0%	30,000	33,000
Total	\$100,801,000		\$2,746,000	\$3,020,000

The rates for ISD and IBSSS are somewhat below the target of 10% but it is expected that additional justifiable equipment needs would be requested as Special Needs or as Plant Capital.

The total amount of Option B for 1975-76 is 38% above the total for Option A. It should be emphasized that the equipment inventory is valued at initial cost rather than replacement cost. If the same percentages were used as for Option B with equipment inventory valued at replacement cost, the budget request amounts would be much greater. However, it would be an extensive task to revalue the equipment inventory according to replacement cost. As a matter of information the Board Office is informed that the Department of Public Instruction uses a formula of 4.5% of

June 27-28, 1974

inventory for replacement of equipment and library books for the area schools with a total expenditure for 1971-72 including new equipment of \$2,028,000 which amounts to 11% of inventory. The state auditor's office uses a figure of 10 years for depreciation of new equipment which is consistent with the total rate of 10% per year suggested as the basis for Option B.

It should be understood that Option B is based only on replacing equipment due to wear-out or obsolescence and does not deal with the question of what should be the appropriate level of equipment inventory to meet program needs. The question of program needs to provide more effective and efficient services is difficult to answer in view of the multitude of detailed programs that would have to be considered. Only judgmental considerations appear practical at this time.

President Parks made comments regarding Option A and noted that the State University of Iowa has an equipment inventory about twice as large as that of Iowa State University. The appropriation called for is about three times as much. Comparing it the other way, the equipment inventory at Iowa State University is six times that of the University of Northern Iowa but the allocation is only twice as much. He said the equipment asking for Iowa State University is woefully too low. He said in the year 1971 the biennial appropriation for ISU was very low. The first year of that biennium there were no salary increases for the 1971-72 year. The university decided that this could not go on the second year of the biennium so it intentionally squeezed down the non-people items to a totally inadequate level. He said the university figured it could do this for one year. He added the appropriation for 1972-73 squeezed down the university's RR&A to totally unreal levels. When making the asking for the 1975-77 biennium, the board left the formula which was used before and asked for 5% or 10% increase for inflation upon the 1972-73 allocation, which was the lowest the university has had. He said the university does not want to live with this kind of appropriation for equipment for another biennium. He said the inventory method (Option B) would be more acceptable to Iowa State University; that option would increase the inadequate appropriation for equipment for ISU.

June 27-28, 1974

Regent Bailey said maybe in the case of ISU zero base budgeting would be appropriate. He said much is to be said for this approach but he recognized that it is a very difficult and time consuming project. He said there is, however, a need for analysis of the total situation on equipment at ISU. Regent Collison asked whether zero base budgeting has been done any time in the past 15 years at ISU. President Parks responded that the formula the board used for replacement was built upon inventory until this last biennium.

Vice President Moore commented that zero base is a non-repetitive type of expenditure. In the equipment category you are not committing yourself in advance by one year's expenditures to future years. He gave the example that when you hire a person you are hiring a continuing obligation. Mr. Moore commented that going to zero base for ISU equipment would be a very extensive job which would take a long time and a great deal of expertise. He noted that the equipment being talked about ranges from desks to microscopes. Mr. Richey added instructional and research equipment would be included, also.

Vice President Moore commented why the Budget Preparation Committee decided on Option A as the best option. In the past the recommendations to the board have been in the nature of "B" replacement type of approaches. During an era of the past two to four years, however, serious constraints on state financing caused the board to consider alternatives on the nature of Option A. For those reasons, the committee has turned around to try to follow a pattern which had apparently been set up by board policy of the last two biennia requests. The state was not able to afford any other approach.

Regent Shaw asked when you talk about the base of equipment whether you put in only the base items that need to be replaced. He said the generators, for example, would be placed in the capital askings. Mr. Moore said he was correct. Regent Shaw said that on that basis, then, Option A is too low. He said he felt the institutions are large enough that you could use a kind of formula that should come out right in any particular year rather than the inventory approach.

Mr. Richey commented that there are several sources for equipment other than the general fund. There are also restricted funds and capital funds. One of the real problems at arriving at a reasonable figure for equipment is that we are dealing with actual expenditures in the one instance and budget estimates in another. It is an estimate that changes very dramatically during the year. He requested board members look at the supplemental white sheets to see how the equipment purchases fluctuate.

Mr. Richey said a look needs to be taken at the average of actual equipment purchases and see what's really happened in the most recent years. It needs to be looked at before the final decisions are made as to what these requests should be in September. That way the board will avoid giving an institution a major increase when, in fact, the expenditures for that institution were more than was actually budgeted.

Vice President Moore commented that equipment is budgeted on a certain level but sometimes when it is replaced the price of that piece of equipment costs considerably more.

Regent Shaw introduced the ownership/lease problem with respect to capital budgets. He said he feels it is much cheaper to own than to lease. Vice President Moore said the university makes calculations regarding whether to

own or lease based upon the most economical terms of pay off. In any public institution it also is a matter of choice of where you have funds. He noted that the copy machine area is one of fantastic growth over the past ten years. Leasing at one time was the university's only option. Now the university has a choice of leasing or purchasing, and the university now has the funds to exercise either option. He commented the university feels leasing snow removal equipment is the better choice of the two because even though it costs a lot per hour, when the equipment is through being used, the university is finished paying for it.

Mr. Richey said the board needs to look at the equipment budget requests over a period of years in order to make a reasonable decision. An institution may have slighted its equipment budget and put it into salary increases for academic or non-academic personnel, additional staffing, etc. He said the board has to look at the budgets as a whole.

President Petersen suggested the board return this matter of budget requests for equipment to the Budget Preparation Committee and ask that it come forward with a proposal or a recommendation which would reflect board members' concerns.

President Boyd recommended the board request extended time on this from the State Comptroller because there comes a point where all these things have been considered and argued. He concurred with Mr. Richey that this is a historical problem. He said the Budget Preparation Committee is anxious for the board in its askings to set forth the needs of the institutions without making a judgment as to what the board feels the state can afford because this judgment is a matter for the General Assembly to make after looking at all of the presentations from the various state agencies.

President Parks said the university had more flexibility in former years.

Regent Bailey asked whether the university could take funds from other

sources, such as those used for faculty, and apply them toward equipment. President Parks said that flexibility no longer exists at the university.

President Parks said if the board returns to the inventory formula he wouldn't see where any institutional inequity would result.

Regent Baldrige commented that trying to estimate program needs is very difficult. He shared Regent Shaw's opinion that Option A is too low.

Regent Baldrige said that a 7% depreciation figure in this day and age doesn't seem to be very realistic.

President Boyd said the special needs category is the university's way of telling the people what it is trying to do, rather than having a couple of limited formulas, which become rather impersonal. He said data can be churned out but people still want to know how it is being spent. You can build buildings, for example, but people still want to know what the building will do for a specific program.

President Petersen commented she felt the board's consensus was that Option A was too low and added there were general concerns about Option B as well. She recommended that this item be returned back to the committee for them to review and come back with a recommendation to the board on budget requests for equipment.

President Boyd said he felt Option B is more realistic and added the board needs to see an example of ISU in that "B" situation.

In absence of objections, President Petersen referred back to the Budget Preparation Committee the item on equipment budget requests for their review and recommendation back to the board and requested it examine ISU needs in the Option B category.

B. Library Books.

Two options were presented the board for consideration:

- 1 - Budget request based on starting base for library books plus 15% per year increase for inflationary costs.
- 2 - Budget request based on adjusted starting base to provide appropriate maintenance of library books inventory for currently published materials.

The Board Office recommended preliminary consideration not only of the institutional proposal to increase the starting base by 15% per year but also adjustment of the starting base to reflect needs for currently publishing library materials.

The Board Office reported that the April docket memorandum contained an institutional recommendation of 15% per year increase in the budgets for 1975-76 and 1976-77 over the starting base budget for 1974-75. The recommendation would generate budget requests as follows:

	<u>S U I</u>	<u>I S U</u>	<u>U N I</u>
1975-76	\$1,334,000	\$1,234,000	\$ 382,000
1976-77	\$1,580,000	\$1,419,000	\$ 439,000

If the inventory value of the library holdings of the Iowa institutions is about right for the institutional program fields and with due consideration of the number of books of importance published in each field, the appropriate acquisition rate should be related to the inventory value. The starting base is 7.4%, 12.0%, and 12.0% of inventory value for the University of Iowa, Iowa State University and the University of Northern Iowa, respectively. Several policy alternatives for the library book budget are available on the basis of its relationship to inventory value: (1) The

University of Iowa rate of 7.4% could be regarded as the acceptable rate because Iowa State University and University of Northern Iowa have now caught up; (2) the Iowa State University and University of Northern Iowa rates of 12% could be regarded as acceptable with the intent of emphasizing library acquisitions of currently published material; or (3) an intermediate level of expenditure rate of 10% could be regarded as acceptable because Iowa State University and University of Northern Iowa have caught up but the University of Iowa rate is not adequate to properly maintain the inventory with currently published material. These alternatives would yield adjusted starting bases as follows:

	<u>S U I</u>	<u>I S U</u>	<u>U N I</u>
1974-75 Starting Base	\$1,195,000	\$1,073,000	\$332,000
Adjusted to 7.4% of Inventory Value	1,195,000	662,448	205,000
Adjusted to 12.0% of Inventory Value	1,950,000	1,073,000	332,000
Adjusted to 10.0% of Inventory Value	1,626,000	895,000	277,000

Inventory is valued at initial cost.

Until the universities can conduct a detailed study of academic needs for the specific programs approved by the board the above four alternatives for the starting base could be considered which could be increased by an appropriate percentage for 1975-76 and 1976-77 to account for inflation in the cost of library books.

Consideration should be given to requesting library books as special needs for cases such as implementation of new academic programs approved by the board, acquisition of rare book collections, and completing collections of older books. The board will recall that new program requests almost always have been accompanied by assurances of adequate library collections. This must mean that advanced purchases are made in certain program fields with the expectation of later approval of academic program by the board. Much of this may well occur because fields of study overlap.

The following summary was presented for board members' information:

SUMMARY OF DATA ON UNIVERSITY LIBRARIES

	<u>S U I</u>	<u>I S U</u>	<u>U N I</u>
Actual Expenditure 1972-73	\$ 1,131,000	\$ 760,000	\$ 270,000
Budgeted Expenditure 1973-74	\$ 1,086,000	\$1,006,000	\$ 302,000
Budgeted Expenditure 1974-75 (Starting Base)	\$ 1,195,000	\$1,073,000	\$ 332,000
Budget Requests Based on 15% per year			
1975-76	\$ 1,374,000	\$1,234,000	\$ 382,000
1976-77	\$ 1,580,000	\$1,419,000	\$ 439,000
Inventory Value as of 6-30-73	\$16,257,000	\$8,952,000	\$2,771,000
Starting Base as % of Inventory Value	7.4%	12.0%	12.0%
Library Holdings as of 6-30-73 (Bound volume equivalents)	1,947,000	994,000	402,000
Cost per Bound Volume Equivalent in Inventory	\$ 8.35	\$9.01	\$6.89
Current Cost per Volume	\$15.00		

Regent Collison said she felt that there aren't enough books at the graduate level and requested that graduate material be updated.

President Parks took vigorous exception to a statement that the state universities are equal with regard to library facilities. He said ISU is 74th of 82 universities with regard to research libraries. He said he hoped the board wouldn't take action that would preclude what the university is now doing.

MOTION: Mr. Baldrige moved that the board refer this item back to the Budget Preparation Committee and that Option 1 be adopted for the moment. Mr. Slife seconded the motion.

Regent Slife said the committee needs to do more work. Mr. Richey asked whether there was objection to his office also doing more work on this. No objections were expressed.

Regent Shaw said the board's justification should not be based on the 15%

Special Needs Askings

THE UNIVERSITY OF IOWA

1975-77

	<u>1975-76</u>	<u>1976-77</u>
A. General University	\$ 3,385,000	\$ 3,684,000
B. University Hospitals	365,000	69,000
C. Psychopathic Hospital	112,000	3,000
D. State Bacteriological Laboratory	86,000	-0-
E. University Hospital School	85,000	-0-

A. <u>General University</u>	<u>1975-76</u>	<u>1976-77</u>
1. Maintaining and Expanding Instruction and Research Use of Computers	520,875	127,500
2. Enhancing Faculty and Staff Development	137,000	232,500
3. Improving Existing Programs	406,800	408,000
4. Enriching Instruction through Interdisciplinary Programs	112,100	100,000
5. Strengthening Student Advising and Counseling	204,000	101,000
6. Maintaining Educational Opportunities for Low-Income Students	205,000	350,000
7. Enriching Instruction through Libraries and Audiovisual Media	134,200	273,900

A. <u>General University (continued)</u>	<u>1975-76</u>	<u>1976-77</u>
8. Modernizing and Equipping Undergraduate Scientific and Technical Laboratories	\$ 100,000	\$ 150,000
9. Advancing Instruction and Services in the Health Sciences Colleges	639,500	771,500
10. Extending Services to Iowans	173,675	60,000
11. Providing Essential Administrative Support Services	280,141	330,000
12. Fringe on Above Special Needs	<u>349,709</u>	<u>358,600</u>
	\$ 3,263,000	\$ 3,263,000

B. <u>University Hospitals</u>		
1. Augmentation of Clinics and Supporting Services	50,000	50,000
2. Family Practice Clinic	31,900	1,900
3. Pediatric Perinatal Intensive Care	92,000	5,100
4. Specialized Ambulatory Care Programs	62,250	3,500
5. Emergency Treatment Center	14,000	750
6. Expansion, Unit Dose Program	38,850	3,250
7. Specialty Patient Care Needs	<u>76,000</u>	<u>4,500</u>
	\$ 365,000	\$ 69,000

C. <u>Psychopathic Hospital</u>		
1. Categorical Interns	66,000	-0-

C.	<u>Psychopathic Hospital (continued)</u>	<u>1975-76</u>	<u>1976-77</u>
2.	Assistant Prof. to Supplement Relationships with Clinical Facilities	\$ 22,000	\$ 1,320
3.	Clinical Teacher	12,000	840
4.	Speech & Language Clinician	<u>12,000</u>	<u>840</u>
		\$ 112,000	\$ 3,000

D.	<u>Hospital School</u>		
1.	One Community Resource Specialist	15,000	-0-
2.	Window Replacement and Air Conditioning	<u>70,000</u>	<u>-0-</u>
		\$ 85,000	\$ -----

E.	<u>State Bacteriological Laboratory</u>		
1.	Data Analyst	15,415	1,185
2.	Environmental Radiation Protection	24,225	-2,370
3.	Continuing Education in Water and Wastewater Laboratories	25,245	-0-
4.	Continuing Education in Clinical Laboratories	<u>21,115</u>	<u>1,185</u>
		\$ 86,000	\$ -0-

Special Needs

Iowa State University

	<u>1975-76</u>	<u>1976-77</u>
A. General University	\$2,500,000	\$3,000,000
B. Agriculture Experiment Station	335,000	370,000
C. Cooperative Extension Service in Agriculture and Home Economics	280,000	300,000

A. <u>General University</u>	<u>1975-76</u>	<u>1976-77</u>
1. Opening new buildings -- Veterinary Medicine, Continuing Education Building, Stadium, Meats Laboratory	727,000	510,000
2. Iowa State Center -- administration, maintenance, operating costs and expansion of continuing education (University Extension)	610,000	100,000
3. World Food Institute and World Food Congress	75,000	330,000
4. Staff for expanded academic program in Veterinary Medicine	95,000	100,000
5. Development of instructional and research programs in Energy and Mineral Resources Management	50,000	200,000
6. Growth of academic programs	283,000	970,000
7. Academic support programs for minorities	100,000	100,000
8. Financial aids for students	200,000	300,000
9. Recreation, women's athletics	100,500	-----
10. Physical Plant -- deferred maintenance	150,000	200,000
11. Media Resources	75,000	150,000
12. Summer fellowships for doctoral study by Iowa College faculty members	14,500	-----
13. Center for pupils with learning disabilities	<u>20,000</u>	<u>40,000</u>
	\$2,500,000	\$3,000,000

<u>B. Agriculture Experiment Station</u>	<u>1975-76</u>	<u>1976-77</u>
1. Restoration and deferred maintenance of Agriculture Experiment Station Farms and off-campus buildings	135,000	170,000
2. Animal and crop chemical residue system studies	<u>200,000</u>	<u>200,000</u>
	\$335,000	\$370,000

<u>C. Cooperative Extension Service</u>		
1. Expansion of continuing education in agriculture and home economics	50,000	75,000
2. Rural development (including family programs and business management)	80,000	125,000
3. Strengthening agricultural programs for Iowa's animal industry	<u>150,000</u>	<u>100,000</u>
	\$280,000	\$300,000

UNIVERSITY OF NORTHERN IOWA
Cedar Falls, Iowa

SPECIAL NEEDS APPROPRIATIONS REQUEST FOR 1975-77
(not in order of priority)

	<u>1975-76</u>	<u>1976-77</u>
1. Opening New Buildings		
Custodial and maintenance personnel	\$ 45,000	\$ 61,000
Utilities	206,000	167,000
Other continuing costs	<u>25,000</u>	<u>20,000</u>
	\$ 276,000	\$ 248,000
2. Continuing Education Program	32,000	25,000
3. Graduate Program Research Support	45,000	60,000
4. Academic and Administrative Support Staff	115,000	160,000
5. Faculty Position Upgrading	60,000	60,000
6. Professional Development Leave Program Improvement	45,000	
Development of Management Information System	120,000	160,000
8. Program Accreditation Needs	95,000	180,000
Business		
Social Work		
Industrial Arts		
Home Economics		
Library Science		
Music		
9. Instructional Equipment	80,000	75,000
Physical Science & Other Areas		
10. Media Center Materials	40,000	10,000
11. Occupational Safety Program	35,000	10,000
12. Physical Plant Service Costs Increases	90,000	
13. Centennial Observance		45,000
UNI-CUE Staffing	<u>20,000</u>	<u>20,000</u>
	\$ 1,053,000	\$ 1,053,000

The explanatory material is on file at the Board Office.

Regent Zumbach asked a general question as to what extent is the board trying to coordinate computer requests between the universities. President Boyd said administratively there is no reason why this can't be put together. He said, however, the problem of instruction is being dealt with here, and one that he is somewhat sensitive to.

The board then turned to SUI's listing.

President Boyd commented that "Iowa 2000" is an example of what Regent universities can do. Different institutions can do different things.

Regent Collison commented to President Boyd regarding SUI's special needs askings whether they are rather modest. President Boyd said the university is making more Saturday classes available and is trying to redesign in the existing structure as well.

Regent Collison commented that there were no women on the Budgetary Planning and Review Committee. President Boyd commented that this is a committee over which the president has no control. He noted that administrative groups, however, have sought to include women and have asked several women to be on the committee and they have turned them down. President Boyd said this is not a sexist issue and stressed that the important thing is that the persons on the committee be oriented toward the non-traditional student.

Regent Collison then asked about the rural development program Cooperative Extension Service under the special needs asking of ISU. Vice President Christensen reported this is a continuing program. It is moving and

experiencing no cutback. He added that there is a great deal of enthusiasm concerning this program.

President Parks commented that the World Food Institute and World Food Congress program is the university's prize program. Regent Shaw stated his belief that this program should be ideal for foundation support. President Parks concurred.

Vice President Stansbury reported that the University of Northern Iowa did not calculate the special needs dollars the same as the other institutions and said this will be changed before the July meeting.

President Petersen commented that the Iowa Braille and Sight Saving School's special needs askings were not yet submitted to the board. She recommended that the school send them to board members rather than waiting till September.

TUITION POLICY 1975-77. The board was requested to approve the tuition policies as proposed below for the 1975-77 biennium:

PROPOSED TUITION RATES AND ESTIMATED REVENUE INCREASES

June 21, 1974

FOR 1975-76 AND 1976-77

	Tuition Rates per Academic Year*				Tuition Increase				Enrollment for Tuition Purposes	Revenue Increase **			
	1974-75	1975-76	1976-77	1977-78	1975-76		1976-77			1975-76	% of Total	1976-77	% of Total
					over 1974-75	% Incr.	over 1975-76	% Incr.		over 1974-75	Revenue	over 1974-75	Revenue
University of Iowa													
Resident Students													
Undergraduate	\$ 620	\$ 682	\$ 682		\$ 62	10.0%	\$ 62	10.0%	11,219	\$ 695,578		\$ 695,578	
Graduate	710	780	780		70	9.9%	70	9.9%	3,374	236,180		236,180	
Medicine	870	1,300	1,300		430	49.4%	430	49.4%	581	249,830		249,830	
Dentistry	870	1,130	1,130		260	29.9%	260	29.9%	262	68,120		68,120	
Law	710	780	780		70	9.9%	70	9.9%	488	34,160		34,160	
Sub-total									15,924	\$1,283,868		\$1,283,868	
Non-Resident Students													
Undergraduate	1,450	1,550	1,550		100	6.9%	100	6.9%	2,495	\$ 249,500		\$ 249,500	
Graduate	1,550	1,650	1,650		100	6.5%	100	6.5%	1,435	143,500		143,500	
Medicine	1,950	2,600	3,100	\$3,600	650	33.3%	1,150	59.0%	65	42,250		74,750	
Dentistry	1,950	2,250	2,680	3,100	300	15.4%	730	37.4%	48	14,400		35,040	
Law	1,620	1,720	1,720		100	6.2%	100	6.2%	121	12,100		12,100	
Sub-total									4,164	\$ 461,750		\$ 514,890	
Total - Revenue Increase									20,089	\$1,745,618	12.0%	\$1,798,758	12.4%
Total Revenue - 1974-75 (est.)										\$14,553,000		\$14,553,000	
Iowa State University													
Resident Students													
Undergraduate	\$ 600	\$ 660	\$ 660		\$ 60	10.0%	\$ 60	10.0%	12,484	\$ 749,040		\$ 749,040	
Graduate	705	775	775		70	9.9%	70	9.9%	372	26,040		26,040	
Graduates on Appointment	360	775	775		415	115.3%	415	115.3%	2,236	927,940		927,940	
Veterinary Medicine	600	860	1,130		260	43.3%	530	88.3%	372	96,720		197,160	
Sub-total									15,464	\$1,799,740		\$1,900,180	
Non-Resident Students													
Undergraduate	1,432	1,530	1,530		98	6.8%	98	6.8%	2,143	\$ 210,014		\$ 210,014	
Graduate	1,582	1,650	1,650		68	4.3%	68	4.3%	186	12,648		12,648	
Veterinary Medicine*	1,432	1,850	2,270	2,690	418	29.2%	838	58.5%	93	38,874		77,934	
Sub-total									2,422	\$ 261,536		300,596	
Total - Revenue Increase									17,886	\$2,061,276	16.4%	\$2,200,776	17.5%
Total Revenue - 1974-75 (est.)										\$12,563,000		\$12,563,000	
University of Northern Iowa													
Resident Students													
Undergraduate	600	630	630		30	5.0%	30	5.0%	7,057	\$ 211,710		\$ 211,710	
Graduate	630	660	660		30	4.8%	30	4.8%	306	9,180		9,180	
Sub-total									7,363	\$ 220,890		\$ 220,890	
Non-Resident Students													
Undergraduate	1,200	1,200	1,200		-		-		165	-		-	
Graduate	1,380	1,380	1,380		-		-		64	-		-	
Sub-total									229	-		-	
Total - Revenue Increase									7,592	\$ 220,890	4.7%	\$ 220,890	4.7%
Total Revenue - 1974-75 (est.)										\$4,670,000		\$4,670,000	

936

* Proposed tuition rate per academic year, 1978-79, for Veterinary Medicine (ISU) is \$3,100.

** Revenue increases for 1977-78 over 1976-77 are estimated to be \$52,660 for SWI and \$39,060 for ISU. Additional revenue increase for 1978-79 over 1977-78 is estimated to be \$38,130 for ISU.

GENERAL 0-7074

The Board Office reported that the above table shows the tuition rates in effect in 1974-75 and the proposed rates for the 1975-77 biennium. In the case of certain of the health professions where substantially greater increases are proposed, the rates are phased in over a three to four year period and carry into 1977-79. The rates indicated in those years are based on costs and conditions in effect in the 1975-77 biennium. If additional increases are in order in the 1977-79 biennium, they would be in addition to the rates recommended herein. That decision, however, would obviously not be made until additional studies are made two years hence.

The tuition policies and rates proposed herein would yield gross revenues of about \$4,200,000 in each year of the biennium over anticipated receipts from tuition in 1974-75. The gross yield above would be reduced by about \$1.2 million for student aid and for a change in the accounting system at Iowa State for student fee exemptions that are recommended to be discontinued. The net increase in student aid other than the accounting change would be less than \$300,000. The increases in tuition rates for veterinary medicine students do not show an increased cost for student aid primarily because of the relatively small number of students and particularly because most of the non-resident students are on contract with other states and thereby qualify for resident rates. The revenue yield from the increased rates recommended for non-resident veterinary medicine students of about \$39,000 the first year and \$78,000 the second year is too high. Only about 30 non-resident students pay non-resident rates in this program annually.

Undergraduate Resident Tuitions. It is assumed that prices and costs will go up about 6% to 8% annually during the 1975-77 biennium. Consequently, if resident undergraduate tuition rates were to be held constant an

additional two years in terms of real dollars and costs, an average annual increase of approximately 7% would be required. Since the board desires to avoid annual increases, a rate of 10% increase imposed in the fall of 1975 would yield approximately the same fiscal result. It is recommended that the board increase the rates by 10% or about \$30 per semester at the University of Iowa and Iowa State University effective with the fall of 1975 for resident undergraduates. The rate for the University of Northern Iowa is recommended to be increased only 5% or \$30 per academic year because of the school's different mission, its enrollment problems of the last two years, rates in comparable institutions, and program variety available.

Non-resident Undergraduate Tuitions. Application of the policy to non-resident undergraduate tuitions as recommended for resident undergraduate tuitions would result in a rate increase of \$150 in the fall of 1975. Because of the uncertain impact of rather substantial rate increases already enacted in the last two years (1973-75), however, it is recommended that rates be increased by about 7% effective in the fall of 1975 rather than the full 10% proposed for residents. This would result in rates of \$1,550 at the University of Iowa for the 1975-77 biennium and \$1,530 for Iowa State University. No change in rates is recommended at the University of Northern Iowa because of its very low percentage of non-resident students. In view of the educational values and the fact that there is some marginal cost benefit, the \$100 increase is recommended with the understanding that further review might be appropriate in mid-biennium in 1975-77.

Graduate and Professional Tuitions. It was recommended that the resident student rates for graduate programs be increased by 10% beginning in the

fall of 1975 for the 1975-77 biennium, the same percentage of increase as recommended for resident undergraduate students. It would reflect a \$70 increase at Iowa and Iowa State University. Consistent with the recommendation for the resident undergraduate student at the University of Northern Iowa, a 5% or \$30 increase is recommended for that institution.

Non-resident graduate student tuition rates are recommended to increase by \$100 or 6.5% at the University of Iowa, by \$68 or 4.3% at Iowa State University and to be held constant at the University of Northern Iowa.

The recommendation for the University of Northern Iowa for graduate students is based on the lower graduate student unit costs there, and the fact that the institution has fewer assistantships for graduate students and no Ph.D. programs. It has a relatively low number of non-resident students.

Tuition Rates in the Health Sciences. It was recommended that medical tuitions for resident students at the University of Iowa be established at \$1,300 for each year of the 1975-77 biennium. This would represent about 28% of the estimated general fund cost for instruction per medical student. This rate will probably place Iowa at about the middle ranking within the eleven state area since the University of Illinois currently charges \$1,107 per academic year and may well increase its rates at least 7% per year.

Non-resident tuitions for medical students are \$1,950 for the 1974-75 fiscal year. If the same policy were applied to non-resident medical tuitions as to non-resident undergraduate tuitions as recommended above, non-resident tuition rates of \$3,600 would be required. This assumes a \$4,700 average general fund cost per student per year in the 1975-77 biennium and a 25% reduction for economy scale. A rate increase of this magnitude could be

harmful to the plans of students unless they are given adequate notice and the rates phased in over a period of time. Consequently, the rates of \$2,600 are proposed for 1975-76, \$3,100 in 1976-77 and \$3,600 in 1977-78. It is recognized that annual rate increases as proposed here vary from the board's desire for one time increases during the biennium.

Tuition Rates for Students in the College of Dentistry. Undergraduate tuition rates for students in the College of Dentistry are \$870 in 1974-75, the rate established in 1969. The relationship between unit costs per undergraduate student in the College of Dentistry is about 86% of the unit costs of the undergraduate student in the College of Medicine. The present tuition rate schedule does not reflect this cost differential. The \$4,700 general fund unit cost per student in the College of Medicine in the 1975-77 biennium would translate to \$4,050 for the undergraduate dental student during that period. If the same tuition policy were applied to the College of Dentistry as proposed above for the College of Medicine, undergraduate tuitions would be established at \$1,130 in the fall of 1975 as compared to the \$1,300 proposed for the medical student resident. As for medicine, it is recommended that the tuition rates for non-resident students in dentistry be staged in over a three-year period through 1977-78 at the rate of \$2,250 in 1975-76, \$2,680 in 1976-77 and \$3,100 in 1977-78. The increases would be 15% annually or about \$300 the first year and \$400 annually thereafter.

Veterinary Medicine Students. The recommendations presented assume changes for veterinary medicine students equivalent to those for dental students. Since veterinary medicine students have been charged the same rates as regular undergraduate students at Iowa State University (\$600), a recommended phase-in over four years is proposed for non-resident students and a

two-year phasing in is recommended for the proposed resident rates.

Non-resident rates would be phased in from the current \$1,432 to \$1,850 in 1975-76, \$2,270 in 1976-77 with further increases of about \$400 per year during the 1977-79 biennium to reach the \$3,100 proposed for dentistry.

In discussion, President Petersen suggested the board submit a proposal to the legislature with respect to student aid. She suggested the board discuss student aid at a later date.

President Boyd introduced Debra Cagan and Dan Rogers, SUI students, who were present for discussion. President Kamerick introduced UNI's Student Body President, David Sheridan. President Parks introduced the ISU Student Body President, Henry Miles.

President Petersen commented that the board has adopted a set of guidelines for the setting of tuition rates and said the board should consider what it does today in light of those tuition rates. There is a direct relationship between tuitions and student aid and perhaps it would be wise to separate them today and come to the whole picture of student aid in a broader context later. She said that neither the Regents, students, nor institutions look forward to tuition increases but added that when reality is dealt with, things such as this need to be discussed.

Regent Zumbach said he would like to see (1) consideration of a "grand-father clause" to keep the tuition rates for existing students in the health sciences within the moderate guidelines the board set at an earlier meeting and (2) that the board, when moving closer to cost of education has a very compelling argument on keeping up the quality of the faculty.

Regent Baldrige commented that the board, at this meeting, will recommend tuition rates and present those recommendations to the legislature. President Petersen said that is correct. Mr. Richey commented, however, that the board can set tuition for the 1975-77 biennium. President Petersen expressed clarification that the board does not have the authority to change tuition rates for next fall but can change tuition for the next biennium.

President Petersen said that a third alternative would be to state the board would prefer that the lowest tuition possible is desired. She went on to say that like capital where the board prefers direct appropriation, if that is not possible, bonding authority could be used. The board could state preference would be greater state support but if not possible, here are the recommended levels of student support.

Regent Shaw said the board should bear in mind that a few months ago it said it recommended a moderate tuition increase in fall 1975. He said the board should implement the policy it set.

Regent Bailey noted that the Governor has indicated a feeling that he feels there would be some merit in having an indication from the board on its intention with regard to tuition on a yearly basis.

President Petersen commented that the board can set the tuition levels for the next biennium or make a recommendation of those levels to the legislature indicating it could fund the full amount without those tuition increases or fund it with the level of the tuition increases.

Regent Shaw commented that costs go up about 5% per year. He recommended the tuition increases be calculated so that each year of the biennium there

would be a similar size increase. That would tie in better with the state's budgeting. He said it would be better for the student to know and anticipate an increase rather than having the board raise tuition 50% or 60% at one time.

Mr. Richey responded that annual increases would probably result in higher tuition rates. You can take smaller bites more frequently and end up with a higher figure than if you set it every two years, he added.

President Petersen said one of the problems with a yearly increase is the direct association with costs, inflation, and a number of factors which may not be considered such as total costs, the rates in the eleven-state area, etc. She said by raising the rates yearly the board could get into a trap which would reduce its flexibility. Regent Baldrige said he didn't agree that that could be a problem. President Petersen stated she thought it could become a fact of life every year that tuition would be raised and the resistance for such increases would then be lowered.

Regent Collison said she sees it as the board's responsibility, rather than federal government's responsibility, to tie tuition more definitely to student aid. The board's first obligation is to make student aid available. She said this has to be made a strong part of the board's case to the legislature.

President Petersen said she was quite surprised at the analysis of student bodies at Regent institutions on the ACT tests. She said the Regent universities really do not serve a very large portion of the middle and low income groups. She said we have priced ourselves out of the market. She added that although student aid programs are in effect, they are still not effective

enough. President Petersen commented that loans are becoming harder to receive.

President Boyd commented that tuition has been the biggest single factor in encouraging people in this country to take advantage of education. He said he has very substantial reservations about high tuition for professional colleges. He said the Postsecondary Financing Commission says for every \$100 increase in tuition a one to three percent decrease in the number of students can be projected. Low tuition has really been the big favor in drawing people to institutions.

President Kamerick associated himself with President Boyd's remarks by saying he is in agreement that low tuition cost is imperative. He said the student aid programs are bogged down in paper work and do not properly serve students' needs.

President Parks agreed, also, with Presidents Boyd and Kamerick. He said we need to keep reminding ourselves that the principle of free or low cost education has served this country very well and added he didn't feel we should abandon this principle.

Regent Bailey said he's not sure the board can look at either family income of students that are in the university at the present time or the actual number of students enrolled to conclude that the tuition rate alone is the determinant of why the enrollment figure is as it is. He reminded the board that private schools, whose tuitions are several times that of the state universities, are continuing to enroll a very substantial number of students. He said the board should be facing all the facts.

President Boyd said there is a strong commitment, on the other hand, to low

or no community college tuition in this country. He said he feels high tuition deters students. He questioned whether some courses should be more expensive some places than other places. He said the student's aspirations and capabilities should not be fenced out because tuition is higher one place than another.

Regent Shaw said he didn't feel the increase in tuition was a "tuition increase" as such. He noted that we are not even keeping up with the devaluation of the dollar in keeping up with the unit cost of instruction. He commented that college is not for everyone and it is a mistake to have too much subsidy.

President Boyd said he agreed with Regent Shaw and added that Regent Shaw made a very important point in that he didn't feel that those who graduate from college will have the economic advantage the way they may have had in the last 15 years. He said people shouldn't be enticed into the wrong fields of work. We are developing tremendous shortages of the following various working categories: plumbers, pipefitters, electricians, etc.

Mr. David Schneider, SUI Student Body President, reported to board members that students have a very real economic problem in financing their education. He recommended the board recommend to the legislature some moderate increase in tuition, establishing that as a maximum and letting the legislature decide whether it should be divided between the taxpayers of Iowa or to the students themselves. He said education in Iowa would be benefited by a lower tuition rate and hoped the legislature would then have the cost divided among the Iowa taxpayers rather than the students.

Mr. Henry Miles, ISU Student Body President, said he feels that students in the future are going to be more price conscious than before. He said a

student no longer has to go to college to avoid the draft and said this has bearing on this situation.

Ms. Cagan, SUI, reported that the wages of students have not increased to be comparable to the increase in tuitions.

Mr. Miles said the students at ISU were surveyed and most students are opposed to tuition increases. Six hundred students were polled and it was pointed out they wanted financial security with regard to tuition.

Regent Bailey commented that whether the funds come from tuition, grants, or the legislature, the board is really talking about the quality of its education system. He said the board is actually talking about the improvement of quality when it talks about getting funds, regardless of what the source may be.

President Petersen then requested comments regarding specific levels on the tuition rate recommendations. She commented about the recommendations made on medicine, dentistry and veterinary medicine. She noted the board established in its principles and guidelines that some difference should be provided in providing instruction, keeping accessibility in mind. She said that in the past these programs were recognized as elite programs and only the rich people could get in them. President Petersen said that through the efforts of affirmative action and student aid and assistance programs, the board has made an attempt to alleviate that and is providing opportunities for a wide range of students to have accessibility to these professional colleges. She noted, however, that she feels that persons from a disadvantaged background are not always willing to obligate themselves to large loans. She commented on one argument, however, that students in those

programs will someday be earning substantial money and so would pay higher taxes.

President Boyd commented that there are about two qualified applicants for each resident Iowan accepted into medicine. Very few non-residents are coming in for medicine, and President Boyd commented that this may be questionable since so much of the support for medicine is derived from federal funds.

Regent Barber said he hates to have students pay the increase in tuition but if they don't, somebody else is going to pay for it and realistically the ones who are benefitting should really be expected to pay for it.

Regent Collison said she didn't see any advantage in raising tuition in lump sums for certain professions. She commented that doctors, for example, start practice with incurred debts of \$7,000 to \$10,000. She commented that doctors contribute a lot of money into student loans, etc. because they do appreciate the advantages that were given to them.

President Parks commented that his offhand judgment would be to favor the biennial increase rather than the annual increase. Once you become accustomed to an annual increase, he commented, it will be there every year. He said that if the board is planning on making a substantial tuition increase, he favored breaking it down over two years. President Kamerick expressed approval of President Parks' remarks. President Boyd said he feels it depends on the size of the increase. He said if the increase is substantial he recommended the costs be staggered.

President Petersen said she preferred tuition that is level across the biennium for the reasons that have been expressed. Regent Slife expressed that he is apprehensive about increasing tuition rates yearly because then

there will be the temptation to raise the rates every year and then tuition costs would be substantially higher than if you made an adjustment in the tuition rates every few years. Regent Baldrige said he would like to see a control on annual increases but added he has no firm opinion regarding it. Regent Brownlee said he felt one step would be the wisest.

Regent Bailey said he would go along with the increase for the biennium but reiterated that the Governor's view on this would be for favoring annual increases. Regent Collison said she feels the tuition rates should be set for the biennium and that the power should rest in the hands of the Board of Regents for future increases or tuition rate changes.

Regent Zumbach concurred with Mr. Richey's recommendation and said he assumed it would amount to the same total dollar amount no matter which way it would be set. Regent Barber said if the board adopted this schedule it would be fair and equitable. He said he favored adopting it for the biennium as recommended.

MOTION:

Mr. Brownlee moved the board approve the proposed tuition rates and estimated revenue increases as presented except that the resident rates for medicine and dentistry at the University of Iowa be \$100 less than shown for 1975-76 and 1976-77; non-resident rates for medicine and dentistry for the University of Iowa be \$100 less than shown for 1975-76 and be changed to read \$2,700 and \$2,280 respectively for 1976-77; non-resident rates for veterinary medicine at Iowa State University be \$100 less than shown for 1975-76 and 1976-77, and resident rates for veterinary medicine be \$100 less for 1976-77. Mr. Slife seconded the motion.

Regent Brownlee commented he felt the health professions tuition rates are steep as proposed originally.

President Boyd said it is important to remember that there is a compounding problem here with non-residents. This would be the third year in a row that non-residents have sustained an increase.

Regent Zumbach said he could accept the motion only if a grandfather clause would be incorporated. He expressed concern for the non-resident student and requested he be "grandfathered" at present rates.

AMENDMENT TO MOTION:

Mr. Bailey moved to increase the undergraduate tuition for the University of Iowa and Iowa State University for 1975-76 and 1976-77 to \$700 and \$680, respectively. Mr. Barber seconded the motion.

Regent Bailey said he feels the board is obligated to the legislature to increase those rates. He said the board was allowing for (1) an increase from 6½% to 8% for faculty salaries, and (2) the board was also allowing against the \$46 proposed increase in undergraduate tuition which House members were pushing. In allowing for the one and against the other the board was saying this could be treated as a one-shot type of appropriation. By giving the board the money and not raising the undergraduate tuition, we can then take a double tuition increase next year and, in effect, offset the commitment the legislature would otherwise be getting themselves into, which it was trying to steer clear of. He said the legislature didn't want to be committing future funds lest the economy would go in the opposite direction and funds would not be available. He said the board argued that this would be a one-shot type of increase.

Mr. Richey said that in no instance did the board make any commitment in terms of resident tuition in regard to the salary issue for 1974-75 or for any other year. He said the board strongly asserted the faculty should be treated in the same manner as other state employees for salary increases

including the disability insurance. He said the request was in no way tied to the tuition increase.

Regent Bailey said he, however, feels a personal responsibility toward the legislature and what he said is true as far as he is concerned.

VOTE ON AMENDMENT TO MOTION: The motion failed with Baldrige, Brownlee, Collison, Slife, and Zumbach voting nay.

AMENDMENT TO MOTION: Mr. Baldrige moved the undergraduate and graduate non-resident tuition rates for the State University of Iowa and Iowa State University stay the same as the 1974-75 rates for 1975-76 and that the 1976-77 rates be increased \$50 from those of 1974-75. Mrs. Collison seconded the motion.

President Boyd spoke in support of the motion by saying increasing the tuition for non-resident students three years in a row is too much. You can overprice instruction and that may reduce the amount of revenue rather than increase it.

President Petersen restated the Baldrige amendment by saying it shows no increase for non-resident student rates for undergraduates and graduates for the first year of the next biennium but shows a \$50 increase (\$48 for ISU to be divisible by three) the second year of the biennium.

Regent Brownlee said he wouldn't like to see the board raise resident tuition rates and not raise non-resident tuition as much.

Regent Collison said the board has to tie its resident tuition rates to student aid and stressed that if the board wants to look after the citizens of this state it has to do it through student aid and not through tuition increases.

VOTE ON AMENDMENT TO MOTION: The motion failed with Bailey, Barber, Brownlee, Shaw, Slife, Zumbach, and Petersen voting nay.

President Parks suggested the board eliminate from the motion graduates on appointment. He said that raises the question of fee differential practices which he felt should be discussed in more detail. Mr. Richey responded that the recommendation before the board does assume that that would be abolished but the amount of money thus exempted would be in the student aid side of the budget or at least made available to the institution for that purpose. He said this question would need to be resolved before the budget request is approved for 1975-77.

President Petersen asked whether the board would consent in dividing the motion and taking up graduates on appointment as a separate matter. Regent Brownlee expressed his approval of the motion division if it comes up as a separate item of business.

President Petersen expressed her reluctance to have the medical and dental tuitions raised as much as is recommended. Regent Collison said she also feels those rates are high.

Vice President Hardin commented that some years ago the medical school tuition was \$192 and the minimum wage was 32¢. It took 600 hours work to earn a year's tuition. The minimum wage now is \$2.00 and for \$1,200 tuition costs, it would again take 600 hours to earn a year's tuition. He pointed out, however, that when he was in medical school the students had every summer off. Now medical students have the summer after their first year off and then they go to school continuously until they graduate. They do not have the opportunity to work like students used to be able to. He commented that at the present time in the medical and dental schools there is a rather

high proportion of students of families with incomes below the poverty level and said the university likes to have those students. He noted that last year seven out-of-state students entered the medical school and of those five were EOP students. Dr. Hardin commented that raising out-of-state tuition would accomplish very little. He did note, however, that increases in the Iowa universities are modest compared to other institutions in the Midwest. Dr. Hardin stated that even so, most of Iowa's students graduate with a debt. Any raise given to tuition for medical and dental students would simply be added to that debt.

Regent Collison said medical students also have the added expense of moving to other cities and taking up a transient kind of residence there which adds to their cost. She said she is not in favor of the increase in professional tuition rates and recommended the board decrease the proposed tuition rates for resident students for the State University of Iowa medical and dental students by \$100 for 1975-76 and 1976-77; decrease the non-resident tuition rates for medicine and dentistry at the State University of Iowa by \$100 for 1975-76 and \$400 for 1976-77; decrease the resident tuition rate for veterinary medicine at Iowa State University by \$100 for 1976-77; decrease the non-resident veterinary medicine rates by \$100 for 1975-76 and 1976-77.

President Boyd said he would prefer to have the increases in tuition reduced substantially. He said the board has to think about the future as well as the present and associated himself strongly with those who have been arguing that the increase is too high not only for students who are currently in school but also for forthcoming students who may be deterred by the high tuition costs. He said a grandfather clause would certainly be better than nothing but said he is concerned about the future as well as present students.

AMENDMENT TO MOTION:

Mrs. Collison moved the board set tuition at \$1,100 for 1975-76 and 1976-77 for medicine resident students at SUI, leaving the tuition rates for resident students for dentistry and law the same. She moved the non-resident students at SUI pay \$100 less than shown for 1975-76 and the 1976-77 year it would go up \$50. The motion died for lack of second.

VOTE ON MOTION:

The motion passed with Collison and Zumbach voting nay.

TUITION RATES AS ADOPTED BY THE BOARD OF REGENTS
FOR 1975-76 AND 1976-77(1)

	<u>Tuition Rates per Academic Year</u>			<u>Tuition Increase</u>			
	<u>1974-75</u>	<u>1975-76</u>	<u>1976-77</u>	<u>1975-76</u>	<u>%</u>	<u>1976-77</u>	<u>%</u>
				<u>over</u>	<u>Incr.</u>	<u>over</u>	<u>Incr.</u>
<u>University of Iowa</u>							
<u>Resident Students</u>							
Undergraduate	\$ 620	\$ 682	\$ 682	\$ 62	10.0%	\$ 62	10.0%
Graduate	710	780	780	70	9.9%	70	9.9%
Medicine	870	1,200	1,200	330	37.9%	330	37.9%
Dentistry	870	1,030	1,030	160	18.4%	160	18.4%
Law	710	780	780	70	9.9%	70	9.9%
<u>Non-Resident Students</u>							
Undergraduate	1,450	1,550	1,550	100	6.9%	100	6.9%
Graduate	1,550	1,650	1,650	100	6.5%	100	6.5%
Medicine	1,950	2,500	2,700	550	28.2%	750	38.5%
Dentistry	1,950	2,150	2,280	200	10.3%	330	16.9%
Law	1,620	1,720	1,720	100	6.2%	100	6.2%
<u>Iowa State University</u>							
<u>Resident Students</u>							
Undergraduate	\$ 600	\$ 660	\$ 660	\$ 60	10.0%	\$ 60	10.0%
Graduate	705	774	774	69	9.9%	69	9.9%
Graduates on Appointment(2)	360	774	774	414	115.3%	414	115.3%
Veterinary Medicine	600	861	1,029	261	43.3%	429	71.7%
<u>Non-Resident Students</u>							
Undergraduate	1,434	1,530	1,530	96	6.8%	96	6.8%
Graduate	1,584	1,650	1,650	66	4.3%	66	4.3%
Veterinary Medicine*	1,434	1,749	2,169	315	22.2%	735	51.5%
<u>University of Northern Iowa</u>							
<u>Resident Students</u>							
Undergraduate	600	630	630	30	5.0%	30	5.0%
Graduate	630	660	660	30	4.8%	30	4.8%
<u>Non-Resident Students</u>							
Undergraduate	1,200	1,200	1,200	-		-	
Graduate	1,380	1,380	1,380	-		-	

(1) Revised rates are effective for the fall term of each respective year.

-- ISU figures above represent a change made by the board at the July 1974 meeting. For that board action, see ISU portion of the July 1974 minutes. 953

Regent Baldrige said student aid is tied in with this and will be given board attention at a later date. He said there may have to be some considerable changes in student aid and the board will study it very thoroughly.

President Boyd reminded the board of its discussion in Council Bluffs at its recent board meeting as to the adequacy of the student fee going to the Daily Iowan. He said additional discussion is needed as to how much money goes into aid and how much goes to meet the costs of programs covered by student fees.

President Petersen said the board needs to make a decision as to whether it is setting the tuition rates or recommending the rates to the legislature.

MOTION: Mr. Bailey moved the board set tuition rates for 1975-77. Mr. Barber seconded the motion and it passed with Petersen voting nay.

Mr. Richey said that would be effective beginning fall term of 1975.

President Parks presented comments regarding graduate assistants. He said there are two ways of compensating graduate assistants. He commented about graduate students on appointment and said the university is not insured financially by this change and the graduate assistant himself is not insured by the change. In a real sense the student came under a contractual agreement which called for a fee reduction. He said he wants the board to be clear that this is a move to make a unified system and not to penalize the university.

Vice President Moore, ISU, said he felt the fee reduction should be removed because of the income tax obligation. He said if this money is mishandled the Internal Revenue Service could take it. If handled properly the university can use it for full benefit for aid and assistance for graduate

students. He suggested this proposal be discussed later since this would be effective the fall of 1975. He said a study is well underway and a plan will be devised to satisfy all requirements. He suggested the board instruct them to bring in a proposal to be effective fall 1975. He said it would be brought in sometime before January of 1975 for the board's consideration. It requires that an extensive change be made of all partial fees. He said a complete table of hourly charges will be brought to the board.

The comprehensive material presented to board members concerning tuition is on file at the Board Office.

MEETING TIME CHANGE. President Petersen reported the board meeting would commence at 8:30 a.m. on Friday, June 28, 1974.

EXECUTIVE SESSION. President Petersen reported a property matter at the State University of Iowa was to be discussed in executive session. On roll call vote on whether the board should resolve itself into executive session, the vote was as follows:

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

NAY: None

ABSENT: Barber

The board having voted in the affirmative by at least a two-thirds majority, resolved itself into executive session at 4:50 p.m. and arose therefrom at 5:40 p.m.

The following business pertaining to general or miscellaneous items was transacted on Friday, June 28, 1974.

PRELIMINARY INSTITUTIONAL BUDGETS FOR 1974-75. The board was presented a memorandum providing review and summary of the bases for developing the preliminary budgets. Comments were provided on the various items as follows:

Salaries

Appropriations have been provided for academic and non-academic personnel in the amount of 7 1/2% of the 1973-74 budget. The appropriated amount includes the amounts required for fringe benefits. An additional amount is appropriated to cover the disability insurance premiums paid by employees effective January 1, 1975. An amount of 3% of the 1973-74 budget is appropriated for administrative and professional employees and for general service staff (Merit System) employees in the amount of \$1,530,000 which was allocated to the various organizational units by the Board of Regents at its May meeting subject to approval of the State Comptroller. The appropriation included \$150,000 for further implementation of the Regents Merit System.

General Expense

The appropriation includes an increase of 5% for general expense. The supplemental appropriation included amounts for food in each of several organizational units which provide food to students or patients. The Board Office requested that a separate item be included for fuel and purchased electricity and another separate item be included for fuel and purchased electricity which would be expected to be requested from the contingency fund. The total amount of fuel and purchased electricity from both the appropriated amounts and the contingency appropriation will serve as the starting base for the 1975-77 budget. This practice will not overstate the amount requested for 1975-77 because the budget requirements for those years will be calculated and the amount in the 1974-75 budget will be subtracted to get the additions required. During the appropriation process the appropriation was reduced by amendment with the expectation that tuition would be increased and approximately 10% of the revenue would be available in general expense for student aid. Some of the institutions have included a corresponding increase in student aid.

Equipment and Library Books

The original appropriation included an increase in funding for equipment in the amount of 5% and for library books in the amount of 10%.

RR & A

The original appropriation included an increase in funding for RR & A in the amount of 5%.

Special Needs

The special needs as included in the supplemental appropriation in the amount of \$1,169,000 is allocated by the institutions to the appropriate expenditure category in accordance with the specific program involved.

Federal Funds Losses

It was clearly stated during the budget preparation process in memoranda to the Board of Regents that appropriations were being requested to make up for federal funds losses to the level of the 1972-73 budget in order to continue programs at the 1972-73 level of activity. It was also established by the Board of Regents that restoration of programs would be permitted only in those areas as approved by the board. The Board Office understands these guidelines to mean that any loss of federal funds for 1974-75 from the amount of federal funds received in 1972-73 would be considered for allocation from the contingency fund. Funding for 1973-74 might be either higher or lower than funding for either 1972-73 or 1974-75 but would not be pertinent. Funding for new but similar programs to those approved for allocation from the contingency would be considered as federal funding received in 1974-75 in calculating the federal funds losses. The Board Office understands that no new programs may be funded from the contingency appropriation for federal funds losses.

Estimated Income

The Board Office requested the institutions to review their income estimates for 1974-75 and make adjustments to update the various income items in the proposed preliminary budget for 1974-75. The institutions have responded and made various adjustments as discussed in detail in various items elsewhere in this docket.

Unified Budgeting and Accounting

According to Section 3, Chapter 106, Laws of the 65th General Assembly, 1973 Session the State Board of Regents is to establish unified budgeting and accounting system and require each of the institutions of higher education to begin operating under the system not later than July 1, 1974. The universities have adopted changes in their budgeting and accounting system for implementation starting July 1, 1974 and as discussed in the individual materials from each university elsewhere in this docket.

Exhibit A

Exhibit A is enclosed herewith to summarize a few of the items that may be of interest during discussion of the preliminary budgets. The estimated requirements for funding from the contingency appropriation for fuel and purchased electricity totals \$2,590,000 from all institutions which exceeds the appropriated amount of \$1,500,000 by a little over a million dollars. Requests have been submitted by Iowa State University and the University of Northern Iowa for allocation from federal funds losses in the amount of \$408,000 as compared with the total appropriated amount of \$3,000,000. Estimates for the universities of salary savings to be incorporated in the final budgets are provided. These salary savings budgets are related to the expected labor turnover. Unallocated amounts for the University of Iowa and the University of Northern Iowa are shown as it is expected. they will be incorporated in the final budgets.

EXHIBIT A

SUMMARY FROM PRELIMINARY BUDGETS

Requirements from Appropriated Contingencies and
Amounts of Salary Savings and Unallocated Funds

	<u>Contingency For Fuel And Purchased Electricity</u>	<u>Federal Funds Losses</u>	<u>Salary Savings</u>	<u>Unallocated</u>
University of Iowa				
General University	\$1,064,000		\$1,433,000	\$518,859
University Hospitals	101,000		80,027	
Psychopathic Hospital	5,800		198,791	
Bacteriological Laboratory				
Hospital School	19,000		27,900	
State Sanitorium	<u>18,000</u>		<u>128,329</u>	
Sub total	\$1,207,800		\$1,868,047	\$518,859
Iowa State University				
General University	\$ 938,000	\$356,000	\$ 300,000	
Experiment Station			120,000	
Cooperative Extension Service			<u>86,000</u>	
Sub total	<u>\$ 938,000</u>	<u>\$356,000</u>	<u>\$1,006,000</u>	
University of Northern Iowa	\$ 421,000	\$ 52,000	\$ 150,000	\$ 40,000
Iowa School for the Deaf	\$ 20,000			
Iowa Braille and Sight Saving School	<u>\$ 4,000</u>			
Total	\$2,590,800	\$408,000		
Appropriated	\$1,500,000	\$3,000,000		

Mr. Richey commented that the funds reserved to the board in the appropriation for distribution to the institutions are subject to later action. Some of the proposals which come to the board, he added, will require amended or detailed budgets in July because they will assume some of those allocations plus possibly others. There will be some change in the salary from what the board approves in the preliminary budget than what will be in the final budget. He said the \$150,000 equity for distribution among merit employees is one example. He said in general expense a similar situation exists with regard to fuel. The board has asked the institutions to estimate their fuel budgets on the basis of best evidence available at the moment. There is a \$1.5 million contingency for allocations for the institutions based on excess needs over what was appropriated in the 1973 session. When you add all the extra money needed it comes out to more than \$1 million over the contingency appropriation. He said a deficiency request is planned to pick that money up. He said the institutions hopefully will be updating their estimates.

Mr. Richey said another unusual item relates to the federal funds losses. The request made to the legislature was based on pick up of federal funds actually lost for specific programs approved by the board. Those fund losses were from the 1972-73 actual receipts and expenditures. He said there will be several unified budgeting and accounting changes. He added that the practices of the institutions with respect to the treatment of salary savings can have a significant impact on the actual execution of the budgets. If an institution underestimates salary savings it may be overestimating expenditures for salaries and perhaps underestimating other areas of its budget. He said the board should be cognizant of the fact that a tradition of underestimating salary savings has been occurring.

President Petersen stated the board needs to recognize as it pins down the preliminary and line budgets to make them reflect as accurately as possible how the funds are spent and will be spent, that it is also reducing institutional flexibility.

Mr. Richey commented that the percentage figure of 5% for special needs askings is established to recognize that. Otherwise the askings list could be infinite. He said the 5% formula was reached several years ago with respect to the gross national product and other factors.

ELECTION OF BOARD PRESIDENT. The Board Office reported that the president of the Board of Regents is elected every even-numbered year to serve two years "and until his successor is elected and qualified". Mrs. Petersen was elected last year to serve for the remainder of the unexpired term of Mr. Redeker, which ends June 30, 1974.

MOTION: Mr. Bailey moved the board retain Mrs. H. Rand Petersen as president of the Board of Regents by acclamation. Mr. Slife seconded the motion and it passed unanimously.

President Petersen thanked board members.

APPOINTMENTS TO COMMITTEES. The board was requested to approve appointments to vacancies occurring on agencies and committees as shown below.

MOTION: Mr. Bailey moved that the president of the board make the appointments to those outside agencies and committees as shown below. Mr. Brownlee seconded the motion and it passed unanimously.

President Petersen reported that several suggestions for the appointments and reappointments were provided by the institutions. The following

appointments were made for three-year terms ending June 30, 1977:

Committee on Educational Coordination

George Christensen, ISU

May Brodbeck, SUI

Iowa Coordinating Council for Post High School Education

John Baldrige; Steve Zumbach as alternate

President Boyd; Philip Hubbard, SUI, alternate

Mental Hygiene Committee

Margaret Collison

Educational Radio and TV Facility Board

John Baldrige

Regent Baldrige asked if all board members were receiving the minutes of the Educational Radio and TV Facility Board. All board members said that they are. Mr. Richey said he would like to receive a copy of those minutes also.

Regent Collison said she would also be happy to provide minutes or informal items to board members and the Board Office regarding the Mental Hygiene Committee. She said if a board member would express interest in any one of the committees above he or she could visit the committee meeting.

BOARD OFFICE APPOINTMENTS AND PERSONNEL REGISTER. The board was requested to approve the following appointments:

Donald R. Volm as Acting Coordinator, Regents Merit System, and Associate Coordinator effective July 1, 1974. (Mr. Volm resigned as Regents Merit System Coordinator effective July 1, 1974 but is willing to serve as Acting Coordinator in addition to his regular appointment as Associate Coordinator until a new Merit System Coordinator is appointed. The salary of the position would be shown in the 1974-75 Board Office budget for Mr. Volm.)

Eugene F. Rasmussen to the position of Budget Analyst, effective September 1, 1974 at an annual salary of \$14,000 plus usual fringe benefits.

MOTION: Mr. Baldrige moved the board approve the two appointments as named above. Mr. Bailey seconded the motion and it passed unanimously.

The actions reported in the Board Office Personnel Register for May and June of 1974 were ratified by the board.

PROPOSED BOARD OFFICE BUDGET FOR 1974-75. The board was requested to:

- (1) Establish salary of Executive Secretary for 1974-75.
- (2) Approve Board Office budget of \$256,465 for fiscal year 1974-75 subject to approval of the Board of Regents Merit pay plan as proposed by Hayes Associates.
- (3) Authorize pay of Merit employees as listed in the preliminary budget for the first half of July, at annual rates, with the understanding that any later adjustments required by amendment of the Hayes recommendation for clerical employees will be reflected in the payroll for the second half of July, 1974.

BOARD OFFICE BUDGET 1974-75

	1972-73 Actual (Gross)	1973-74 Revised Budget (Gross)	1974-75 Budget (Gross)	1974-75 Budget (Net)
<u>EXPENDITURES</u>				
<u>Salaries and Wages</u>				
Executive Secretary		\$ 24,000	\$ 25,000	\$ 25,000
Merit System Coordinator		21,000	23,500	-
Associate Merit Coordinator		-	21,000	-
Budget Officer		19,428	21,000	21,000
Assistant to Executive Secretary		16,375	18,500	18,500
Director of Information		13,542	16,125	16,125
Budget Analyst		-	14,000	14,000
Secretary III		8,268	9,102	9,102
Secretary III		6,555	7,647	7,647
Secretary II		4,135	6,912	-
Secretary I		-	6,042	6,042
Clerk-Typist II		4,255	5,702	5,702
Account Clerk		4,428	4,867	4,867
Extra Help		393	800	500
Sub-total - Salaries	\$118,454	\$122,379	\$180,197	\$128,485
FICA	4,352	5,148	7,761	5,806
IPERS	2,581	2,995	4,056	3,064
Health	855	1,283	2,592	1,944
Life	241	264	432	324
Sub-total - Salaries and Wages	\$126,483	\$132,069	\$195,038	\$139,623
Less: Turnover and Implementation	-	-	(8,523)	(8,523)
TOTAL SALARIES AND WAGES	\$126,483	\$132,069	\$186,515	\$131,100
<u>Other Expense</u>				
Board Per Diem and Expense	\$ 19,236	\$ 23,210	\$ 26,900	\$ 26,000
Office Travel	6,218	9,700	10,100	7,600
General Office	16,369	13,250	14,750	12,250
Telephone	2,804	4,000	4,800	3,935
Personnel Consultants	-	3,500	12,000	-
Equipment	764	3,836	1,400	500
TOTAL OTHER EXPENSE	\$ 45,391	\$ 57,496	\$ 69,950	\$ 50,285
TOTAL EXPENDITURES	\$171,874	\$189,565	\$256,465	\$181,385
<u>Income</u>				
State Appropriation	\$143,000	\$153,990	\$171,650	\$171,650
Merit Reimbursement	28,020	31,150	74,180	-
Per Diem Reimbursements	140	900	900	-
Statutory Salary Fund	-	1,000	2,000	2,000
Cost of Living Fund	-	996	996	996
Base Salary Adjustment Fund	-	-	6,739	6,739
Misc. Reimbursements	751	1,529	-	-
TOTAL INCOME	\$171,911	\$189,565	\$256,465	\$181,385
Reversion:	(37)	-	-	-
Income to Expenditures	\$171,874	\$189,565	\$256,465	\$181,385

MERIT COORDINATOR
BUDGET 1974-75

Expenditures

Salaries and Wages:		
Merit System Coordinator		\$23,500
Associate Merit Coordinator		21,000
Secretary II		6,912
Extra Time		300
Sub-total - Salaries		<u>\$51,712</u>
FICA		1,955
IPERS		992
Health Insurance		648
Life Insurance		108
TOTAL SALARIES AND WAGES		<u>\$55,415</u>
Other Expense:		
Consulting Fees		\$12,000
Travel		2,500
General Office		2,500
Telephone		865
Equipment		900
TOTAL OTHER EXPENSE		<u>\$18,765</u>
TOTAL EXPENDITURES		<u><u>\$74,180</u></u>

Income

SUI	41.4%	\$30,712
ISU	36.1%	26,780
UNI	16.0%	11,868
ISD	4.1%	3,040
IBSSS	2.4%	1,780
TOTAL INCOME		<u><u>\$74,180</u></u>

The Board Office reported that the recommended gross budget for fiscal year 1974-75 of \$256,465 is almost \$76,000 above the estimate of the current year. The major increase is accounted for in large part by expansion of the operation of the Merit System staff. This program accounts for \$43,000 of the growth which includes an associate merit coordinator and a full-time secretary. It also includes \$12,000 for possible use of personnel consultants as needed throughout the year. These funds are not for any past obligations of the board under the current Merit System study.

The salaries of professional staff members with the exception of the executive secretary are recommended generally at a 7.5% increase. The salary of the executive secretary is set at a maximum of \$25,000 in 1974-75 and appropriations are provided to the board for that purpose if the board establishes the salary at that level. Establishment of the salary for 1974-75 will require specific board action.

The other expense items are approximately as budgeted in the 1974-75 appropriation request. The board per diem and expense is based on the new mileage rates reimbursements authorized by the 1974 session of the legislature. It also includes an assumed inflation for lodging and meals. The proposed budget does not include the cost of printing the budget workbook. This cost has usually been assumed by the institutions and runs about \$1,000 during a biennium.

The major equipment expense of the current year and in 1974-75 relates to reorganization of the office quarters of the board to accommodate two new staff members and an additional secretary within the same square footage of space. It also includes desks and equipment for those personnel.

MOTION:

Mr. Baldrige moved the board (1) establish the salary of the executive secretary of \$25,000 for 1974-75, (2) approve the Board Office budget of \$256,465 for fiscal year 1974-75 subject to approval of the Board of Regents Merit Pay Plan as proposed by Hayes Associates, (3) authorize pay of merit employees as listed in the budget for the first half of July, at annual rates, with the understanding that any later adjustments required by amendment of the Hayes recommendation for clerical employees will be reflected in the payroll for the second half of July 1974. Mrs. Collison seconded the motion and it passed unanimously.

Regent Bailey asked about the budget breakdown for the Board of Regents'

Equal Employment Opportunity Officer, Roger Maxwell, and his secretary. Mr. Richey said a table will be presented to board members at the July meeting which will be quite similar to the one presented for the merit coordinator. Mr. Richey noted there will be a difference in the two in that the restricted funds are from the State University of Iowa except for a few reimbursable items such as using the state car, etc. He stated that Mr. Maxwell and Ms. Mary Nevins, his secretary, are on the State University of Iowa payroll.

President Petersen said an appeal has been made for the salary of the executive secretary for an adjustment to be made in the next biennium. She said no response has been received as of yet, either positively or negatively. Regent Slife said that will have to be pursued. He commented that both the job and incumbent are badly underrated. Regent Brownlee concurred and said the board members both as a board and individuals will do everything possible to adjust the salary of the executive secretary in the next biennium.

OUT-OF-STATE TRAVEL AUTHORITY FOR EXECUTIVE SECRETARY. The board was requested to approve out-of-state travel authority for the executive secretary to attend the annual meeting of the State Higher Education Executive Officers Association in Hawaii scheduled for July 31 through August 3 plus necessary travel time.

The Board Office reported that Mr. Richey is the president-elect of the organization for 1974-75. The estimated cost for the trip is \$500-\$600 to be paid from the Board Office budget. It was noted that usually two persons from the office attend this meeting; however, because of the distance and expense involved in the current year, authority is requested for only one person.

MOTION:

Mr. Bailey moved the board approve the out-of-state travel authority for the executive secretary to attend the annual meeting of the State Higher Education Executive Officers Association in Hawaii scheduled for July 31 through August 3 plus necessary travel time. Mrs. Collison seconded the motion and it passed unanimously.

DEFERRED COMPENSATION. The board was requested to (1) approve the following amendments (listed 1 - 5 below) to the deferred compensation program which, at the board's direction in December 1973, were submitted to the Federal Internal Revenue Service for its approval and (2) direct the institutions to proceed to develop rules and procedures necessary to make deferred compensation programs available to their employees effective January 1, 1975.

Amendments:

1. In Part A (of Exhibit B, Supplement to Compensation Agreement) second paragraph, third line, delete the words "for the next twelve month period", and insert in their place the words "for the next calendar year". We will establish the 30 day period of November 1 through November 30 of each year for initial enrollments and for increasing or decreasing amounts, and all such changes and initial enrollments will be effective beginning January 1 of the succeeding calendar year. No enrollments, increases or decreases will be permitted at any other time.
2. In Part D, line four, change the word "shall" to "may".
3. In Part D, line 5, delete the words "as the Employee may request".
4. In Part D, delete the last sentence and insert in its place the following: "This contract shall then be held by the Employer until the Employee dies or is eligible for retirement payments in accordance with the provisions of this agreement."
5. In Part C, delete the second paragraph and insert in its place the following: "Serious financial hardship shall include the following: Bankruptcy, unexpected and unreimbursed major expenses resulting from illness to person or accident to person or property and other real emergencies which are beyond the participant control and which would cause the participant great hardship if early withdrawal were not permitted. The amount withdrawal shall be limited to the amount necessary to meet the emergency situation. Serious financial hardship shall not include the need for foreseeable expenditures normally budgetable such as down payments on a home, purchase of vehicles or college expenses."

Exhibit B follows:

SUPPLEMENT TO COMPENSATION AGREEMENT

This Supplemental Agreement made as of the _____ day of _____, 19____, by and between _____ hereinafter called "Employee" of an Iowa State Board of Regents institution, the University of Iowa, Iowa State University, University of Northern Iowa, Iowa School for the Deaf, or Iowa Braille & Sight Saving School, hereinafter called "Employer".

WITNESSETH:

WHEREAS, a Compensation Agreement was entered into by the parties hereto, as of the _____ day of _____, 19____, setting forth certain details regarding the services provided to the Employer and the method of compensation, and

WHEREAS, The Employer is willing to provide special benefits for the Employee, in lieu of the compensation provided in said Compensation Agreement as long as the cost to the Employer is no greater, and

WHEREAS, the said Employee would like to have an arrangement which would provide a greater, measure of security, as well as valuable benefits at retirement.

NOW, THEREFORE, it is agreed between the parties as follows:

A. The Employer agrees to purchase from _____

a company duly authorized under Section 509A.12, Code of Iowa, 1973, a retirement annuity, insurance policy, or a variable annuity, or any combination thereof at the direction of the Employee with premiums which can be paid by monthly payments of \$_____ each. The Employer agrees to make these payments in lieu of paying that part of the agreed upon base compensation which is equal to this amount and will continue to do so until he either dies, retires, or otherwise terminates his employment with the Employer for some other reason. The Employer is to be the sole owner and the Direct Beneficiary of these policies and shall have exclusive rights to all benefits therefrom. Nothing in this agreement shall be construed in such a way as to place these policies in trust with the Employer for the benefit of the Employee.

During continuation of employment, a participating Employee may elect to increase or decrease the amount of his compensation to be deferred under the plan for the next twelve month period by giving written notice thereof to Employer at least 30 days prior to the effective date. An employee may terminate his participation in the plan or change the beneficiary under the plan by giving Employer prior written notice of such termination or change. In the event an Employee so terminates his participation hereunder while continuing his employment, all Deferred Compensation Policies issued shall continue to be administered in accordance with the terms of this plan and the benefits accrued thereto shall only be distributed at such time and in such manner as is specified in this agreement.

B. In case the Employee dies while these policies are held by the Employer, the Employer will, as Direct Beneficiary, elect to have the proceeds placed

June 27-28, 1974

under an option which will disburse equal instalments payable for one hundred twenty months, or such other suitable option as may be selected by the Employer at its sole discretion. Such payments will be paid by the Insurance Company to the Employer until the proceeds have been exhausted. The Employer agrees to pay to _____

(Beneficiary)

(Relationship to Employee)

payments which will equal the payments received from the Insurance Company and will continue to pay them for the same period of time it receives payments from the Insurance Company.

C. In case the Employee becomes totally disabled, or suffers serious financial hardship, the Employer may request that future dividends be paid to it in cash by the Insurance Company and may supplement these amounts by making loans against the Cash Value of the contract. Payments will then be made by the Employer to the Employee in amounts equal to these dividends and loans. Such payments will reduce the payments which will later be payable at death or retirement.

Serious financial hardship shall include the following: Bankruptcy or impending bankruptcy, unexpected and unreimbursed major expenses resulting from illness to person or accident to person or property and other types of unexpected and unreimbursed expenses of a major nature that would not normally be budgetable. Serious financial hardship shall not include the need for foreseeable expenditures normally budgetable such as down payments on a home, purchase of vehicles or college expenses.

D. If the Employee terminates his employment prior to his death and prior to his normal retirement date, and if this termination is for some cause other than for disability, the Employer shall cease making any further payments and shall agree to transfer ownership of the policy or policies to such subsequent Employer as the Employee may request, providing said subsequent Employer shall enter into a contractual agreement with the Employee wherein said subsequent Employer agrees to make premium payments to the deferred compensation program in accordance with the procedure outlined in this instrument and further agrees to accept the obligations incurred by this instrument. (No ruling has been expressed regarding the tax consequences of a transfer of any rights or funds by the State of Iowa to Employee's new employer. A ruling concerning such a transfer will be considered only when a transfer is proposed, and then only upon submission of all the details of the transfer and copies of all pertinent documents.) If the Employee shall terminate his employment and the request for transfer of ownership to a subsequent Employer shall not be forthcoming, the Employer shall cease making any further premium payments and shall request that the Insurance Company change the policy or policies to a Full-Paid policy in an amount provided by the values built up prior to that date. This contract shall then be held by the Employer until the Employee dies or requests that retirement payments be started in accordance with the terms of this agreement.

E. The Employer shall have the right to elect to have retirement benefits paid starting at any time after the Employee attains age 55. Furthermore, in case the Employee should become disabled prior to his age 55 but after policy or policies owned by the Employer have been changed to Full-Paid policies, the Employer shall have the right to elect to have the employee's retirement benefits start at any time. Upon the Employer's election to have retirement benefits

paid to the Employee in accordance with these rules, the Employer shall surrender the policy or policies which it owns on his life, and shall elect to have the Cash Value of said policies placed under an option which will disburse equal instalments payable for one hundred twenty months, or such other suitable option which may be selected by the Employer, so long as said option shall be compatible with the Internal Revenue rulings concerning deferred compensation disbursal. Such payments will be paid by the Insurance Company to the Employer until the Cash Value has been exhausted. The Employer agrees to pay to the Employee payments which will equal the payments received from the Insurance Company and will continue to pay them for the same period of time that it received payments from the Insurance Company.

F. The Employee agrees to accept the above contractual agreement by the Employer to pay these benefits in accordance with the terms of this agreement, in lieu of receiving that part of the agreed upon base compensation which is equal to \$ _____ monthly.

G. It is mutually agreed that the Employee shall not assign, transfer or in any way encumber the benefits under this Agreement, without the written consent of the Employer. The obligation on the part of the Employer to make the payments called for in this Agreement is a contractual obligation but it is not to be considered to have a prior claim on any particular asset of the Employer. For convenience in making payments under this Agreement, the Employer may request the Insurance Company to make payments directly to the Employee or his beneficiary in satisfaction of the Employer's continuing obligation but any such request shall not give the Employee any right to demand payment from the Insurance Company.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the _____ day of _____, 19____.

(Name of specific Board of Regents Institution)

By _____ (Name)

(Title)

(Representative of Insurance Company) (Employee)

The Board Office reported that in the fall of 1973 the Board Office and an ad hoc interinstitutional committee developed a proposed deferred compensation program as required by Section 509A.12 of the Code of Iowa. At its December

1973 meeting the Board of Regents approved a recommendation that a Federal Internal Revenue Service ruling on the proposed program be sought. The IRS response has been presented to members of the board. Following additional interinstitutional consultation, certain amendments were proposed, subject to subsequent approval by the Board of Regents. A favorable ruling from the IRS on the amended proposal has been received.

MOTION:

Mr. Slife moved the board (1) approve the amendments to the deferred compensation program as shown above and (2) direct the institutions to proceed to develop rules and procedures necessary to make deferred compensation programs available to their employees effective January 1, 1975. Mr. Zumbach seconded the motion and it passed unanimously.

LEGISLATIVE 1974 SESSION. The board was presented a summary of legislative action in the 1974 session. A complete copy of the summary is on file at the Board Office.

Regent Baldrige asked about the status of Senate File 1341. President Petersen said a recommendation will come to the board in July as to who is recommended to be a member of the Law Enforcement Academy Council.

NEXT MEETINGS.

July 23-24	Board Office	Des Moines
August	No Meeting Scheduled	-----
September 12-13	Iowa State University	Ames
October 10	University of Northern Iowa	Cedar Falls
October 11	Iowa Braille and Sight Saving School	Vinton
November 14-15	University of Iowa	Iowa City
December 12-13	Board Office	Des Moines
January 16-17, 1975	Iowa State University	Ames
February 13-14	Board Office	Des Moines
March 13-14	University of Iowa	Iowa City
April 10-11	University of Northern Iowa	Cedar Falls

ADVANCE SCHEDULE. The board was presented the following schedule:

- June 29 - 10:00 a.m. - Public Hearing on Proposed Merit Pay Plan
Adjustments by Hayes Associates, Fisher Theater,
Iowa State University, Ames
- July 23-24 - Approval of Merit Pay Plan Adjustments by Board of Regents,
Ground Floor, State House, Des Moines

The Board Office reported:

Board members and employees were notified simultaneously of the summary recommendations of Robert H. Hayes and Associates for adjustments to the Regents Merit System Pay Plan effective July 1, 1974. The board has scheduled a public hearing on the pay plan for 10:00 a.m., June 29, at Fisher Theater, Iowa State University, Ames, Iowa. This hearing has been scheduled publicly for several weeks and has been shown on the board's agenda. The hearing is required in the Regents Merit Rules and by the State Merit Employment Act for the purpose of hearing the recommendations and reactions of employees and other interested parties to the proposed pay plan.

The first part of the hearing will be devoted to a presentation by Robert H. Hayes of his firm's recommendations to the Board of Regents. After those recommendations have been presented, the remainder of the meeting will be devoted to hearing recommendations and comments from interested parties. Those recommendations and comments will be considered and evaluated by the Board of Regents, assisted by the Robert H. Hayes Associates, and the board staff and formally considered for adoption by the board at its meeting on July 23-24, 1974. No further hearing is scheduled on the proposed pay plan at the July meeting.

To insure a fair and orderly hearing, persons attending the meeting will be asked to observe the following procedures:

1. All those who wish to make statements should register at places provided for this purpose at the entrances. Those wishing to speak will be called in the order of their registration.
2. Each speaker should try to hold his or her remarks to five minutes so that everyone will have a chance to speak.

The board will appreciate receiving copies of written materials or statements, if available. Written statements which have already been received from a number of employees and employee organizations will be made a part of the record of this hearing.

President Petersen commented that the public hearing on the pay plan may need to be held in C. Y. Stephens Auditorium for space reasons. She reported a decision on it would be made later in the day.

OSHA AND ITS IMPACT ON REGENT INSTITUTIONS. The board was presented a report on the Occupational Safety and Health Act and its impact on Regent institutions which is on file at the Board Office.

The report was developed by Warren Madden and Emery Sobottka, Director of the Health and Safety Department, ISU and has been furnished to the State Comptroller. No action was requested of the board. It was noted, however, that further discussion on OSHA will occur no later than the September board meeting. At that time it is anticipated that the guidelines will have been developed by the State Task Force.

FM RADIO NETWORK. Regent Baldrige commented that the IEBN board has passed a resolution for an FM radio network. At the moment two-thirds of the Regents' network is in operation with WOI and UNI working on a daily program basis. He said the program is very successful and said the board is quite enthusiastic about it, as is the university.

Regent Baldrige commented that the University of Northern Iowa is using about 50% of its pick up from Iowa State University. He recommended that the Regents study the feasibility of a special needs asking for funding to purchase a new KSUI FM transmitter to establish a Regents FM network.

Regent Baldrige said it is assumed that there will be federal funds available on a 75/25 basis for an FM network. He mentioned the possibility of Phase II because as TV towers are erected in Red Oak, Sioux City, Mason City, and Fort Dodge, a good possibility exists for transmitters in those sites. He said the IEBN is bringing this type of a program to the legislature. He said the success of the Regents' network from a cultural educational standpoint may determine its success.

MOTION:

Mr. Baldrige moved that the Regents study the feasibility of asking for funding to establish a new KSUI FM transmitter to establish a Regents FM network. Mr. Zumbach seconded the motion.

President Petersen asked Regent Baldrige whether he had this in mind as being separate from the institutional categories. Regent Baldrige responded he would like to let the Board Office decide on it and bring its recommendation on it to the board. The transmitter would be the University of Iowa's but it relates to the function of all the schools. Every school would have its own programming and use only the so-called network as it desired.

Mr. Richey said that institutional talent regarding the FM transmitter will be sought regarding this study. He said there will be close consultation of institutional personnel on it.

President Boyd recommended that Vice President Brodbeck be contacted from the State University of Iowa for this educational project. He expressed his enthusiasm for the project.

President Parks expressed his pleasure with the FM network project.

President Kamerick also expressed his favor of the project.

VOTE ON MOTION: The motion passed unanimously.

MERIT SYSTEM CLASSIFICATION PLAN. The board was requested to adopt a proposed class description, as recommended by Robert H. Hayes and Associates, for implementation effective July 1, 1974. Members of the board were presented copies of the class descriptions as proposed. It was noted that the set of descriptions which was presented for board approval numbers 318 and includes some that were approved by the board throughout the past year and many which are being proposed for the first time. In addition, the proposed set of classifications reflects numerous revisions, some major, some minor, in existing descriptions.

The Board Office also reported that complete sets of the descriptions proposed for use on July 1, 1974 have been made available for review by employees.

Mr. Hayes introduced Miss Prudence Packard, one of his associates, to the board. Mr. Hayes commented that the 318 descriptions form themselves into 71 career paths. He said that his firm has been very conscious what the classifications are and getting a path set up so there would be career progression in the system.

Mr. Hayes reported there were three criteria observed in formulating the job descriptions: (1) job content, (2) entry level requirements, (3) impact of the job on the institution.

In response to question, Mr. Hayes stated that a lot of classifications aren't common to the three institutions. Only about 250 are common of the 318 job descriptions to more than one institution. He said there is a lot of autonomy in the system. He said his firm is recommending that there be a unified classification structure so that a given classification is in the same pay grade at each institution.

Regent Collison asked what geographical area was used for the survey by the firm. Mr. Hayes said every city within a 50 mile radius of the institutions with over 20,000 population except Sioux City was included in the survey.

Regent Baily asked about the financial ramifications of the plan. Mr. Hayes said he was prepared to give that information at the public hearing on Saturday, June 29. He said he felt the best way to give this information would be to give it to employees and the Board of Regents at the same time.

MOTION:

Mrs. Collison moved the board approve the proposed class description, as recommended by Robert H. Hayes and Associates, for implementation effective July 1, 1974. Mr. Bailey seconded the motion and it passed unanimously.

PROPOSED CHANGES IN MERIT SYSTEM RULES. The board was requested to approve revisions in the Regents Merit System Rules to comply with the provisions of the State Merit Employment Act as amended effective July 1, 1974.

The Board Office reported that the proposed revisions in the Merit Rules are consistent with the rules and procedures adopted by the State Merit Employment Department.

Mr. Volm commented that House File 1380 amended, effective July 1, 1974 two subsections of 19A of the code (the State Merit Law). Subsection 7 or 19A.9, which required appointment of a person standing among the highest three on the appropriate eligible list, was changed to require appointment of a person standing among the highest ten percent on the appropriate eligible list or among the highest five if there are less than 50 on the list. Subsection 8 of 19A.9, which required a probationary period of one year, was changed to require a probationary period of six months.

MOTION:

Mr. Baily moved the board approve revisions in the Regents Merit System Rules as indicated above to comply with the provisions of the State Merit Employment Act as amended effective July 1, 1974. Mr. Baldrige seconded the motion and it passed unanimously.

APPEALS BY MERIT SYSTEM EMPLOYEES. The board was requested to affirm the decisions of the merit coordinator and deny the appeals by R. Bramblett, R. Bigelow, J. Itzen, W. Frickson, P. Bahe, M. Freeland, V. Baltes, R. Kammeyer, that their appeals are not valid grievances under the Regents Merit Rules and therefore cannot be referred to the appeal board.

The Board Office reported that the major issue involved is a difference in pay between employees in the same classification and pay grade at the University of Northern Iowa. The pay plan and rules for its implementation adopted by the board effective July 1, 1974 provide for various salary steps within the pay grade depending on employee performance and length of employment. Therefore, Mr. Volm's actions appear to have been correct.

The various grievances of Mr. Bramblett appear also to have been handled in a fair and responsible manner by Mr. Volm except for the excessive time lag of three days in handling the grievance initiated on December 5, 1973.

Some flexibility has been observed in the requirements in terms of employees exceeding the time schedule for appealing at the various steps of the grievance process. Therefore, it would not be unreasonable to make allowances for the unusual circumstances in the case of Mr. Volm's lapse because of his very heavy and unanticipated involvement in the pay plan study.

President Kamerick noted that Mr. Kammeyer was present and would like to comment on his denial to appeal.

Mr. Kammeyer said he did not feel that Mr. Volm's decision was fair and requested the board grant the employees permission to go to the appeal board.

MOTION:

Mr. Zumbach moved the board affirm the decisions of the merit coordinator and deny the appeals by R. Bramblett, R. Bigelow, J. Itzen, W. Frickson, P. Bahe, M. Freeland, V. Baltes, R. Kammeyer, that their appeals are not valid grievances under the Regents Merit Rules and therefore cannot be referred to the appeal board. Mr. Brownlee seconded the motion and it passed unanimously.

President Petersen asked board members and institutional executives if there were additional items to be discussed under the general portion of the minutes.

PUBLIC HEARING ON REGENTS MERIT SYSTEM PAY PLAN. President Petersen announced the public hearing on the pay plan would take place in C. Y. Stephens Auditorium rather than Fisher Theater, as was originally planned.

EXECUTIVE SESSION. President Petersen reported there were two personnel matters at the State University of Iowa, one property matter at the University of Northern Iowa, and a discussion on executive salaries to be discussed in executive session. On roll call vote on whether the board should resolve itself into executive session, the vote was as follows:

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 itself into executive session at 4:40 p.m. and arose therefrom at 6:05 p.m.

STATE UNIVERSITY OF IOWA

The following business pertaining to the State University of Iowa was transacted on Friday, June 28, 1974.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the month of May 1974 were ratified.

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

Leonard R. Brcka as Secretary of the University for 1974-75.

Ray B. Mossman as Treasurer of the University for 1974-75.

Dr. Maurice W. Van Allen to be Head, Department of Neurology, effective July 1, 1974. Dr. Van Allen will be replacing Dr. Adolph Sahs, who reached mandatory retirement age after a long and distinguished service to the university. Dr. Van Allen is certified by both the American Board of Neurological Surgery and the American Board of Psychiatry and Neurology. He has served as an examiner for the latter board as well as a member of several national committees and councils. He is a Fellow of the American Academy of Neurology and of the Harvey Cushing Society, a highly selective society of neurosurgeons. He is the author of some 70 scientific papers and one book ranging over a wide spectrum of subject matter related to neurology and neurosurgery.

Dr. John C. Montgomery to be Associate Dean, College of Dentistry, effective July 1, 1974. Dr. Montgomery is a member of several national and international dental societies and has served on many committees and boards of those organizations. He is a consultant on dental terminology to the American Medical Association. He has contributed extensively to the literature in Oral Surgery.

Dr. Ian Campbell MacKenzie, Associate Professor, to become Assistant Dean for Research and Program Development, College of Dentistry. Dr. MacKenzie received his B.D.S. from the London Hospital Medical College Dental School. He did post-graduate work there in Oral Surgery and Pathology and spent two years in general dental practice. He received a Ph.D. in 1970.

Professor Margaret G. Fox, as departmental executive officer of the Department of Physical Education for Women to serve during 1974-75 or for a shorter period until a permanent departmental executive officer is appointed. During the 1974-75 academic year a search for a permanent department head will be conducted. She has a Master of Arts degree from Columbia and a Ph.D. from the university. She joined the faculty in 1949 and has been a full professor since 1957.

MOTION: Mr. Bailey moved the board approve the above appointments. Mr. Baldrige seconded the motion and it passed unanimously.

SPECIAL SECURITY OFFICER. The board was requested to commission Steve C. Muller as permanent special security officer for the State University of Iowa.

Steve C. Muller has been a full-time member of University Security since July 12, 1973. He is a 1969 graduate of the university with a BBA in Economics, and he received a master's degree in Economics in 1973.

He has had 22 months of military police experience in the U.S. Army. From 1971 to 1973 he worked part time for University Security as radio operator and auxiliary security officer. He completed the State Law Enforcement Academy six-week recruit course on May 24, 1974.

MOTION: Mr. Bailey moved the board commission Steve C. Muller as permanent special security officer. Mr. Zumbach seconded the motion and it passed unanimously.

QUAD-CITIES GRADUATE STUDY CENTER. The board was requested to authorize the State University of Iowa to enter into an agreement with the Quad-Cities Graduate Study Center for expenditure of the appropriation of \$50,000 per the following agreement.

AGREEMENT

This agreement is entered into this 7th day of May, 1974, by and between the state University of Iowa (hereinafter called UNIVERSITY) and the Quad-Cities Graduate Study Center (hereinafter called CENTER).

WHEREAS, the CENTER is a consortium of the following nine private and public colleges and universities in the bi-state area of Illinois and Iowa: Augustana College, Iowa State University, Marycrest College, Northern Illinois University, Southern Illinois University, University of Illinois, University of Iowa, University of Northern Iowa, and Western Illinois University; and

WHEREAS, the CENTER is a union between university extension services, continuing education and graduate education, and at the same time involving extensive cooperation between the nine institutions with community civic organizations; and

WHEREAS, the State of Iowa has supported the CENTER in its objectives in the past and desires to continue to do so;

NOW, THEREFORE, the parties hereto agree as follows:

1. The budget for the CENTER for the 1974-75 fiscal year shall be as shown on Exhibit A which is attached hereto and made a part of this agreement.

2. Expense item "Faculty Salaries" in the amount of \$400,000 shall be paid from student tuition income. All other expenses, totaling \$121,000, shall be offset by funds allocated from the states of Illinois and Iowa according to the following formula: 70/121 - State of Illinois, 50/121 - State of Iowa, and 1/121 - other income available to the CENTER.

3. The UNIVERSITY shall make available to the CENTER the sum of \$50,000 as the State of Iowa's share of the expenses of operation of the CENTER for the 1974 fiscal year. Payment shall be made in a lump sum on or about July 1, 1974.

4. A transfer of any funds by the Governing Board of the UNIVERSITY from one category of the budget to another must be approved by the State Extension Council of the Iowa State Board of Regents if that transfer will be in excess of ten percent of the particular line item.

5. In the event that actual expenses for the fiscal year are less than the budgeted amounts, any funds provided by the University and not expended shall revert to the UNIVERSITY according to the formula set forth in paragraph 2. The reversion to the UNIVERSITY shall be according to the laws of the State of Iowa.

6. The CENTER agrees that its financial operations shall be subject to an annual audit by a certified public accountant. The CENTER further agrees to maintain adequate books and records and to make same available upon request by auditors of the UNIVERSITY, and the Auditor of the State of Iowa.

7. The period of this agreement shall be from July 1, 1974 through June 30, 1975, and may be renewed for additional periods of one year upon negotiation and agreement of both parties on the formula for the sharing of expenses for the new fiscal year.

8. This agreement and the formula for sharing costs is predicated upon the assumption that the State of Illinois will make available to the CENTER the sum of \$70,000. If said sum is not forthcoming, then this agreement shall be subject to renegotiation.

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the date first above written.

STATE UNIVERSITY OF IOWA

QUAD-CITIES GRADUATE STUDY CENTER

By: _____
Vice President for Business
and Finance
E. T. Joliffe

By: R. M. Hetherington
Chairman, Governing Board
R. M. Hetherington

1974-75 BUDGET

Expenses

Personnel	\$69,000
Contractual	22,600
Travel	2,000
Faculty Expense	400,000
Instructional Serv. & Sup.	9,200
Capital Equipment	500
Printing & Promotion	9,000
Telephone	2,300
Administrative Expense	1,800
Contingency	4,600
	<u>\$481,000</u>

Income

Student Tuition	\$400,000
State of Illinois	70,000
State of Iowa	50,000
Other Income	1,000
	<u>\$481,000</u>

The Board Office reported that the Quad-Cities Center is financed from three principal sources: local community donations, for 50%; the Illinois Board of Higher Education, 35%; the Iowa State Board of Regents, 15%. The proposed agreement would continue the \$100,000 (\$50,000 each year 1973-74, 1974-75) appropriation approved by the Regents a year ago.

The operation of the Quad-Cities Graduate Study Center has been widely accepted for its accomplishments by community residents, area students and professional evaluators. Nationally, it is considered a model for other similar ventures. A recent favorable evaluation of the center by outside consultants hired by the Illinois Board of Higher Education has resulted in recommendations for increased participation in the center's program by that state.

Regent Collison said she is happy that the program has gathered a great deal of support and that such support has been reflected in the legislature.

Mr. Richey commented that the \$50,000 was not line-itemed in the university budget but special attention was called to it.

MOTION:

Mr. Bailey moved the board authorize the State University of Iowa to enter into an agreement with the Quad-Cities Graduate Study Center for expenditure of the appropriation of \$50,000 per the above agreement. The motion was seconded by Mrs. Collison and passed unanimously.

UNIVERSITY CALENDAR. The board was requested to approve a request by the State University of Iowa to delete from the calendar its designation of March 14, 1975 and March 12, 1976 as university holidays.

The Board Office reported that the university's request for this revision is in accord with the board policy on institutional calendars and is

consistent with board policy regarding holidays. The board was reminded that in January 1973 the Iowa Executive Council approved an increase from eight to ten in the number of holidays for state employees. At its February meeting, the Board of Regents approved, in addition to the eight days already established, "an additional two holidays annually, the specification of which is left to the discretion of each institution."

MOTION: Mrs. Collison moved the board approve the request of the State University of Iowa to delete from the university's calendar the designation of March 14, 1975 and March 12, 1976 as university holidays. Mr. Zumbach seconded the motion and it passed unanimously.

PROPOSAL FOR AN INTERDISCIPLINARY UNDERGRADUATE DEGREE IN COMMUNICATION STUDIES. The board was requested to refer to the Committee on Educational Coordination a proposed new program for an Interdisciplinary Undergraduate Degree in Communication Studies, for review and recommendation.

MOTION: Mr. Baldrige moved the board refer the proposed program for an Interdisciplinary Undergraduate Degree in Communication Studies to the Committee on Educational Coordination for its review and recommendation. Mrs. Collison seconded the motion.

Regent Bailey asked whether any other programs are being shortchanged because this program appears to start without any additional funds being involved. Vice President Hardin responded that the addition of this program represents a rearrangement of everything in field of study. He added that faculty members have sensed a need among their students for a new kind of interdisciplinary arrangement.

Regent Baldrige commented that it will be interesting whether the students buy something of a general nature or whether they will still want a more

3. Appointment to the position of Division chairperson due to the establishment of divisions:

Professor K.C. Valanis, Division of Materials Engineering
Professor J.F. Kennedy, Division of Energy Engineering
Professor E.D. Eymann, Division of Information Engineering
Professor J.M. Liittschwager, Division of Systems Engineering

4. Resignation of College administrative officers:

Professor M.L. Betterley, Assistant Dean
Professor D.M. Madsen, Associate Dean

5. Appointment to College administrative positions:

Professor K. Rim, Associate Dean, Graduate Programs and Research
Professor G.M. Lance, Associate Dean, Undergraduate Programs and Student Affairs

President Boyd noted that Professor Vernon and Dean Hering were present for discussion purposes.

Reorganization of the College of Engineering
at The University of Iowa
May 15, 1974

(Approved by the College of Engineering Faculty on June 3, 1974)

The diversity of activity and the increasing complexities of technology are imposing extraordinary demands on the engineering profession in general and on engineering education in particular. In recognition of these demands and in an effort to anticipate future developments, the College of Engineering has developed a plan for internal administrative reorganization. The plan recognizes the dual responsibility of the engineering educator to create and to disseminate knowledge, accommodates flexibility in programs while maintaining the established professional engineering programs, increases the effective and efficient use of resources, enables the College to adjust more smoothly to new needs and directions, and accommodates the many different objectives that must be served by engineering education today and in the future.

The plan for internal reorganization is an organizational grid which replaces the six departments with four administrative units called divisions and curricular units called programs. The divisions correspond to broad areas of closely related engineering knowledge and furnish an organizational base for the faculty providing long-term stability. Divisions are responsible for the content, teaching, and scheduling of all academic courses; for the development of all laboratories at all levels of activity and for all purposes; and for the conduct of all research activities. The programs consist of standing committees of the faculty on curriculum and degree requirements. Programs draw on the resources of faculty, staff, and funds in the divisions to meet their needs. Programs are established or terminated in response to educational, societal, or professional needs and in full recognition of the resources available in the College. Each faculty member is a member of one division but may affiliate with several programs in which he has interest and expertise. Primary administrative responsibility is exercised along divisional lines which form an intersecting array with secondary lines of program responsibility.

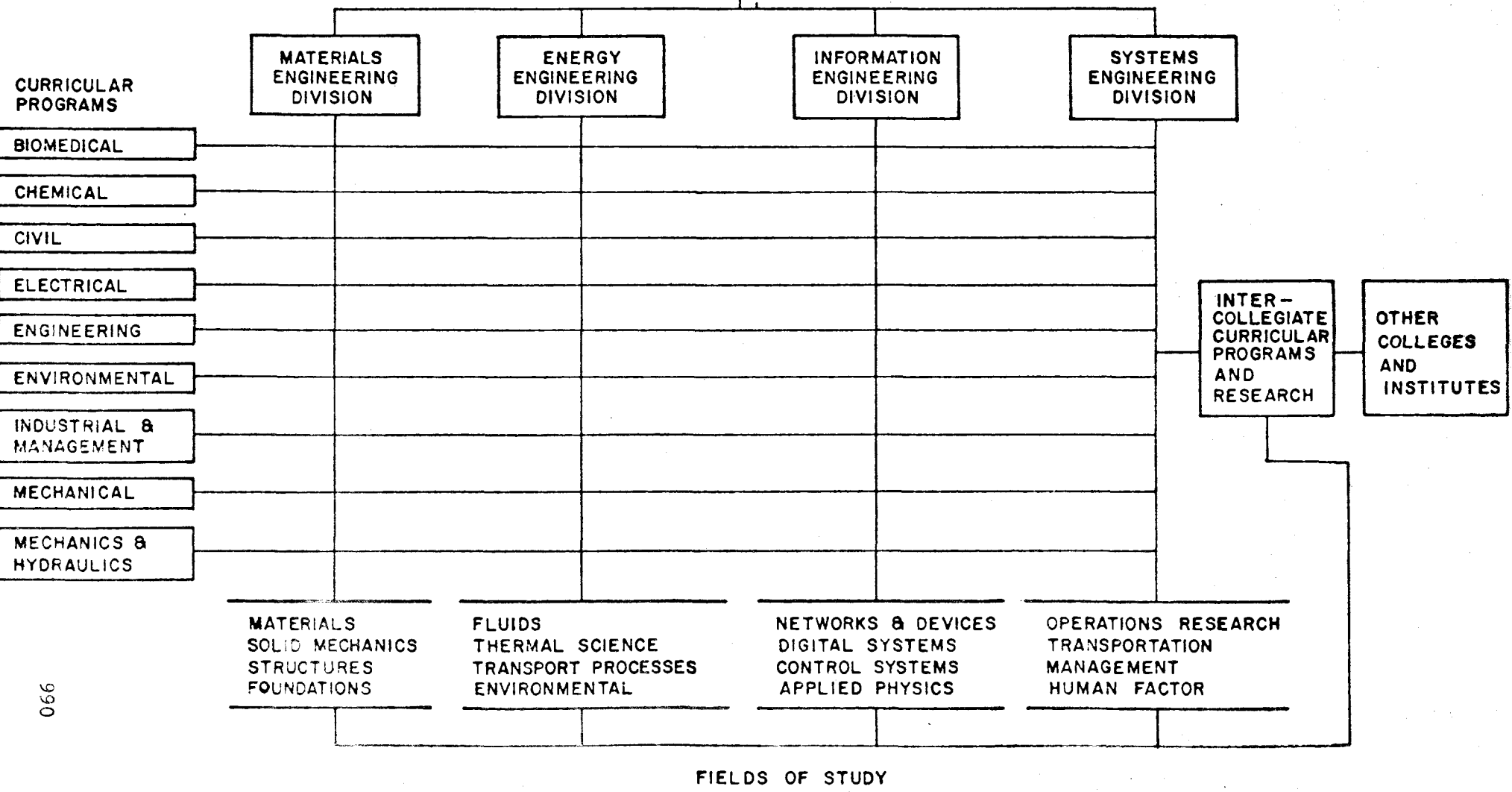
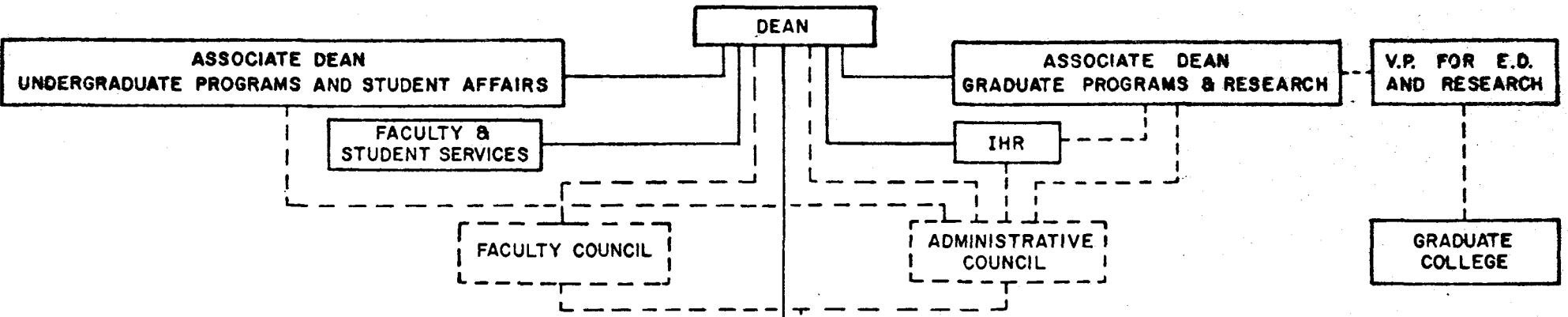
The grid structure plan being proposed is attached in schematic form. There are four divisions and nine approved programs. All existing departmental programs would be converted to program status. The major objectives achieved by the reorganization are flexibility in programs, promotion of interdisciplinary activity and consolidation of administration into fewer units. Implementation of the plan does not require curricular changes, new degree programs, or financial resources beyond those presently available to the College.

Complementary to the reorganization plan is the concept of centralized budgeting. The implication of centralized budgeting is that on the basis of College goals and priorities, resources are allocated to units within the College. Centralized budgeting provides the flexibility needed to support programs of exceptional merit, to assist the development of emerging programs of contemporary interest, and to encourage the initiation of new programs in response to changing educational, professional, and societal needs.

Some reorganization at the College level is also proposed with the elevation of an Assistant Dean position to Associate Dean, Undergraduate Programs and Student Affairs, and the specification of the present Associate Dean position as Associate Dean, Graduate Programs and Research.

Faculty of the College have considered internal reorganization since the fall of 1971 when as a part of the procedure for selecting a Dean, a College committee reviewed the goals and directions of the College. Since the original

reorganization plan was presented to the faculty in January of 1973, a series of College and departmental faculty meetings has been held. Following modification and revision of the original plan, the faculty approved the plan described in the report entitled Reorganization of the College of Engineering at The University of Iowa and dated May 15, 1974 on June 3, 1974. Subsequently, each faculty member selected a division affiliation and expressed preference for the programs with which to affiliate. The tenured faculty members of each division were consulted concerning the candidates to be considered for division leadership positions. The Dean's recommendations for appointment to Division Chairperson positions are in accordance with the advice of a majority of the tenured faculty members of each division. Program chairpersons who are leaders of the standing committees on curricular programs will be appointed by the Dean according to the same principles and procedures.



Dean Hering reported that the point of the diagram presented is to separate the fields of study from the administrative structure.

Mr. Richey commended the administration and the College of Engineering for studying this proposal in depth in meeting the changing needs of engineering students and the changing role of the university and other disciplines of the university.

MOTION:

Mr. Baldrige moved the board approve the reorganization of the College of Engineering administrative structure as detailed in the report entitled Reorganization of the College of Engineering at The University of Iowa dated May 15, 1974 and approved by the College of Engineering faculty on June 3, 1974, and the resignations and appointments as named above. Mr. Slife seconded the motion and it passed unanimously.

PHYSICIAN'S ASSISTANT PROGRAM. Two documents--one, a brief description of the Physician's Assistant Program as it now exists which was prepared by the College of Medicine and the other, a statement of educational philosophy from the College of Nursing--were presented to board members for informational purposes.

The university reported in summation that the physician's assistants are trained to perform many of the patient services traditionally performed by a physician and that nursing educators believe that the nurse is originally prepared for a totally different set of tasks. The physician's assistant relieves the physician of routine services so that medical care is available to more people or at multiple sites under the general supervision of a physician. The nurse's role is to be supportive of the patient as measures are applied to restore health in the instance of episodic care and to assume the more independent role of health maintenance in agencies such as public

health departments and schools. The latter has come to be known as distributive nursing. Finally, it is recognized that some nurses will become physician's assistants or assume duties like those of physician's assistants either by additional formal training or on the job experience.

Regent Collison pointed out the implied relationship of the medical corpsman to the medical practitioner and stated that over-credentialed does not contribute to essential long term goals. She added that this has been her objection to the program all along. She said an interdisciplinary program is needed. President Boyd said the administration of the university is open to that idea, but whether the colleges are is another issue.

He also made the point that it is important that the College of Nursing is very concerned about its inability to provide masters programs, because the college feels it can make a major contribution at that level.

Copies of the two documents mentioned above are on file at the Board Office.

NAME CHANGE -- M.A. PROGRAM. The board was requested to approve a change in name of the Department of Sociology Master of Arts degree program from Law Enforcement and Corrections to Criminal Justice and Corrections.

The university reported the change of name is requested in order to more effectively convey the scope and nature of the program. Law enforcement suggests a focus on police activities, particularly the routine practices of police officer. The program is designed to deal with the whole range of criminal justice activities, including not only the police, but the courts and the prosecutor's office. Abstract issues as well as "practical" ones are considered.

MOTION: Mr. Bailey moved the board approve a change in name of the Department of Sociology Master of Arts degree program from Law Enforcement and Corrections to Criminal Justice and Corrections. Mrs. Collison seconded the motion.

Regent Collison commented the name change is needed to convey the nature of the program as one which would imply justice.

VOTE ON MOTION: The motion passed unanimously.

STUDENT EMPLOYEE GRIEVANCE PROCEDURE. The board was requested to approve the following student employee grievance procedure:

P R O P O S E D

STUDENT EMPLOYEE GRIEVANCE PROCEDURE

1. These procedures shall apply to and be considered the right of any University of Iowa non-academic employee who is:
 - 1) a student currently registered in an undergraduate, graduate or professional program on campus and
 - 2) has no other employee grievance procedure available for use.
2. A grievance is a difference, complaint, or dispute regarding the interpretation or application of established policies and/or procedures governing terms of employment, working conditions, hours of work, or compensation. General wage adjustments are excluded from the grievance procedure.
3. The initiation period for a grievance must be within 21 calendar days of the date of discovery, by the employee, of the grievance, and within one year of the actual incident.
4. The employee shall have the right to be accompanied by two representatives throughout the proceedings.
5. The employee shall be allowed a reasonable time, not to exceed four (4) hours, off from duties without loss of pay to investigate a grievance. Such time is to be scheduled with the supervisor's permission. What is a reasonable time shall be determined by mutual consent of the parties involved. If the parties are unable to agree, the time reasonably necessary to investigate the grievance should be determined by the University Ombudsmen.
6. All levels of supervisory personnel involved shall be directed to consider grievances as soon as is reasonably possible.

7. An extension of the time limits specified in the grievance procedure may be made when mutually agreed upon by the employee and the administrator to whom the grievance is being addressed.
8. The mechanism for handling grievance is as follows:

STEP 1: A grievance proceeding shall be commenced by the employee presenting the grievance orally to her or his immediate supervisor. Such supervisor shall make an immediate response to the grievance.

STEP 2: If the oral response of the immediate supervisor fails to satisfy the employee, within four (4) working days of receipt of the immediate supervisor's oral response, shall file a written grievance with the immediate supervisor. If no oral response is made, a similar writing shall be filed with the immediate supervisor within four (4) working days of presenting the oral grievance. In either case, the writing shall set forth with reasonable particularity:

- (i) The events concerning which the employee feels aggrieved;
- (ii) The date or dates on which the events occurred;
- (iii) The date of the presentation of the oral grievance to the immediate supervisor;
- (iv) The date of the immediate supervisor's oral response, if one was made; and
- (v) The employee's understanding of the immediate supervisor's oral response, if one was made

Within four (4) working days of receiving the written grievance, the immediate supervisor shall respond to the employee in writing stating with reasonable particularity the supervisor's understanding of the facts and of her or his oral response, if either or both differ from that of the employee. If not resolved:

STEP 3: The written grievance shall be sent by the employee within five working days of receipt of the supervisor's response to the department head and an Administrator designated by the Vice President for Student Services. A meeting called by the Administrator will then be held, if possible within five working days of receipt of the grievance or as soon thereafter as is feasible among the Administrator, the department head or his/her designee, the employee, and the employee's representatives, if any. A written response is required within five working days following the meeting. The response must be written by the department head in consultation with the Administrator. If not resolved:

STEP 4: The written grievance should be forwarded by the employee within five working days of receipt of the department head's response to the Office of the Vice President for Administrative Services. Within five working days of the receipt of the written grievance, or as soon thereafter as feasible, a meeting should be called by the Vice President or his/her

designee of all parties who previously had participated in the case. The final administrative determination should be made by the Vice President for Administrative Services, or designee, in consultation where appropriate with the Vice President for Student Services, to be communicated to the parties in writing within three working days of the meeting.

9. When these procedures are adopted as University policy, a copy shall be sent by the Office Personnel Services to each student employee and thereafter to each student upon employment.

The university reported that the procedure differs in several ways from that available to Merit System employees, and these variations were designed to reflect the difference between the two types of employment. Some of these differences include:

(1) the time limits at each specified stage of the procedure are shorter than in the Regents Merit System procedure, since student employment is more likely to be short-term and hence a grievance may become moot if not resolved quickly; (2) at the second level at which the grievance is heard, that of the department head, a designee of the Vice President for Student Services is brought into the process to assist the department head in reaching a solution. The addition of a Student Services representative recognizes the dual role of the grievant as student and employee and it is hoped that with the help of such a person most grievances need not go beyond this level; (3) the third and final stage in the procedure occurs within the institution, in the Office of the Vice President for Administrative Services, who has general responsibility for non-academic personnel matters. Thus the proposed procedure has fewer stages than provided for in the Regents Merit System, and the final appeal is to an institutional officer rather than an outside hearing officer. Again, this procedure was chosen to reflect the short-term nature of much of student employment, from which follows the need to settle grievances as quickly as possible.

President Boyd reported that Assistant Vice President Small, Professor Vernon, and Ms. Debra Cagan, President of the Student Senate, were present for discussion.

Regent Baldrige said he has a concern on the implications of this for other institutions. He asked whether the other institutions would like to review this procedure to see if it would present any problems. Professor Vernon

commented it is not accurate to say there is one grievance procedure for all institutions. He said the institutions are uniform only for Merit System personnel.

Regent Baldrige then noted that this particular area is diverse in every institution. President Petersen added that the unifying guideline is to develop something that works and is fair.

MOTION: Mr. Baldrige moved the board approve the Student Employee Grievance Procedure as shown above. Mr. Slife seconded the motion.
shown

Assistant Vice President Small commented that the procedure would cover union employees.

Regent Shaw asked whether some branches of the university would be inconvenienced because of the time limits at each specified stage of the procedure. Assistant Vice President Small said it may occur and if that happens something else may need to be developed and noted that the Student Senate felt strongly that we should go in at this point and see what happens.

VOTE ON MOTION: The motion passed unanimously.

POLICY FOR PERMANENT PART-TIME FACULTY MEMBERS. The board was requested to approve a policy for permanent part-time faculty members as recommended by the university administration.

RECOMMENDED POLICY FOR PART-TIME FACULTY MEMBERS

Section 1. Definitions. As used in these regulations:

- (a) "Part-time" means fifty percent or more but less than one hundred percent of full-time.
- (b) "Faculty member" means a person holding the rank of Assistant Professor, Associate Professor, or Professor.

Comment: Probationary status for part-time faculty members will be available to those part-time faculty members who hold professorial-level appointments at fifty percent or more of full-time service.

While it is not intended that academic administrators who also hold faculty rank be considered as "part-time" faculty members under this policy, it should be noted that by virtue of their administrative duties, academic administrators may need more than the normal time period to meet the University's teaching-research standards for promotion and tenure. (Substance same as proposal sent earlier to the Board of Regents.)

Section 2. Mutual Obligations. A part-time faculty member on the tenure track is expected to meet the various obligations of a full-time faculty member in proportion to the percentage of the appointment. Administrative units of the University are expected to assign duties and provide support to a part-time faculty member on the same basis as to a full-time faculty member, except prorated in accordance with the percentage of the appointment.

Comment: A part-time faculty member who is "on the tenure track" should be assigned teaching duties, given research opportunities, and expected to render professional service in proportion to the percentage of a full-time appointment held. If part-time faculty members are to be held to the same standards as full-time faculty members, the opportunities to develop in all areas must be afforded. It is unfair if the teaching load is proportionately heavier than the percentage of appointment if proportional scholarly productivity and professional services are expected of the part-time faculty member.

Section 3. Requirements and Qualifications. Except for the time periods specified in subsection 20.035, all requirements and qualifications of subsections 20.031 through 20.035 of The University of Iowa Operations Manual apply to part-time faculty members.

Comment: See Appendix A for the designated sections. The intention is that part-time faculty members will be held to the exact same qualifications and requirements as persons holding full-time appointments

Section 4. Time Periods. The six- and seven-year time periods specified in subsection 20.035 are applicable to full-time faculty members. For the purposes of subsection 20.035, the service of part-time faculty members will be calculated by adding together part-time service (fifty percent or more) until the time periods set forth in subsection 20.035 and elsewhere have been completed. Thus, twelve years of fifty percent service will be deemed the equivalent of six years of full-time service; ten years of sixty percent service will be deemed the equivalent of six years of full-time service; eight years of seventy-five percent service will be the equivalent of six years of full-time service; and six years of seventy-five percent service coupled with three years of fifty percent service will be deemed the equivalent of six years of full-time service.

Comment: As proposed to the Board of Regents earlier, two years of part-time service counted as one year of full-time service, but a maximum of nine years of part-time service was established as the equivalent of six years of full-time service. It is believed that the original proposal was unfair to part-time faculty members in that it failed to make a distinction among the different levels of part-time service and for some faculty members, it required performance equal to that of full-time faculty members but required that it be accomplished in a shorter period of service. The proposal in Section 4 establishes a direct correlation between part-time and full-time service. Such a correlation seems appropriate in view of the fact that part-time faculty members are to be held to the exact same standards of teaching, research, and professional contributions as full-time faculty members. It is difficult to justify holding part-time faculty members to the same standards -- which it is felt is essential -- while giving them less time in which to meet the standards. The time periods are maximums, and just as with full-time faculty members, if a part-time faculty member meets the standards, earlier promotion and tenure will be granted.

Section 5. Current Part-time Faculty Members. Upon approval of these regulations by the Board of Regents, current part-time faculty members shall be deemed covered by the regulations, with past service being counted as provided in Section 4, unless within four months of such approval, they indicate in writing to the Dean of the College in which they serve that:

- (1) They do not wish to be covered, in which event any future appointment will be in Adjunct status; or
- (2) They wish to extend the time prior to a promotion or tenure decision for any time period up to six years.

Comment: Probationary faculty members are in an "up-or-out" situation. Some part-time faculty members now on the staff may prefer to remain in non-probationary status to avoid the "up-or-out" problem. They may wish not to undertake the research-professional service obligations of probationary

faculty members. Such persons could perform a continuing valuable teaching service to the University while serving in Adjunct status.

Other part-time faculty members now on the staff may prefer to join the probationary ranks but may feel the need for more time to demonstrate their research-service capacities than would be accorded them if all years of past service counted automatically toward completion of the probationary period. Within the six-year limit, such persons are permitted to set their own pace.

Section 6. Tenure Status. Tenure status shall be awarded to part-time faculty members who are found to meet University standards for granting tenure, with the performance expectations to be identical with those required of full-time faculty members. Faculty service which is less than fifty percent of full-time service will not be credited towards completion of a probationary period leading to a tenure decision.

Comment: The heart of the part-time tenure policy is found in Section 6. Part-time faculty members are accorded all of the rights of full-time faculty members under Section 10, and are expected to meet the exact same performance standards as are their full-time counterparts. The policy submitted to the Board of Regents contemplated the same performance standard.

Section 7. Percentage of Full-time Service. The percentage of full-time service obligation and right of a part-time faculty member who has earned tenure normally will be at the median percentage of full-time service rendered by the faculty member during the probationary period. Part-time faculty members who currently have tenure shall have a percentage of full-time service obligation and right at the percentage at which the faculty member was serving when tenure was awarded.

Comment: In the policy submitted to the Board of Regents in December of 1972, the part-time faculty member who received tenure was said to have percentage of full-time obligation and right at the lowest percentage of service rendered during the probationary period. It seems fairer to set the percentage at the median rate of service rather than the lowest rate. A person who served one year at fifty percent and eight years at seventy-five percent will have a service obligation-right at seventy-five percent rather than fifty percent as contemplated by the earlier proposal.

Section 8. Adjusting Part-time Service. The decision to increase permanently to full-time the percentage of a part-time faculty member's service is to be made in the same fashion as a new hiring decision and in all cases the person most qualified to fill the available position will

be employed. A present part-time faculty member shall be given preference in filling a vacancy in his or her academic unit, however, if equally qualified for the position in comparison with all other applicants. In considering whether to increase a part-time faculty member to full-time status or to employ a new full-time faculty member, the decision will be made wholly on the merits of the candidates under consideration and shall not be influenced by the fact that it may be more inconvenient to move the present part-time faculty member to full-time and to hire a new part-time faculty member than to employ a new full-time faculty member, nor to the extent fiscal resources permit, by the fact that the salary of the part-time faculty member when moved to full-time may be higher than that of a full-time faculty member hired from off-campus. A part-time faculty member and the Collegiate Dean may agree in writing at any time (a) to decrease permanently the percentage of full-time service to be required of the faculty member, as long as the percentage does not fall below fifty percent; and (b) to decrease or increase temporarily--for not more than two years--the percentage of service to be rendered.

Comment: The underscored language was not included in the policy adopted by the Faculty Senate. The new language is consistent with the section as adopted and merely emphasizes that a present part-time faculty member receives preference only when all qualitative standards are equal. The section attempts to neutralize factors militating against moving part-time faculty members to full-time status and seeks to assure that all candidates will be considered solely on their merits.

Section 9. Reducing Full-time Appointment. Any agreement that a full-tenured appointee will thereafter serve on a part-time basis shall specify either (a) that the tenured appointment thereafter will relate solely to service on an agreed part-time basis; or (b) that the appointee will return to full-time service on a specified date. Such an agreement shall be in writing and is subject to modification only by a written agreement between the faculty member and the Collegiate Dean. In no event shall the percentage of tenure status be reduced to less than fifty percent.

Comment: Section 9 attempts to place full-time and part-time faculty members on a par. The fifty percent minimum is new; the balance is the same in substance as the prior proposal made to the Board of Regents.

Section 10. Rights and Responsibilities. Part-time faculty members shall be entitled to all University, Collegiate, and Departmental rights, and have all responsibilities of full-time faculty members. The part-time faculty members currently on the staff who decide to exercise the option available under Section 5 of these regulations to become Adjuncts shall be entitled to fringe benefits as though they had remained part-time faculty members as long as they render at least fifty percent of full-time service to the University.

Comment: Section 10 contemplates a change in our current fringe benefit program. The "rights and responsibilities" portion of the Section is consistent with Section 2 of the policy proposal and merely spells out what is implicit in Section 2. A recommendation has not been received from the Funded Retirement and Insurance Committee on the proposal of the Faculty Senate to extend fringe benefits to employees rendering at least fifty percent of full-time service to the University. Funds will have to be obtained before fringe benefits can be extended.

The Board Office reported that except for the underscored portion on Section 8, this recommended policy has been approved by the Faculty Senate. The university has rightly commented that the underscored language does not change the substance as approved by the Faculty Senate, but merely emphasizes what was intended--that all appointments and decisions will be made on the merits, that the most qualified person will always be selected to fit available positions, and that only when all other things are equal will a present part-time faculty member receive a preference. The Board Office concurs with the SUI administration on the desirability of the underscored section.

Professor Vernon commented that a change in the current fringe benefit program is contemplated (Section 10) and will come before the board when more details are worked out.

Regent Shaw commented that he wanted to make sure that part-time persons are not guaranteed six/seven years of employment. Mr. Vernon noted that notice is given in the same manner as other faculty.

MOTION: Mrs. Collison moved the board approve a policy for permanent part-time faculty members as recommended by the university administration. Mr. Bailey seconded the motion.

Section 3. No faculty member shall be transferred under the provisions of Section 1(b) of this policy:

- (a) Prior to being given at least three months' notice.
- (b) Prior to being given a written statement detailing the conditions, if any, under which the transferring faculty member will be transferred back to the transferor department or college.
- (c) Unless the proposed transfer has been reviewed by a committee of the Faculty Senate which shall advise whether the proposed transfer meets the standards established herein.

Section 4. A faculty member who is transferred involuntarily under the terms of this policy shall retain her or his rank, tenure rights (if any), promotion opportunities (if any), salary, and other perquisites acquired during prior service at the University.

Section 5. As used in this policy, the words "interested parties" shall, at a minimum, include the faculty member or members being transferred, the dean or deans of the college or colleges involved, the departmental executive officers of the departments directly affected and, through them, members of such departments.

[An involuntary transfer under this policy which fails to conform to the terms of the policy will be deemed to give rise to a grievable issue under Part D 1(a) of the University of Iowa Regulations Prescribing Procedures for Hearing Ethics, Unfitness, Grievance, Non-Renewal, Denial of Tenure, and Failure to Promote Cases.]

President Boyd noted that Professor Vernon and Professor Laird Addis, Chairman of the Faculty Senate Committee on Faculty Welfare, were present for discussion.

The university reported that with the exception of Section 1(b), the policy is recommended jointly by the university administration and the Faculty Senate. The Faculty Senate believes that Section 1(b) should not be included; the university administration disagrees.

In voting against the inclusion of Section 1(b), the Faculty Senate was expressing the view that the faculty member's tie to her or his own department is so strong that it should be severed only as part of a reorganization

of the department or college involved. The university administration believes that--subject to appropriate consultation and safeguards--transfers should be possible for educational reasons even in the absence of a reduction in the size of a department or college, or some other reorganization. The faculty would also have the provisions of Section 3 apply to Section 1(a). The university administration disagrees.

Professor Vernon said that the university administration feels that faculty members should be able to be transferred according to Section 1(b) and that it is necessary for the university to be flexible enough to function in the future. He also stated this policy has taken five years to develop.

Professor Addis said the faculty feel that the tie of a faculty member to his or her department should not be cut in any case by administrative action except for educational, financial, or administrative reasons. He added that some members of the faculty feel that such a policy may be incompatible with the very idea of tenure. He noted that the policy would apply to both tenure and non-tenure faculty members. He urged the board to delete Section 1(b) because such power in the hands of the administration would be contrary to the spirit of the idea of tenure.

Regent Bailey said he feels that from the standpoint of the overall effectiveness and quality of the university, flexibility is needed. If someone is not used to full potential in one department, perhaps that person could be used much more effectively in another.

Professor Vernon said the transfers in 1(b) would be made if no other solution could be made. It is not a broad scale transfer policy.

Regent Shaw commented he feels tenure really doesn't give a faculty member protection against the possibility of being transferred from one department to another. He said society won't protect an institution that won't adjust. He added he didn't believe anything should infringe on academic freedom, but people should be willing to adjust. Professor Addis said he didn't think such a policy would infringe on the faculty's academic freedom but it might very well encourage the resignation of the person to be transferred.

Regent Baldrige said he couldn't understand a faculty member refusing to be transferred because Sections 4 and 5 read that the faculty member "shall retain his or her rank, tenure rights (if any), promotion opportunities (if any), salary, and other perquisites acquired during prior service at the university...."

President Boyd recognized Professor Addis' points and recognized that transfer of a faculty member should only occur after consultation and considerable deliberation. He said he does want the faculty protected and that is one of the reasons it is written in the policy recommended that substantial consultation and discussion must precede the matter.

President Petersen commented that those faculty members with a very specified discipline would not be as likely to be transferred as those with a broader base.

MOTION:

Mr. Bailey moved the board approve a Policy for Transfers from Departments or Colleges as recommended by the university administration. Mr. Zumbach seconded the motion.

Regent Collison expressed comments regarding Section 3(b). She stressed that attitude plays a very important part in how well the faculty member

would adjust in a different department. She recommended the faculty person be reoriented in the transfer department by approaching it in an introductory type manner for a period of three months or so.

President Boyd stated it is terribly important for all persons involved in the proposed transfer to be open minded. He said the consultative process is a safeguard for the transferring faculty member.

VOTE ON MOTION: The motion passed unanimously.

FACULTY ACTIVITY ANALYSIS. President Petersen stated this item would be deferred until the July meeting since the report was received in too short a time to permit adequate analysis of its content.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. Executive Secretary Richey reported the Register of Capital Improvement Business Transactions for the period April 29 through June 14, 1974 had been filed with him, was in order, and recommended approval.

The following construction contracts were recommended for approval:

<u>PROJECT</u>	<u>AWARDEE</u>	<u>TYPE OF CONTRACT</u>	<u>AMOUNT</u>
Old Capitol Restoration	Viggo M. Jensen Co., Iowa City, Iowa	General	Base Bid \$647,991 - Alt. 3 5,500 <u>\$642,491</u>
Old Capitol Restoration	Universal Climate Control, Inc., Iowa City, Iowa	Heating & Air Conditioning	Base Bid \$ 94,220 + Alt. 1 13,870 <u>\$108,090</u>
Old Capitol Restoration	AAA Mechanical Contractors, Iowa City, Iowa	Plumbing	\$ 68,973
Old Capitol Restoration	O'Brien Electrical Contractors, Iowa City, Iowa	Electrical	\$166,300

STATE UNIVERSITY OF IOWA
June 27-28, 1974

PROJECT	AWARDEE	TYPE OF CONTRACT	AMOUNT
University Hospital Pediatric Ophthalmology Clinic	Thompson Construction and Development Co., Iowa City, Iowa	General	\$210,800
University Hospital Pediatric Ophthalmology Clinic	AAA Mechanical Contractors, Inc., Coralville, Iowa	Mechanical	Base Bid \$ 7,177 + Alt. 1 <u>49,267</u> \$ 56,444
University Hospital Pediatric Ophthalmology Clinic	Meisner Electric, Inc., Newton, Iowa	Electrical	Base Bid \$ 12,500 + Alt. 1 <u>380</u> \$ 12,880
Hydraulics Research East Annex	Powers Associated Contractors, Iowa City, Iowa	Electrical	Base Bid \$247,878 - Alts. 1 and 3 <u>22,962</u> \$224,916
TV-FM Antenna System for Currier and Hillcrest Dormitories	Woodburn Sound Service, Iowa City, Iowa	General	\$ 35,750
Physical Plant Shops - Replace Roof	Cedar Service Company, Cedar Rapids, Iowa	General	\$ 22,647
Kinnick Stadium - Corner Parapet Repairs	Western Waterproofing, Inc., West Des Moines, Iowa	General	\$ 13,725
Oakdale Hospital Exterior Repairs - Phase I	Bert M. Lafferty Co., Rock Island, Illinois	General	Base Bid \$ 32,246 + Alt. 1 2,588 Alt. 2 3,509 Alt. 3 <u>4,391</u> \$ 42,734
Boiler No. 10, Contract 1 - Steam Generating Unit	Fuel Economy Engineering Co., Erie, Pennsylvania		\$1,266,674

The Board Office reported that the board authorized the university to proceed on the University Hospital Pediatric Ophthalmology Clinic project after decision had been made as to the awards after consultation with the executive secretary. That consultation took place on June 7. At that time there were no unusual circumstances surrounding these awards. However, when the low electrical bidder was notified of award he refused to sign the contract as awarded and agreed to forfeit the bid security. Award then went to the next

low bidder which was Meisner Electric. The difference between the two bids was \$1,980 of which \$70 was made up by bid security forfeiture by the low bidder.

The Board Office reported that the board in control of athletics at the university recommends award of contract to Western Waterproofing, Inc. on the Kinnick Stadium project. The board was requested to concur in that award.

Mr. McMurray added that three bids were received on the Boiler No. 10 project. He noted that the low bid is some \$700,000 below the latest project budget for this bid contract. Mr. Richey commented that the board has a very strong obligation to revert any funds not used for this boiler project. He reminded the board that it asked for an additional \$500,000 based on revised estimates for this project and the money was granted so the board has a strong obligation to return any unused funds. President Petersen noted that no money will be returned until all portions of the project are bid.

The following revised or amended project budgets were presented for board approval:

OLD CAPITOL RESTORATION

REVISED BUDGET

	<u>Revised Preliminary</u>	<u>Final</u>
Federal inspection fee	\$ 5,700	\$ 3,700
Planning	64,300	119,000
Administration & inspection	0	70,000
Renovation, restoration & air conditioning	605,000	1,108,000
Furnishings	188,500	105,000
Research expenses	127,700	100,000
Private gift campaign expenses	30,000	10,000
Site improvements	50,000	3,000
Contingencies	<u>79,500</u>	<u>90,000</u>
Sub-total	\$1,150,700	\$1,608,700
Less estimated sales tax refunds	<u>0</u>	<u>10,700-</u>
Net Total	<u>\$1,150,700</u>	<u>\$1,598,000</u>
 Source of funds:		
University of Iowa Foundation (private gifts)	\$ 596,950	866,877
National Park Service	118,250	57,463
Federal Housing & Urban Development	313,000	313,660
Supplemental funding from National Park Service & Housing & Urban Development	92,500	0
Iowa Bicentennial Commission	5,000	5,000
University RR & A (roof & gutter repairs)	25,000	25,000
Capital appropriation	<u>0</u>	<u>330,000</u>
	<u>\$1,150,700</u>	<u>\$1,598,000</u>

EXPLANATION

The on-site research of the Old Capitol has revealed the need for substantial structural improvement on both the exterior and interior walls. The quality of the existing masonry and mortar in the exterior and interior walls, including the load-bearing walls, is in a state which is considered to be substandard. The repairs that are necessary for these walls would involve the replacement of loose brick and the utilization of increased and reinforced mortar. Furthermore, the interior portion of the roof, made up of wooden trusses, bear directly on the stone masonry walls. Where the trusses rest on the walls, there has been a gradual weakening and breaking up of both the concrete and brick supports. Another structural deficiency involves the cupola of the Old Capitol.

At the present time, many of the interior structural braces of the cupola have weakened due to their exposure to weather and are in need of replacement. While this replacement/reinforcement work will help stabilize the exterior walls of the cupola, it will not in any way detract from the original design and appearance of the cupola.

Other structural deficiencies have been uncovered in the roof and gutters of the Old Capitol. Funds are needed to both repair and replace those portions of the roof and gutters which are no longer able to provide sufficient weather-proofing for the interior roof area.

Safety concerns have also been raised concerning the interior portion of the roof. The original construction still remains (wooden braces). It is necessary, then, to provide flame-proofing for the wooden members of the roof as well as a smoke detection and appropriate sprinkler system. These changes are estimated at a cost of \$35,000.

In order to make the Old Capitol accessible to all members of the public, it is necessary that a lower level entrance have a ramp and that an elevator be provided in the building for individuals unable to utilize the staircase. These facilities, estimated at a cost of \$45,000, will not only enhance the usability of the building by all members of the public but will also provide a greater degree of safety for the users of the building.

The foregoing needs are estimated to cost \$330,000, a fee which includes amounts both for architectural services and contingencies.

It was noted that the budget and the contracts were awarded by conference call on May 21. Ratification of that action was needed.

HYDRAULICS RESEARCH EAST ANNEX

REVISED BUDGET

	<u>Preliminary</u>	<u>Revised</u>
Site Survey & Soil Borings	\$ 2,000	\$ 2,000
Architectural, Engineering & Supervision	12,000	15,000
Miscellaneous Administrative Costs, Insurance, etc.	1,000	3,000
Construction & Utilities	210,000	224,916
Contingencies	10,000	10,000
	<u>\$235,000</u>	<u>\$254,916</u>
Source of Funds:		
Acct M523 - Institute of Hydraulic Research - Balances	\$195,000	\$114,916
" Q109 - Institute of Hydraulic Research - Gifts & Grants	40,000	40,000
Income from Treasurer's Temporary Investments		100,000 (1)
	<u>\$235,000</u>	<u>\$254,916</u>

(1) To be repaid, without interest, in annual installments by June 30, 1981 from Institute of Hydraulics Research income.

OAKDALE HOSPITAL EXTERIOR REPAIRS - PHASE I

REVISED BUDGET

	<u>Preliminary</u>	<u>Revised</u>
Engineering and supervision	\$ 4,100	\$ 4,100
Construction	23,500	42,734
Contingencies	<u>2,400</u>	<u>1,166</u>
Total	<u>\$ 30,000</u>	<u>\$ 48,000</u>

Source of Funds: State Sanatorium RR & A

EXPLANATION

Of the total \$18,000 budget increase, \$10,488 is due to the addition of 3 alternates to include additional areas of repair. The remainder of the budget increase is due to including more area in the base bid than was possible within the preliminary budget, considering the condition of the old mortar in the area to be repaired.

TV-FM ANTENNA SYSTEM FOR
CURRIER & HILLCREST DORMITORIES

PRELIMINARY BUDGET

Planning and inspection	\$ 5,200
Construction costs:	
Hillcrest	36,500
Currier	33,500
Contingency	<u>6,500</u>
Total	<u>\$81,700</u>

Source of funds: Dormitory Improvement Reserve

PROJECT DESCRIPTION

This project will involve the installation of antenna systems with outlets in each student room and in specific lounge areas. Through utilization of a coaxial cable, which may be checked out by each student, the student may operate a personal TV set and/or an FM monaural or stereo receiver in the dormitory room.

The system will be capable of providing a signal to all outlets of a quality equal to that obtained from a standard single standard receiver connected directly to an antenna optimally located on the premises. Amplification in black and white and color will be provided for channels 2, 4, 6, 7, 9, 12 and FM.

The system will be directly adaptable to cable TV (CATV) if and when it becomes available in this area.

The University Architect's office is selected as the architect and the Physical Plant department as the inspection supervisor.

In response to question, Mr. Jolliffe stated the contract award of \$35,750, shown above, enables construction costs to be reduced by some \$34,250.

UNIVERSITY HOSPITAL

Gynecology Nurses' Station Remodeling

Change in Source of Funds

The original source of funds on this \$20,190 project was University Hospital Building Usage Fund. Because of the availability of expended balances in the University Hospital RR&A Fund, source of funds is now changed to University Hospital Building Usage Fund - \$11,450; University Hospital RR&A - \$8,650 equals \$20,190.

UNIVERSITY HOSPITAL

C54 Inpatient Area Remodeling

Change in Source of Funds

The original source of funds for this \$97,100 project was University Hospital Building Usage Fund. Because of the availability of unexpended balances in University Hospital RR&A Fund, total source of funds for this project is now changed to University Hospital RR&A.

The following new projects were presented for approval:

PHYSICAL PLANT SHOPS - REPLACE ROOF

PRELIMINARY BUDGET

Engineering & supervision	\$ 2,200
Construction	18,300
Contingencies	<u>1,800</u>
Total	<u>\$22,300</u>

Source of funds: University RR & A

PROJECT DESCRIPTION

The original roof on the old shops building has deteriorated to the point where patching is no longer economical.

It is proposed that the existing built-up roof be torn off and a new built-up roof be installed.

The Physical Plant department is selected as the architect and inspection supervisor.

KINNICK STADIUM - CORNER PARAPET REPAIRS

(Approved by Board in Control of Athletics 4/30/74)

PRELIMINARY BUDGET

Construction	\$ 14,000
Contingencies	1,400
Engineering and supervision	<u>2,100</u>
Total	<u>\$ 17,500</u>

Source of Funds:

Department of Athletics - Reserve for Plant Improvements

1973-74	\$ 2,000
1974-75	<u>15,500</u>
Total	<u>\$ 17,500</u>

PROJECT DESCRIPTION

The brick work at the four exterior corners of Kinnick Stadium has lost its bond and failure has occurred in the mortar joints as well. This condition was discovered during the recently completed Structural Study and noted as requiring immediate repair. Unbonded brick work will be torn down and rebuilt, deficient mortar joints will be cut out and tuckpointed, movement and stone joints will be cut out and repacked.

The Physical Plant department is selected as the engineer and inspection supervisor.

OAKDALE HOSPITAL - BUNKER REPAIR & SITE IMPROVEMENTS

PRELIMINARY BUDGET

Engineering & Supervision	\$ 1,700.00
Construction	8,550.00
Contingencies	<u>850.00</u>
Total	<u>\$11,100.00</u>

Source of Funds: State Sanatorium RR & A

PROJECT DESCRIPTION

Three separate but related problems need correction at the Oakdale Power Plant. This project is proposed to achieve the following:

- 1) Correct a hazardous structural condition in an underground bunker accentuated by water leakage into the bunker.
- 2) Correct a surface drainage condition on the east side of the maintenance building which allows water to pond on the slab over the underground bunker.
- 3) Correct a surface drainage problem which allows surface runoff to pond at the overhead doors on the west side of the maintenance building and to seep into the building and the power plant.

The overhead slab on the south bunker will be removed and the bunker will be backfilled. Drainage tile will be installed. A new on-grade concrete slab will then be poured on top of the backfill.

The drainage problems will be corrected by installing suitable curbing, replacement of some street paving, modification of storm gutters, sealing where needed and suitable regrading as required.

Since no part of the work exceeds \$10,000.00, it is proposed that the work be done by Physical Plant forces or by outside quotations.

The Physical Plant Department is designated as the architect and inspection supervisor.

OAKDALE HOSPITAL EXTERIOR REPAIRS - PHASE I

PRELIMINARY BUDGET

Engineering and supervision	\$ 4,100
Construction	23,500
Contingencies	2,400
Total	<u>\$30,000</u>

Source of Funds: State Sanatorium RR & A

PROJECT DESCRIPTION

The project is proposed to correct severely eroded and cracked mortar joints in exterior masonry walls. Damaged joints have resulted in structural damage to walls and leakage of water through walls causing damage to interior walls and ceilings.

To prevent advancing deterioration, it is proposed that the full face of the exterior walls be solidly tuckpointed and the inner surfaces of the parapet walls properly repaired and sealed.

This first phase, involving the elevations of the interior court, north wing, east wing, south wing and removal of the top section of parapet wall above loading dock at west end of south wing, will correct the most severely eroded areas.

It is expected that this remedial work will be continued in additional phases as funds are made available until the entire hospital has been properly tuckpointed and waterproofed.

The Physical Plant department is selected as the architect and inspection supervisor.

HOSPITAL SCHOOL - INSTALL WATER CHILLER

PRELIMINARY BUDGET

Planning	\$ (2,300) ⁽¹⁾
Supervision	200
Materials	8,200
Installation	9,600
Contingencies	300
	<u>\$ 18,300</u>

(1) Covered in separate allocations; therefore not included in total.

Source of Funds:

Hospital School RR & A, 1973-74	\$ 17,800
Hospital School RR & A, 1974-75	500
Total	<u>\$ 18,300</u>

PROJECT DESCRIPTION

The project consists of the installation of Owner Furnished air conditioning equipment of 75 ton capacity to serve primarily an area in the first floor north wing, and to replace a number of old and obsolete individual packaged units in several other locations. The new chiller will provide excess chiller capacity to extend air conditioning to some other areas as funds are available.

Since no part of the work exceeds \$10,000.00, it is proposed that materials be obtained by quotations and purchase orders and that the work be done by Physical Plant forces or by outside quotations.

The Physical Plant department is designated as the architect and inspection supervisor.

MOTION:

Mr. Baldrige moved the board approve the Register of Capital Improvement Business Transactions for the period April 29 through June 14, 1974; the construction contracts be awarded and/or ratified; the revised or amended project budgets be approved and/or ratified; the new projects be approved; the executive secretary be authorized to sign all necessary documents. The motion was seconded by Mr. Barber and it passed unanimously.

FEE AND TUITION SCHEDULE FOR 1974-75. The board was requested to approve a revised student fees schedule which follows:

The University of Iowa
Fees and Tuition Schedule 1974-75

8-29-74 thru 12-20-74 and 1-14-75 thru 5-14-75

ACTION REQUESTED: Approval of revised student fee schedule.
Amounts in parenthesis are previous rates being revised

Fees	Undergraduate *(Codes-See Below)		Graduate (Code 64)		Dent & Med (Code 55)(Code 50)		Law (Code 46)				
	Res	Nonres	Res	Nonres	Res	Nonres	Res	Nonres			
\$ 60	(\$120)	\$125	\$ 70	(\$140)	\$150	\$165	(\$326)	\$343	\$138	(\$271)	\$288
60	(120)	125	70	(140)	150	165	(326)	343	138	(271)	288
60	(120)	125	70	(140)	150	165	(326)	343	138	(271)	288
86	(175)	185	105	(210)	225	165	(326)	343	138	(271)	288
112	(230)	245	140	(280)	300	165	(326)	343	138	(271)	288
138	(285)	305	180	(360)	385	273	(566)	596	225	(467)	497
164	(340)	365	220	(440)	470	273	(566)	596	225	(467)	497
190	(395)	425	260	(520)	555	273	(566)	596	225	(467)	497
216	(450)	485	300	(600)	640	273	(566)	596	225	(467)	497
242	(505)	545	355	(725)	775	435	(925)	975	355	(760)	810
268	(560)	605	355	(725)	775	435	(925)	975	355	(760)	810
294	(615)	665	355	(725)	775	435	(925)	975	355	(760)	810
310	(675)	725	355	(725)	775	435	(925)	975	355	(760)	810
310	(675)	725	355	(725)	775	435	(925)	975	355	(760)	810
310	(675)	725	355	(725)	775	435	(925)	975	355	(760)	810
310	(675)	725	355	(725)	775	435	(925)	975	355	(760)	810
310	(675)	725									
310	(675)	725									
310	(675)	725									
336	(730)	785									
362	(785)	845									
388	(840)	905									

Post-Comp Registration (Library privileges only) \$50

Winter's Final Registration (Library privileges only) \$50

Extension Courses (Code 30) \$30 per semester hour

Medical Technology (Code 28) 55 per semester

Optics (Code 28) 55 per semester

Play (Code 28) 55 per semester

Correspondence Courses 20 per semester

Private Lessons (Code 10)

1 course (1 lesson per week) \$25 per semester (for non-majors)

2 course (2 lessons per week) 50 per semester

3 courses (2 lessons each) 90 per semester

Undergraduate includes-

Business Administration (Code 42) Engineering (Code 35)

Liberal Arts (Code 28) Nursing (Code 70)

Pharmacy (Code 60)

Increase undergraduate resident tuition assessment by \$26 and undergraduate non-resident tuition assessment by (\$55) \$60 for each semester hour beyond 21.

MOTION: Mr. Bailey moved the board approve a revised student fees schedule as shown above. Mr. Zumbach seconded the motion and it passed with all ayes.

Regent Collison raised a point on differences between part-time tuition fees and extension course fees and added that the regular part-time student is actually favored, relatively, with regard to cost of instruction. Mr. Richey said this matter will be studied further.

TENANT PROPERTY RENTALS. The board was requested to approve the following tenant property rentals for the year September 1, 1974 through August 31, 1975.

The university reported that rental rates are based on rental rates for comparable facilities in the community. Exceptions to this policy are the rates for pre-school and day care centers where rates are intended to cover only average repair and maintenance costs.

Monthly rate increases for next year are summarized as follows:

<u>Residences</u>	
\$20.00	7
<u>Apartments</u>	
\$10.00	2
<u>Rooms</u>	
\$10.00	1

The following changes in tenant property facilities were made since September 1, 1973:

Delete: 417 South Capitol (six apartments) razed September 1973

Add: 222 Melrose Avenue (single family residence) purchased December 1973

MOTION:

Mr. Bailey moved the board approve the tenant property rentals for the year September 1, 1974 through August 31, 1975 for the State University of Iowa. 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.

PRELIMINARY BUDGETS, 1974-75. The board was requested to approve as submitted the preliminary budget summaries for 1974-75 for the State University of Iowa and the University Hospital rate increases. Following is a preliminary budget summary prepared by the University of Iowa for each of the units for which appropriations were made.

PRELIMINARY BUDGET SUMMARY 1974-75

GENERAL EDUCATIONAL FUND

	Starting Base	Regents Request	Appropriated	Proposed
Starting base (73-74 budget)	\$	\$59,095,000	\$59,095,000	\$59,094,951
Academic staff salaries (see analysis attached)				
Base salaries	33,009,662	2,640,800	2,638,100	2,522,600
" " 73-74 budget error -	-	-	-	100,000
Fed. OASI increase	-	-	-	123,000
Group disability ins. prem.	-	-	39,000	39,000
Fringe benefits	4,045,804	323,700	323,300	323,300
Undistributed	284,153	22,700	23,600	22,800
Credits for costs charged to other funds:				
Administrative	765,114-	61,200-	72,000-	80,300-
Campus Security	4,100-	300-	500-	400-
Student Health	15,000-	1,200-	1,100-	-
Salary savings	1,016,000-	84,500-	63,400-	63,000-
" " 73-74 budget error -	-	-	-	100,000-
	(35,539,405)	(2,840,000)	(2,887,000)	(2,887,000)
Nonacademic staff salaries:				
Base salaries	7,545,993	490,500	792,300	792,300
SF 618 - other funds	258,122	-	-	-
Group disability ins. prem.	-	-	9,000	11,000
Fringe benefits	1,035,902	67,300	108,800	108,800
SF 618 - other funds	33,843	-	-	-
Undistributed	169,006	11,000	17,700	17,700
Credits for costs charged to other funds:				
Administrative	107,354-	7,000-	7,500-	7,500-
Campus Security	88,700-	5,800-	7,300-	9,300-
Salary savings	254,000-	16,000-	-	-
	(8,592,812)	(540,000)	(913,000)	(913,000)
General expense				
Base budget:				
Fuel & electricity	3,292,800	236,000	236,000	236,000
Other	9,554,522	681,000	477,700	477,749
Fuel & electricity contingency -	-	-	-	1,064,000
Undistributed	24,000	-	1,200	1,200
Credits for costs charged to other funds:				
Administrative	494,256-	-	25,400-	25,400-
Campus Security	9,700-	-	500-	500-
	(12,367,366)	(917,000)	(689,000)	(1,753,049)
Equipment	608,368	30,400	30,400	30,400
Library books	1,086,000	108,600	108,600	108,600
MR & A	901,000	45,000	45,000	45,000
Special needs - student aid	-	-	38,000	32,000
- other (list attached)	-	842,000	719,000	719,000
Total additions		5,323,000	5,430,000	6,488,049
TOTAL BUDGET	\$59,094,951	\$64,418,000	\$64,525,000	\$65,583,000

GENERAL EDUCATIONAL FUND

	<u>Starting Base</u>	<u>Regents Request</u>	<u>Appropriated</u>	<u>Proposed</u>
DME				
State appropriations:				
Direct	\$40,551,700	\$45,905,049	\$45,623,000	\$45,623,000
SF 618 (cost of living)	739,951	739,951	740,000	740,000
	(41,291,651)	(46,645,000)	(46,363,000)	(46,363,000)
Fuel & electricity contingency	-	-	-	1,064,000
Student fees - before increase	14,483,300	14,553,000	14,553,000	14,285,000 (2)
- increase	-	-	389,000	382,000
Sales & services	60,000	60,000	60,000	61,000
Other income	3,260,000	3,160,000	3,160,000	3,428,000 (3)
Total available	\$59,094,951	\$64,418,000	\$64,525,000	\$65,583,000
Added above				
Federal losses - supplemental	-	\$ 1,631,000	\$ 1,220,000	\$ 1,220,000 (1)
- contingency	-	2,052,000	1,605,000	1,605,000 (1)

\$3,000,000 for Regents

Revised estimate for 1973-74 continued in 1974-75	\$14,215,000
Add nonresident tuition increase effective with 1974 summer session	70,000
	<u>\$14,285,000</u>

Based on current estimate for 1973-74 continued in 1974-75.

GENERAL EDUCATIONAL FUND
ANALYSIS OF ACADEMIC STAFF SALARIES

	<u>Starting Base</u>	<u>Regents Request</u>	<u>Appropriated</u>	<u>Proposed</u>
Faculty & institutional officials:				
Base salaries	\$27,599,145	\$2,208,000	\$2,070,000	\$1,974,500
" " 73-74 budget error	-	-	-	100,000
Fed. OASI increase	-	-	-	103,000
Group disability ins. prem.	-	-	32,500	32,500
Fringe benefits	3,382,804	270,700	253,700	253,700
Undistributed	237,153	19,000	11,300	17,800
Credits for costs chgd other funds:				
Administrative	-	-	72,000-	-
Campus Security	-	-	500-	-
Student Health	15,000-	1,200-	1,100-	-
Salary savings	846,000-	70,900-	63,400-	63,000-
" " 73-74 budget error	-	-	-	100,000-
	(30,358,102)	(2,425,600)	(2,230,500)	(2,318,500)
Administrative & professional:				
Base salaries	5,410,517	432,800	568,100	548,100
Fed. OASI increase	-	-	-	20,000
Group disability ins. prem.	-	-	6,500	6,500
Fringe benefits	663,000	53,000	69,600	69,600
Undistributed	47,000	3,700	12,300	5,000
Credits for costs chgd other funds:				
Administrative	765,114-	61,200-	-	80,300-
Campus Security	4,100-	300-	-	400-
Salary savings	170,000-	13,600-	-	-
	(5,181,303)	(414,400)	(656,500)	(568,500)
	<u>\$35,539,405</u>	<u>\$2,840,000</u>	<u>\$2,887,000</u>	<u>\$2,887,000</u>

GENERAL EDUCATIONAL FUND

DETAIL OF SPECIAL NEEDS

	<u>Faculty Salaries</u>	<u>Fringe Benefits</u>	<u>Total</u>
College of Medicine	\$486,000	\$73,000	\$559,000
College of Dentistry	29,600	4,400	34,000
College of Nursing	110,000	16,000	126,000
	<hr/> <u>\$625,600</u>	<hr/> <u>\$93,400</u>	<hr/> <u>\$719,000</u>

Attached is the University Hospital 1974-75 Preliminary Budget Summary. The columns have been numbered for ease of referencing the following explanatory comments which we feel are indicated.

- I. The \$148,000 "Professional Staff" salary variance between column 4 and column 3 on the budget summary is substantially accounted for by a \$78,000 oversight in the University Business Office's original calculations of the amount needed to accommodate a 10½% increase for this category of staff and the originally unbudgeted \$13,000 Federal O.A.S.I. increase.
- II. Explanation of "Special Needs" Category (see page 3 of summary).
 1. Item A., as described on page 3 of the summary, is merely a perpetuation of the ceiling increase stemming from enhanced productivity approved by the Board of Regents in April of 1974.
 2. Item B. represents the nursing staff increment with which to accommodate a new general surgery inpatient nursing unit which will become operational in September of 1974. As you will recall, completion and opening of the inpatient nursing unit on the 5th floor of the new southeast wing was accomplished via a transfer of nursing staff from the to be remodeled ward C-54. With the imminent completion of the modulization of C-54, we must now move to acquire the nursing staff necessary to support the operation of this unit designed to give relief to the surgical service's 92%+ occupancy rate.
 3. Item C. - As we have documented previously and as is reflected in Exhibit I attached, a 1973 study by the American Association of Medical Colleges' Council on Teaching Hospitals indicated that the University of Iowa Hospitals' personnel-per-occupied bed ratio of 2.4 ranked lowest of the 59 university teaching hospitals in this country. Increments in staff achieved over the past two years have elevated our present ratio to 2.7, thereby increasing our relative position in the attached listing from the bottom 59th position to 58th. Our future target for this critical ratio is 3.7 which would rank us 41st of 59. (The median ratio for the country's 59 university hospitals is 4.2).

The 44 positions reflected in the 1974-75 enhancement of professional staffing ratio are predicated upon making another modest step in our phased program for overcoming this deficiency. Needless to say, the positions being established at this time will be deployed on nursing units occupied by our most critically ill patients as documented by the Nursing Department's exhaustive studies of patient care requirements. The establishment of these positions will enhance our personnel-per-occupied bed ratio to 2.74.

III. Paying Patient Income Budget and Rate Schedule Coordinate with Proposed Budget.

As you will recall, a 7% increase in admissions, an 11% increase in major surgical procedures, and a 14% increase in clinical laboratory services during the past year was the basis of our December and April ceiling increases. Continuation of this level of service for the full fiscal year of 1974-75 will provide incremental paying patient revenue of approximately \$800,000 over the current year's level of "other" (paying patient) income. You will also recall that the Board of Regents authorized a 3% rate increase for fiscal year 1973-74 which, because of the productivity increases achieved over the past twelve months, has never been effectuated. Thus, the rates of charge now extant in this hospital have not been modified since July 1, 1972, when they were increased but 5.9%

Accordingly, we are now requesting Board approval of a 7.5% rate increase (4.5% beyond the 3% carry-over from June, 1973). The paying patient revenue generated from this rate increase coupled with a perpetuation of the productivity increases achieved in 1973-74 and the opening of the new C-54 surgical inpatient nursing unit will assure the \$25,750,000 "other" income (paying patient revenue) set forth in column 4 of the summary.

IV. Comparative Costs With Other Midwestern Teaching Hospitals

With these revisions in our operation, the University Hospitals' average per diem charge will remain the lowest of all comparable midwestern university teaching hospitals as reflected on attached Exhibit II. Additionally, you will note that General Service rates to be effectuated on July 1, 1974 are lower than those now existing at all of the other hospitals cited on the exhibit.

V. County Quota Allocations and the Proportionalization of Budget Between Appropriation and Paying Patient Income on Basis of Census Makeup

As you know, our income budget is proportionalized between appropriation and paying patient income on the basis of census proportions constituted by these two categories of patients. At the inception of 1973-74, this proportionality was one-third state appropriation funding and two-thirds paying patient income. With the current year increases in paying patient service previously identified and those which will accrue from the opening of the new C-54 nursing unit, this proportionality factor has been adjusted to a level where indigent patients will represent 31.6% of the total census. Coordinate with this indigent census proportion, the \$11,910,000 state appropriation portion of the proposed budget is 31.6% of the total \$37,660,000 1974-75 budget.

Accordingly, the optimal 1973-74 county quota allocations (increased in accord with the "cost of living supplemental appropriation") will continue in effect. Likewise, we will perpetuate the removal of all limitations relative to obstetrical and orthopaedic referrals made effective on July 1, 1973. I might also add that all county welfare offices in this state are now highly pleased with the county quota allocations they have and it appears that no counties will be in "excess status" at the end of this fiscal year.

In conclusion, may I say the progress we have made in the past two years in rectifying the staffing ratio of our institution coordinate with the increasingly clinically complex tertiary type of patient being referred to this center has indeed been gratifying to our clinical and nursing staffs. The big winner, of course, has been our patient clientele which is, of course, our prime concern and our most precious resource.

Thank you for your support of this budget request.

UNIVERSITY HOSPITALS

	(1)	(2)	(3)	(4)
	Starting Base	Regents Request	Budget Based on Approp- riated Funds	Proposed
ing Base (73-74 Budget).....\$	-	\$33,141,000	\$33,141,000	\$33,141,000
Professional Staff Salaries: (see analysis attached)				
Base Salaries	9,800,817	784,000	955,100	1,072,000
Fed. OASI Increase.....	-	-	-	13,000
Group Disability				
Insurance Premiums.....	-	-	8,500	8,500
Fringe Benefits	1,189,142	95,000	115,800	130,000
Estimated Savings	40,000-	3,000-	3,900-	-
Transfer From (-to) Non- Professional Staff	-	-	-	-
	(10,949,959)	(876,000)	(1,075,500)	(1,223,500)
Nonprofessional Staff Salaries & Wages:				
Base Salaries	10,053,725	653,000	1,055,500	1,100,000
Group Disability				
Insurance Premiums	-	-	11,500	11,500
Fringe Benefits	1,131,301	74,000	118,700	124,000
Estimated Savings	40,027-	3,000-	4,200-	-
Transfers From (-to) Professional Staff	-	-	-	-
	(11,144,999)	(724,000)	(1,181,500)	(1,235,500)
General Expense:				
Food.....	1,007,000	101,000	99,000	139,000
Utilities	538,000	27,000	27,000	27,000
Fuel & Electricity Contingencies	-	-	-	101,000
Other	8,749,042	656,000	439,000	439,000
	(10,294,042)	(784,000)	(565,000)	(706,000)
Equipment.....	482,000	24,000	24,000	24,000
R. & A.....	270,000	14,000	14,000	14,000
Special Needs (Detail Attached).....	-	13,000	-	1,316,000
Total Additions		<u>2,435,000</u>	<u>2,860,000</u>	<u>4,519,000</u>
Proposed Budget	<u>\$33,141,000</u>	<u>(\$35,576,000)</u>	<u>\$36,001,000</u>	<u>\$37,660,000</u>
ME				
to Appropriations				
Direct.....	\$10,459,100	\$11,239,000	\$11,392,000	\$11,392,000
B. F. 618 (Cost of Living).....	417,000	417,000	417,000	417,000
Fuel & Electricity Contingencies	-	-	-	101,000
er	<u>22,264,900</u>	<u>23,920,000</u>	<u>24,192,000</u>	<u>25,750,000</u>
Total Available.....	<u>\$33,141,000</u>	<u>\$35,576,000</u>	<u>\$36,001,000</u>	<u>\$37,660,000</u>

UNIVERSITY HOSPITALS
ANALYSIS OF PROFESSIONAL STAFF SALARIES

	(1)	(2)	(3)	(4)
	Starting Base	Regents Request	Budget Based on Approp- riated Funds	Proposed
University & Institutional Officials:				
Base Salaries	\$ 160,679	\$ 12,800	\$ 12,100	\$ 8,600
Fed. OASI Increase	-	-	-	-
Group Disability Ins. Prem. .	-	-	-	-
Fringe Benefits	19,401	1,500	1,400	1,300
Estimated Savings	-	-	-	-
	(180,080)	(14,300)	(13,500)	(9,900)
Administrative & Professional:				
Base Salaries	9,640,138	771,200	943,000	1,063,400
Fed. OASI Increase	-	-	-	13,000
Group Disability Ins. Prem. .	-	-	8,500	8,500
Fringe Benefits	1,169,741	93,500	114,400	128,700
Estimated Savings	40,000-	3,000-	3,900-	-
	(10,769,879)	(861,700)	(1,062,000)	(1,213,600)
	<u>\$10,949,959</u>	<u>\$ 876,000</u>	<u>\$1,075,500</u>	<u>\$1,223,500</u>

Special Needs: Critical Patient Care Requirements

A) Perpetuation of Increase in 1973-74 Budget Approved
 by Board of Regents 4/12/74:

Non-professional Salaries & Wages (\$103,000 Annualized)	\$ 412,000
Retirement and Insurance (\$7,000 Annualized)	28,000
Estimated Savings Adjustment	80,000
General Expense (\$288,000 less Utilities \$66,800) - No Increase Required	<u>221,200</u>
Total	<u>741,200</u>

B) Registered Nurses (19) Newly Constructed
 Surgical Inpatient Nursing Unit on C-54

Surgical Inpatient Nursing Unit on C-54	199,500
Retirement and Insurance	24,300
Estimated Savings	<u>56,000-</u>
Total	<u>167,800</u>

C) Enhancement of Professional Staffing Ratios in Nursing Department
 and Diagnostic Patient Care Areas:

Registered Nurses (33)	346,500
Medical Technologists (5)	48,000
Respiratory Therapists (2)	22,000
Other (4)	44,000
Retirement and Insurance	56,500
Estimated Savings	<u>110,000-</u>
Total	<u>407,000</u>

Total Special Needs 1974-75 **\$1,316,000**

PSYCHOPATHIC HOSPITAL

	Starting Base	Regents Request	Appropriated	Proposed
Operating base (73-74 budget)	\$	\$ 3,188,000	\$ 3,188,000	\$ 3,187,982
Academic staff salaries (see analysis attached)				
Base salaries	1,684,255	134,700	155,800	157,000
Fed. OASI increase	-	-	-	5,000
Group disability ins. prem.	-	-	1,400	1,400
Fringe benefits	210,808	16,900	19,600	19,800
Estimated savings	55,805-	4,600-	6,000-	114,400-(1)
Credits for charges to other funds	13,000-	1,000-	1,400-	1,400-
Transfers from (-to) non- academic staff	-	-	-	-
	(1,826,258)	(146,000)	(169,400)	(67,400)
Non-academic staff salaries:				
Base salaries	842,889	54,800	87,500	88,500
Group disability ins. prem.	-	-	600	600
Fringe benefits	90,321	5,900	9,500	9,500
Estimated savings	27,486-	1,700-	3,000-	1,100 (1)
Transfers from (-to) academic staff	-	-	-	-
	(905,724)	(59,000)	(94,600)	(99,700)
General expense:				
Food	115,000	17,000	17,000	29,900 (1)
Utilities	28,370	1,419	1,419	1,419
Fuel & electricity contingency	-	-	-	5,800
Other	279,630	20,581	13,581	97,799 (1)
	(423,000)	(39,000)	(32,000)	(134,918)
Equipment	17,000	1,000	1,000	1,000
Travel & A	16,000	1,000	1,000	1,000
Special needs	-	5,000	-	-
Total additions		251,000	298,000	304,018
TOTAL BUDGET	\$ 3,187,982	\$ 3,439,000	\$ 3,486,000	\$ 3,492,000
Available				
Direct appropriations:				
Direct	\$ 2,457,500	\$ 2,689,018	\$ 2,736,000	\$ 2,736,000
IF 618 (cost of living)	29,982	29,982	30,000	30,000
Fuel & electricity contingency	-	-	-	5,800
Other	700,500	720,000	720,000	720,200
Total available	\$ 3,187,982	\$ 3,439,000	\$ 3,486,000	\$ 3,492,000

attached page

PSYCHOPATHIC HOSPITAL
ANALYSIS OF ACADEMIC STAFF SALARIES

	<u>Starting Base</u>	<u>Regents Request</u>	<u>Appropriated</u>	<u>Proposed</u>
Faculty & institutional officials:				
Base salaries	\$ 703,708	\$ 56,300	\$ 52,800	\$ 49,700
Adj. OASI increase	-	-	-	2,000
Group disability ins. prem.	-	-	600	600
Living benefits	84,758	6,800	6,400	6,000
Estimated savings	-	-	-	78,400- (1)
Transfers from (-to)				
adm. & prof.	-	-	-	41,085-
	(788,466)	(63,100)	(59,800)	(61,185-)
Administrative & professional:				
Base salaries	980,547	78,400	103,000	107,300
Adj. OASI increase	-	-	-	3,000
Group disability ins. prem.	-	-	800	800
Living benefits	126,050	10,100	13,200	13,800
Estimated savings	55,805-	4,600-	6,000-	36,000- (1)
Transfers from (-to)				
faculty & inst. off.				41,085
Credits for charges to other funds	13,000-	1,000-	1,400-	1,400-
	(1,037,792)	(82,900)	(109,600)	(128,585)
	<u>\$ 1,826,258</u>	<u>\$ 146,000</u>	<u>\$ 169,400</u>	<u>\$ 67,400</u>

Set forth below projected "general expense - other" (based on actual experience July '73 - April 1974) will exceed the 1973-74 starting base by \$80,000 with a concomitant setting increase in estimated savings. The estimated savings as adjusted is proportionalized among academic, professional and general service staff on the basis of projected actual experience:

Purchased outside care	\$ 49,000
Diagnostic and therapeutic patient care service supplies	11,000
Telephone and textiles	6,000
University administrative overhead and other	14,000
	<u>80,000</u>
Estimated increase 1974-75 @5%	4,000
	<u>\$ 84,000</u>
	<u><u>\$ 84,000</u></u>

Additional increases of \$12,900 in salary savings are used to cover the additional increase in the food budget to provide larger patient food portions.

STATE BACTERIOLOGICAL LABORATORY

	Starting Base \$	Regents Request \$1,152,000	Appropriated \$1,152,000	Proposed \$1,152,495
Starting base (73-74 budget)				
Professional staff salaries: (see analysis attached)				
Base salaries	482,951	38,600	49,700	49,651
Fed. OASI increase	-	-	-	2,600
Group disability ins. prem.	-	-	1,400	1,400
Fringe benefits	71,578	5,400	7,300	7,384
Transfers from (-to) non-professional staff	(554,529)	(44,000)	(58,400)	(61,035)
Nonprofessional staff salaries:				
Base salaries	311,245	20,200	33,300	32,265
Group disability ins. prem.	-	-	600	600
Fringe benefits	43,956	2,800	4,700	4,557
Transfers from (-to) professional staff	(355,201)	(23,000)	(38,600)	(37,422)
General expense:				
Postage	33,300	6,000	-	6,600
Other	169,465	13,000	9,000	20,448
	(202,765)	(19,000)	(9,000)	(27,048)
Equipment	40,000	1,000	1,000	1,000
Special needs (equip. decrease)	-	22,000-	25,000-	25,000-
Total additions		65,000	82,000	101,505
TOTAL BUDGET	<u>\$1,152,495</u>	<u>\$1,217,000</u>	<u>\$1,234,000</u>	<u>\$1,254,000</u>
SOME				
State appropriations:				
Direct	\$ 897,800	\$ 956,505	\$ 974,000	\$ 974,000
S. F. 618 (cost of living)	11,495	11,495	11,000	11,000
Other	243,200	249,000	249,000	269,000
Total available	<u>\$1,152,495</u>	<u>\$1,217,000</u>	<u>\$1,234,000</u>	<u>\$1,254,000</u>

STATE BACTERIOLOGICAL LABORATORY
 ANALYSIS OF PROFESSIONAL STAFF SALARIES

	<u>Starting Base</u>	<u>Regents Request</u>	<u>Appropriated</u>	<u>Proposed</u>
Faculty & institutional officials:				
Base salaries	\$ 34,963	\$ 2,800	\$ 2,600	\$ 2,623
Fed. OASI increase				
Group disability ins.prem.				
Fringe benefits	4,336	300	300	325
	(39,299)	(3,100)	(2,900)	(2,948)
Administrative & professional:				
Base salaries	447,988	35,800	47,100	47,028
Fed.OASI increase				2,600
Group disability ins.prem.			1,400	1,400
Fringe benefits	67,242	5,100	7,000	7,059
	(515,230)	(40,900)	(55,500)	(58,087)
	<u>\$554,529</u>	<u>\$44,000</u>	<u>\$58,400</u>	<u>\$ 61,035</u>

STATE BACTERIOLOGICAL LABORATORY

EXPLANATIONS

General Expense

- Postage - an increase is proposed in this specific category to reflect additional costs incurred with the approximately 20% increase in postage rates. Postage represents a significant portion of General Expense. Amount increased: \$6,600 over "appropriated".
- Other - increased expenses are anticipated in this category as a result of short-term field work and other assignments from state agencies which utilize temporary or hourly personnel. These increased costs are off-set by an anticipated increase in Other Income. Amount increased: \$11,448 over "appropriated".

Income

- Other - It is anticipated that short-term projects paid for under the established fee schedule will be undertaken during the year. Amount increased: \$20,000

HOSPITAL SCHOOL

	Starting Base	Regents Request	Appropriated	Proposed
	\$	\$1,717,000	\$1,717,000	\$1,717,149
Starting base (73-74 budget)				
Academic staff salaries: (see analysis attached)				
Base salaries	764,623	61,200	78,900	77,451
Fed. OASI increase	-	-	-	2,800
Group disability ins. prem.	-	-	1,000	1,000
Fringe benefits	109,441	8,800	11,300	11,000
Estimated savings	17,250-	1,000-	2,200-	2,200-
Transfers (-to) general exp.	-	-	-	15,500-
	(856,814)	(69,000)	(89,000)	(74,551)
Nonacademic staff salaries:				
Base salaries	347,743	22,600	36,500	35,500
Group disability ins. prem.	-	-	1,000	1,000
Fringe benefits	49,300	3,200	5,200	5,000
Estimated savings	7,750-	800-	700-	700-
Transfers (-to) general exp.	-	-	-	11,500-
	(389,293)	(25,000)	(42,000)	(29,300)
General expense:				
Food	32,000	5,000	5,000	5,000
Utilities	44,000	2,200	2,200	2,200
Fuel & electricity contingency	-	-	-	19,000
Other	370,542	27,800	18,800	38,800
Transfers from staff salaries	-	-	-	27,000
	(446,542)	(35,000)	(26,000)	(92,000)
Equipment	11,000	1,000	1,000	1,000
RR & A	13,500	1,000	1,000	1,000
Special needs (detail attached)	-	3,000	-	-
Total additions		134,000	159,000	197,851
TOTAL BUDGET	\$1,717,149	\$1,851,000	\$1,876,000	\$1,915,000
INCOME				
State appropriation:				
Direct	\$1,598,200	\$1,731,851	\$1,757,000	\$1,757,000
S. F. 618 (cost of living)	19,149	19,149	19,000	19,000
Fuel & electricity contingency	-	-	-	19,000
Other	99,800	100,000	100,000	120,000
Total available	\$1,717,149	\$1,851,000	\$1,876,000	\$1,915,000

HOSPITAL SCHOOL

ANALYSIS OF ACADEMIC STAFF SALARIES

	<u>Starting Base</u>	<u>Regents Request</u>	<u>Appropriated</u>	<u>Proposed</u>
Faculty & institutional officials:				
Base salaries	\$ 45,915	\$ 3,700	\$ 3,400	\$ 3,400
Fed. OASI increase				
Group disability ins. prem.				
Fringe benefits	6,412	500	500	500
Estimated savings	(52,327)	(4,200)	(3,900)	(3,900)
Administrative & professional:				
Base salaries	718,708	57,500	75,500	74,051
Fed. OASI increase				2,800
Group disability ins. prem.			1,000	1,000
Fringe benefits	103,029	8,300	10,800	10,500
Estimated savings	17,250-	1,000-	2,200-	2,200-
Transfers (-to) general exp.				15,500-
	(804,487)	(64,800)	(85,100)	(70,651)
	<u>\$856,814</u>	<u>\$69,000</u>	<u>\$89,000</u>	<u>\$74,551</u>

HOSPITAL SCHOOL

General Expense

Largely due to unanticipated salary increases of 18.2% for nurse aides, orderlies, and recreation assistants on July 1, 1973, the hourly wages for fiscal year 1973-74 were underestimated. Following is the source of funds to correct this situation:

Staff salaries	\$ 27,000
Other income increase	<u>20,000</u>
	<u>\$ 47,000</u>

Other Income

The estimated increase in other income resulting from increased services is:

Joint County School System	\$ 10,000
Local counties	<u>10,000</u>
	<u>\$ 20,000</u>

STATE SANATORIUM

	Starting Base	Regents Request	Appropriated	Proposed
	\$	\$2,267,000	\$2,267,000	\$2,267,423
Starting base (73-74 budget)				
Professional staff salaries: (see analysis attached)				
Base salaries	430,860	34,400	42,500	42,500
Fed. OASI increase	-	-	-	1,300
Group disability ins. prem.	-	-	800	800
Fringe benefits	61,640	4,900	6,100	6,100
Estimated savings	22,600-	1,300-	2,600-	25,100-
Transfers from (-to) non-professional staff	(469,900)	(38,000)	(46,800)	(25,600)
Nonprofessional staff:				
Base salaries	1,013,604	65,900	106,400	106,400
Group disability ins. prem.			2,200	2,200
Fringe benefits	132,280	8,600	13,900	13,900
Estimated savings	52,729-	3,500-	4,300-	27,900-
Transfers from (-to) professional staff	(1,093,155)	(71,000)	(118,200)	(94,600)
General expense:				
Food	130,000	20,000	20,000	-
Utilities	142,000	7,100	7,100	71,900
Fuel & electricity contingency	-	-	-	18,000
Other	316,168	23,900	15,900	15,477
	(588,168)	(51,000)	(43,000)	(105,377)
Equipment	37,200	2,000	2,000	2,000
RR & A	79,000	4,000	4,000	4,000
Special needs	-	1,000	-	-
Total additions		167,000	214,000	231,577
TOTAL BUDGET	\$2,267,423	\$2,434,000	\$2,481,000	\$2,499,000
OME				
State appropriations:				
Direct	\$1,895,400	\$2,021,577	\$2,069,000	\$2,069,000
S. F. 618 (cost of living)	32,423	32,423	32,000	32,000
Fuel & electricity contingency	-	-	-	18,000
Other	339,600	380,000	380,000	380,000
Total available	\$2,267,423	\$2,434,000	\$2,481,000	\$2,499,000

STATE SANATORIUM
 ANALYSIS OF PROFESSIONAL STAFF SALARIES

	<u>Starting Base</u>	<u>Regents Request</u>	<u>Appropriated</u>	<u>Proposed</u>
Faculty & institutional officials:				
Base salaries	\$ 92,937	\$ 7,400	\$ 7,000	\$ 7,000
Fed OASI increase				300
Group disability ins. prem.			200	200
Fringe benefits	12,999	1,000	1,000	1,000
Estimated savings	(105,936)	(8,400)	(8,200)	(8,500)
Administrative & professional:				
Base salaries	337,923	27,000	35,500	35,500
Fed OASI increase				1,000
Group disability ins. prem.			600	600
Fringe benefits	48,641	3,900	5,100	5,100
Estimated savings	22,600-	1,300-	2,600-	25,100-
	(363,964)	(29,600)	(38,600)	(17,100)
	<u>\$469,900</u>	<u>\$38,000</u>	<u>\$46,800</u>	<u>\$25,600</u>

STATE SANATORIUM

UTILITIES BUDGET EXPLANATION 1974-1975

Based upon an engineering survey dated April 1, 1974, by Mr. Elmer Lundquist of the University Physical Plant, we have major variance with the proposed 1974-1975 budget.

The survey shows the following "usage" and "cost" projections for the Oakdale Campus during the 1974-75 fiscal year:

Fuel Use (Millions of Btu)		
Projected Use	128,600 @ 1.03	\$132,458
Electricity Use (KWH)		
Projected Use	4,625,800 @ .02	\$ 92,516
Gas Use (20% escalation)		

Using these projections, our proposed budget will require a \$71,900 addition as compared to the \$7,100 amount which was appropriated. This takes into consideration the \$17,900 Utilities contingency provided for Regent's institutions.

	1973-74 Budget	Proposed 1974-1975 Budget	Increase
Fuel	\$60,000	\$132,458	\$72,458
Electricity	76,000	92,516	16,516
Other - Gas	2,400	2,880	480
Water	<u>3,600</u>	<u>3,960</u>	<u>360</u>
	<u>\$142,000</u>	<u>\$231,814</u>	\$89,814
Regents Utility Contingency			<u>17,900-</u>
Budget Requirement			<u>\$71,914</u>

This increase to \$71,900 from \$7,100 has been provided from the following sources:

Increases in Estimated Savings:	
Professional staff salaries	\$22,500
Nonprofessional staff salaries	23,600
Continuing food budget at 1973-74 level due to decline in patients being served	20,000
Less Fed. OASI increase	<u>1,300-</u>
	<u>\$64,800</u>

The Board Office reported on each portion of the university's preliminary budget. A copy of the analysis is on file as a part of the official minutes.

Executive Vice President Chambers commented that the budget is extremely tight in that the flexibility that once existed is no longer available. He expressed concern whether the income estimated will actually come in due to the change in the tuition schedule and the ups and downs of federal funding. He said the university is quite concerned about the contingency dollars in the budget. A problem of great concern is that in the Physical Plant general expense categories increase five percent and that money is derived from general expense and wages. Mr. Chambers noted that support from the federal government granted for the College of Nursing was very much appreciated, which increased the staff.

Regent Zumbach asked whether there is some way the board could be informed as to the percentage raise for academic and non-academic employees.

Executive Vice President Chambers said board members could calculate mathematically the amount of increase in the salary budget to figure this out. Regent Zumbach requested a median analysis of salary increases. Mr. Chambers reported that non-academic staff will receive a 6% minimum raise and merit increases would be added to that. Regarding the faculty salary increases, Mr. Chambers said this information could be retrieved by computer. He said some faculty will receive as much as a 12% raise and others will only be receiving 3%. He added there is no minimum salary increase rate for faculty members.

Mr. Richey asked if there are any changes in emphasis within the funds now present in the starting base. Mr. Chambers said that \$40,000 is allocated

from the old institute to the Center for Environmental Studies. Those dollars will lapse during the next year. There are also in terms of major transfers internal reallocations within departments and colleges that exist university wide.

In discussion of the comparatively low staffing in University Hospitals, a need to increase staff, Dr. Hardin reported that the university has a service now for invalids in pediatric ophthalmology and that the dialysis center is operative, an emiscanner has been installed and organ transplants are underway.

MOTION: Mr. Bailey moved the board approve the preliminary budget summaries for 1974-75 for the State University of Iowa. Mrs. Collison seconded the motion and it passed unanimously.

MOTION: Mr. Baldrige moved the board authorize the raising of University Hospital rates by 7½% including the 3% carry over. Mr. Bailey seconded the motion and it passed unanimously.

Regent Baldrige noted that this shows the 4½% increase over the previous 3% increase.

CALVIN HALL REMODELING--PHASE I. The board was requested to approve: (1) the project, preliminary plans and budget, (2) selection of University Architect's Office as architect, (3) selection of Physical Plant Department as inspection supervisor, and (4) approval of transfer of the 65th G.A. capital appropriation from MacLean Hall Remodeling, Phase II to Calvin Hall Remodeling, Phase I.

PRELIMINARY BUDGET

Insurance and Misc. Administrative Costs	\$ 5,000
Architectural and Engineering	22,500
Inspection and Supervision	7,500
Construction	365,000
Contingencies	35,000
Utilities	<u>15,000</u>
TOTAL	\$ 450,000

Source of Funds:

65th G.A. Capital	\$ 130,000
University Repairs, Replacements & Alterations	70,000
Income from Treasurer's Temporary Investments	<u>250,000</u>
	<u>\$ 450,000</u>

PROJECT DESCRIPTION

Calvin Hall is to be vacated by the Geology Department. This project, in two phases, will renovate and remodel the building for use by new occupants.

BACKGROUND

Calvin Hall, originally located on the Pentacrest, was constructed in 1884, making it the second oldest building on campus. In the 1920's the building was moved to its present location and an auditorium was added to the building. The three story brick building is in sound structural condition. The external appearance of the building is aesthetically pleasing, being a good representation of typical campus structures of its period. The building is well located in relation to the balance of the campus, and is close to both structure and surface parking. It is equipped with a recently installed sprinkler system and can be brought into substantial compliance with current life safety codes. The large clear span interior spaces lend themselves to new uses with an acceptable degree of efficiency.

PROPOSED USE

In view of the location, structural condition, and pleasant appearance of the building, it is proposed that it be renovated and remodeled for continued use. The building primarily will be used to house administrative units concerned with student admission and support programs. The Admissions Office, Student Financial Aids, Special Support Services, and the Orientation Office, all central service units, with whom prospective and new students come into contact, would then be in one convenient central location. Other units programmed for initial occupancy include Student Loan Accounting, Ombudsmen, the Equipment Inventory Office, and a portion of the Iowa Geological Survey, the balance being housed in Trowbridge Hall just north of Calvin Hall.

With the occupation of space remodeled in Phase I Old Dental Building will be vacated and can then be razed, and the present crowded situation in Jessup Hall will be relieved.

The project will be accomplished in two phases. Phase I will include remodeling and renovation of the first and second floors necessary to accommodate the proposed occupants. Work to be accomplished includes removal and construction of walls, new floor covering, suspended ceilings, new lighting, and air conditioning. Phase I will also include work on all four floors of the building. To be accomplished will be the enclosure of the central stair well by the upgrading of doors and the installation of automatic closing devices, the construction of an exterior fire escape and the installation of an elevator in an existing shaft to provide access for handicapped persons. Two additional toilets will be constructed. Work on the ground floor necessary to accommodate the Iowa Geological Survey will be limited to minor plumbing, installation of several work benches and painting.

Phase II, which will be included in the 66th G.A. Capital Request, will include remodeling of the third floor and the extension of air conditioning to the ground floor and the third floor. The two phases of the project are expected to cost \$700,000.

Funding - In October, 1973, the Regents approved the allocation of \$130,000 of discretionary capital funds to the University to provide partial funding for the completion of MacLean Hall remodeling. The University has determined that the Calvin Hall project is of higher priority than the MacLean Hall project and therefore requests permission to transfer these funds to this project.

MOTION:

Mrs. Collison moved the board approve:
(1) the project, preliminary plans and budget, (2) selection of the University Architect's Office as architect, (3) selection of the Physical Plant Department as inspection supervisor, and (4) the transfer of the 65th G.A. capital appropriation from MacLean Hall Remodeling, Phase II to Calvin Hall Remodeling, Phase I. Mr. Bailey seconded the motion. The motion passed unanimously.

PARKING SYSTEM REPORT, MOTOR VEHICLE AND BICYCLE REGULATIONS REVISIONS, HOSPITAL PARKING RAMP NO. 2. The board was requested to accept a parking system report as submitted by the university subject to additional informational requests by the board, approve revisions in the Motor Vehicle and Bicycle Regulations for the University of Iowa, and approve the project, preliminary plans and budget, selection of University Architect's Office as architect, and selection of Physical Plant Department as inspection supervisor for the Hospital Parking Ramp No. 2. President Boyd introduced Ms.

Vi Kuebler, representing the University Staff Council, and Mr. Les Chisholm, representing AFSCME, who were present for discussion.

The Board Office stated that the report describes the total parking system to provide parking facilities for hospital patients and visitors, faculty and staff, students, and transportation on campus by means of the Cambus System. The report states that an effort has been made to make the system self-supporting for all operating and maintenance costs and for capital outlays to the extent possible while maintaining a reasonable fee structure for visitors, staff, faculty and students. The Board Office is informed that the parking facilities at both Iowa State University and the University of Northern Iowa are self-supporting. None of the universities shows a rental charge for land because parking is considered to be a temporary use of land which may be displaced at any time for construction of additional facilities.

The Board Office reported a financial plan is included in the report which would generate net income after expenses for capital improvements in the amounts of \$213,000, \$206,000, and \$232,000 for 1973-74, 1974-75, and 1975-76 respectively. The financial plan is based on modest increases of various categories of permit parking and a revision in some of the metered parking. The expenses are expected to increase \$714,000, \$785,000, and \$849,000 in 1973-74, 1974-75, and 1975-76 respectively. No depreciation of total capital assets for the parking system operations is included and it may be that the total system is not above the break even point if depreciation is included. It may be noted that the commuter parking where overnight parking is not permitted, storage parking where parking overnight is permitted, the Union ramp, and the Cambus are not contributing to net income after expenses for capital improvements.

The Board Office reported that the income from Treasurer's Temporary Investments is derived from temporary cash balances from revenue producing activities and from balances in a multitude of small accounts which are provided as a service to many campus organizations. Use of state funds is not involved and it appears appropriate to use such income for purposes as deemed appropriate by the Board of Regents.

The parking system operates the Memorial Union Ramp facility with the understanding that the union has first priority for persons staying in the Iowa House and those attending conferences and institutes at the union. As a consequence of this priority and the fact that the parking system cannot plan efficiently for availability of the parking ramp for other users, the occupancy has been found to average only about 45% during daytime and evening hours.

A major problem in meeting the capital improvement requirements at the University of Iowa seems to relate to the relatively short time available before considerable improvement, increase of capacity, and rearrangement of parking facilities are required. If such improvements could be spread over 15 or 20 years, it might be possible to pay for all of the improvements from parking system income. However, with the relatively few years available to provide the parking services required, other sources of funding have been and will be required.

Mr. Mossman, Business Manager and Treasurer for the university, reported that historically the system has been considered a total system concept. He said a report submitted by the university outlines the results of an effort of accounting within the parking system. The summary demonstrates that every group within the system is self-supporting for operations and within

a fair degree of making some contribution to major maintenance problems that are experienced from time to time within the system.

Mr. Mossman defined the difference between commuter and storage parking. He noted that storage parking is for students to park their car and leave it for a week, whereas commuter parking is primarily for the individual that wants to come in to Hancher Auditorium, pick up a Cambus, and move elsewhere. Commuter parking is not for overnight parking. Mr. Mossman noted that Cambus is part of the system and certain operating costs are allocated to the operating costs of the total system.

Vice President Shanhouse said the way the university has set up cost centers, ramp parking will be contributing to the capital construction of the university's future ramps. He added that hospital parking will not be contributing. He went on to say that the university's cash flow projections show the university will be able to cover capital construction.

Vice President Shanhouse reported that alternate bids are being taken to build a 500 car ramp now rather than building it in Phase I and Phase II and if it would prove to be economically feasible this may be done.

Regent Collison asked whether the university has run any surveys of the habits of staff coming to work that would indicate how many persons drive, how many are in car pools and where the concentration of staff is at certain times of the day. Mr. Gibson reported that a study has been done and most of the university staff members were contacted regarding it. He noted that the study was not done by the university, however. It was a study for the Iowa City metropolitan area. Ms. Kuebler noted that the university has put out a questionnaire asking whether faculty would be interested in going into a car pool.

Regent Collison requested the university to do a study of the traffic pattern at the university.

Vice President Shanhouse reported that the university is adding a one-half time person to the parking transportation office next year who will study car pool usage on campus.

Mr. Chisholm expressed dissatisfaction for the SUI non-academic employees. He said their proposal basically is that there should be no increase at this time. He said justification has not been shown for an increase and a delay should be granted and further study of the whole question should be carried forth with more thorough consultation with employees.

Regent Barber asked who uses the Cambus System. Mr. Chisholm responded that the Cambus is available for usage by anyone in Iowa City.

MOTION:

Mr. Baldrige moved the board accept the parking system report as presented by the university and requested the university give further study to the commuter concept and study the rate structure on the commuter lots. He also moved the board approve the revisions in the Motor Vehicle and Bicycle Regulations for the university. Mr. Zumbach seconded the motion.

REVISIONS FOR
MOTOR VEHICLE AND BICYCLE REGULATIONS
THE UNIVERSITY OF IOWA

Parentheses indicate deletions, underlines indicate additions.

1.7-4-b:

Parking permits for the Hospital Ramp and Union Ramp must be displayed on the wing window or lower windshield on the driver's side.

1.7-6:

These departmental business permits may be used by any faculty-staff reserved parking permit holder when on University business, and will allow that individual to use any University faculty-staff parking lot regardless of the lot to which he is assigned.

1.9-4-b:

(Overtime parking violations:) Expired Meters:

1.11-2-a:

No person shall leave any vehicle upon any street, alley, or public ground at any time for a period longer than (twelve 12) forty-eight 48 hours.

2.1:

Bicycles need not be registered with the University. However, the city of Iowa City (has certain regulations concerning) has a bicycle ordinance which among other things requires bicycle registration.

3.1 fourth sentence:

Two-wheeled motor vehicles registered with no parking privilege may not be parked on campus (at any time) except at meters after the meter enforcement hours have ended.

3.2 fourth sentence:

They shall not be parked in any other area, including the University's lawns, sidewalks, automobile parking spaces, including metered areas, or bicycle racks, except at meters after meter enforcement hours have ended.

4A.3-3:

An individual who purchases a key for night time privileges will be required to display a faculty-staff identification permit "M" permit or a paid faculty-staff permit.

4A.5:

	For 1974-75	For 1975-76
1) "E" Permits-Faculty-Staff Parking		
12-Month Permit-(\$60.00)	<u>\$78.00</u>	<u>\$96.00</u>
9-Month Permit-(\$45.00)	<u>\$58.50</u>	<u>\$72.00</u>

3)	"G" Permits-Staff Carpool Parking		
	12-Month Permit-(\$65.00)	<u>\$83.00</u>	<u>\$101.00</u>
	9-Month Permit-(\$50.00)	<u>\$63.50</u>	<u>\$ 77.00</u>
5)	"K" Permits-Commuter Parking		
	12-Month Permit-(\$15.00)	<u>\$20.00</u>	<u>\$20.00</u>
	9-Month Permit-(\$10.00)	<u>\$15.00</u>	<u>\$15.00</u>
6)	"L" Permits-Ramp Parking		
	12-Month Permit-(\$120.00)	<u>\$138.00</u>	<u>\$156.00</u>
	9-Month Permit-(\$90.00)	<u>\$103.50</u>	<u>\$117.00</u>
9)	"S" Permits-Storage		
	12-Month Permit-(\$30.00)	<u>\$42.00</u>	<u>\$42.00</u>
	9-Month Permit-(\$22.50)	<u>\$31.50</u>	<u>\$31.50</u>
10)	"R" Permits-Storage Carpool		
	12-Month Permit-(\$35.00)	<u>\$47.00</u>	<u>\$47.00</u>
	9-Month Permit-(\$27.50)	<u>\$36.50</u>	<u>\$36.50</u>

COVER PAGE:

(1973-1974) 1974-1975

Inside map section PLEASE READ AND REMEMBER:

14. Student Health meters may be used by Student Health patients providing the car is registered and auto registration is signed. Meters must be paid.

Regent Baldrige said the intent of his motion would be to increase usage of Cambus. Regent Zumbach complimented the university on its application of cost accounting techniques.

President Boyd noted that some of the university employees do not have the option of walking to work and said he is sympathetic in trying to make the commuter and storage lots rates as low as possible. He said he has taken the position that he feels it is advantageous to reduce university traffic.

Regent Baldrige commented that he wants rates for storage and commuter areas studied and the information received presented to the board as quickly as possible.

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

The board's attention was then specifically directed to the Hospital Parking Ramp No. 2. Director Gibson reported that the only access to the existing hospital ramp is from the south. He said the access for ramp no. 2 will be the same as for ramp no. 1. When the project is completed a car will have access to both parking ramps. When the South Pavilion is completed, the entrance will be shifted around.

PROJECT BUDGET

Insurance	\$ 8,000
Architectural & engineering	47,830
Construction administration & supervision	44,660
Construction - ramp and service road	1,095,030
Utilities - relocations, adjustment, new services	32,100
Site development	29,200
Contingencies	88,130
Consultants	5,000
	<u>\$1,349,950</u>
Source of Funds:	
Parking Lot Operations 1974-75 & 1975-76	\$ 250,000
Hospital Improvement, Extension and Repair	275,000 (1)
Treasurer's Temporary Investments	824,950 (1)
	<u>\$1,349,950</u>

(1) To be repaid from net parking revenues, without interest, as net parking revenues are available.

PROJECT DESCRIPTION

Proposed hospital additions will cause the loss of 300 parking spaces. This project, a 3 level, approximating 300 space ramp, with expansion capacity to 500 spaces, is intended to reduce the impact of this loss, and with expansion, offset it.

The proposed ramp, to be located immediately south of the existing Hospital ramp, will be similar in design, engineering and layout to that ramp. An alternate bid will be taken adding two floor levels and approximately 200 spaces to the capacity. If bids are favorable, financing will be considered for the complete ramp.

Construction costs include a road on the west side of the new ramp that will be used as an exit for both ramps as well as booths to serve both ramps. With the development of the hospital to the south, improvements in traffic circulation will be required. At an appropriate time, projects for the improvement of South Hospital Road and an improved access to the hospital entrance will be developed.

MOTION:

Mrs. Collison moved the board approve the project, preliminary plans and budget, selection of University Architect's Office as architect, and selection of Physical Plant Department as inspection supervisor. Mr. Brownlee seconded the motion and it passed unanimously.

Regent Bailey commended the university on the architect's cost on this.

EAST CAMPUS CHILLED WATER PLANT - PHASE I. The board was requested to:

(1) terminate the project, (2) terminate an ammendment to Well Water Conservation project with Stanley Consultants having to do with East Campus Chilled Water Plant and approve payment of outstanding billings, (3) terminate contract #1, East Campus Chilled Water Plant, with The Trane Company and approve payment of cancellation charge, (4) terminate contract #2, East Campus Chilled Water Plant, with Ceramic Cooling Tower Co., and approval of payment of cancellation charge.

The university reported:

This project and preliminary budget were approved by the Board of Regents in September, 1973. Contracts #1 and 2 in the amounts of \$169,050.82 and \$93,800.00, respectively, were approved by the Board of Regents in December, 1973. Analysis of nearly completed plans shortly before construction bids were to be sought revealed that project costs were likely to be approximately \$700,000 more than the approved project budget. The anticipated budget overrun is accounted for by a combination of an unrealistic beginning budget and inflationary pressures greater than could have been anticipated when the budget was prepared. See Exhibit 1, a letter from Stanley Consultants for a detailed explanation.

The University has reluctantly determined that the increased budget cannot be funded and that the project should be cancelled. All work on the project was halted in April when this decision was reached.

The project was to have served initially three air conditioning needs: the Iowa Memorial Union, Burge/Daum and Trowbridge Hall. Under separate docket item the University will seek permission to proceed with the Iowa Memorial Union air conditioning project as a separate and self-contained system. Correction of the Burge/Daum problem will be deferred until such time as funds are available for renewal of that portion of the project.

Termination of the project will require the actions requested above. Added billings from Stanley Consultants will be negligible and related only to work completed but not billed in April before work on the project was halted.

Cancellation of Contract #1 with The Trane Company will cost between 7 and 10% of the contract amount of \$169,050.82, from \$11,800 to \$16,900. The exact sum will not be known until actual cancellation of the contract. (See Exhibit 2.)

Cancellation charges for Contract #2 with the Ceramic Cooling Tower Co. will be \$16,400. (See Exhibit 3.)

All costs thus far incurred and costs associated with project cancellation will be paid from income from Treasurer's Temporary Investments, one of two fund sources approved in the preliminary budget. Costs now identified are:

Stanley Consultants - Engineering:		
Phase I - Central Plant	\$ 52,563.71	
Phase II - Distribution System	5,574.86 ¹	
Phase III - IMU Air Conditioning	17,011.24 ¹	
Phase IV - Burge/Daum Air Conditioning	<u>10,948.27</u>	\$ 86,098.08
University Physical Plant - Engineering & Administration		3,793.65
Contract #1 - The Trane Company between \$11,800 and \$16,900		16,900.00
Contract #2 - Ceramic Cooling Tower Co.		<u>16,400.00</u>
Sub-Total		\$123,191.73
¹ Less charges applicable to continuation of IMU project		<u>17,011.24</u>
TOTAL		<u>\$106,180.49</u>

MOTION:

Mr. Bailey moved the board: (1) terminate the project, (2) terminate an ammendment to Well Water Conservation project with Stanley Consultants having to do with East Campus Chilled Water Plant and approve payment of outstanding billings, (3) terminate contract #1, East Campus Chilled Water Plant, with The Trane Company and approval of payment of cancellation charge, (4) terminate contract #2, East Campus Chilled Water Plant, with Ceramic Cooling Tower Co., and approve payment of cancellation charge. Mr. Barber seconded the motion.

Regent Bailey commended the university in taking its only out. President Petersen noted that it was unfortunate it progressed so far before action to abandon was taken.

VOTE ON MOTION:

The motion passed unanimously.

IOWA MEMORIAL UNION AIR CONDITIONING. The board was requested to grant the university approval to negotiate a contract for engineering services with Stanley Consultants, Inc.

The university reported that cancellation of the East Campus Air Conditioning project included the renovation of the air conditioning system in the Iowa Memorial Union. Cancellation of that project requires that a new project be opened for the Iowa Memorial Union air conditioning system.

Under the canceled project working drawings for the distribution system within the building were nearly completed by Stanley Consultants. The cooling for the building was to have come from the East Campus Chilled Water Plant. With cancellation of that project a self-contained cooling system to consist of absorber units and a cooling tower must be added to the IMU project.

Permission to negotiate a contract with Stanley Consultants to complete the work associated with this revised project is requested. Continued use of this firm will optimize the value of work already completed on the project, estimated to be between 60% and 75%, and reduce time and costs associated with continuation of the project. Proposed contracts and a project description and budget will be presented for board consideration in July 1974.

MOTION:

Mrs. Collison moved the board approve negotiation of a contract for engineering services with Stanley Consultants, Inc. for Iowa Memorial Union air conditioning. Mr. Brownlee seconded the motion and it passed unanimously.

LEASE OF PROPERTY. The board was requested to approve the following lease of property located at 101 West Mississippi Drive, Muscatine, Iowa:

Owner - Landlord

Jaeger Hotel Company

Property

Rooms 400, 401, 402 & 403 in the Hotel Muscatine consisting of approximately 630 sq. ft. of space.

Term

One year, commencing July 1, 1974 and ending June 30, 1975.

Rental

Tenant agrees to pay landlord as rental for said term \$175.00 the 1st day of July 1974 and the same amount, per month, in advance on the 1st day of each month thereafter, during the term of the lease, for a full-term rental of \$2,100. (Approximately \$3.50 per square foot.)

Use of Property

Tenant agrees during the term of this lease to use and occupy the leased premises only for an office and clinic for the Department of Internal Medicine, College of Medicine, University Hospitals.

Need for Lease Property

(See attached letter from Dr. William Connor to Dr. Robert Hardin.)

Comments

The rental rate and terms of this lease appear to be fair and equitable for rental of office space in downtown Muscatine, Iowa.

The following letter to Dr. Hardin from Dr. William E. Connor, Director, Clinical Research Center, was presented for board information:

On November 15, 1972, I described our requirement for clinic and administrative space in Muscatine, Iowa relative to our SCOR grant (HL 14230) - Muscatine Project. A copy of that letter is attached.

We have since expanded the Muscatine Project to include a genetic and epidemiological evaluation of hyperlipidemia among school age children and adults in the Muscatine community. This program expansion requires some additional space as well as a full twelve month clinic. As a result, we have agreed, subject to University approval, to move to a more suitable clinic location within the premises of the same landlord.

The proposed space is located in the Hotel Muscatine and consists of 650 square feet. The lease will be for one year commencing July 1, 1974 at the rate of \$175 per month. An automatic renewal option on a monthly basis has been requested. The landlord has agreed to certain improvements of the premises and the lease is contingent upon their completion.

MOTION:

Mr. Baldrige moved the board approve the lease of property as shown above. Mr. Slife seconded the motion and on roll call the following voted:

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

NAY: None

ABSENT: None

The motion passed unanimously.

TRANSFER OF SURPLUS TO DORMITORY IMPROVEMENT FUND. The board was requested to approve a transfer of \$895,000 to the Dormitory Improvement Fund from the Dormitory Surplus Fund.

The Board Office reported that in accordance with the dormitory bond covenant, sums from the surplus funds may be at the discretion of the State Board of Regents used to pay any university overhead expenses or may be transferred to any of the other special funds. The Board Office was informed that in view of reduced occupancy in recent years prior to 1973-74, the minimum required amount has been transferred to the Dormitory Improvement Fund. Furthermore, the debt reserve fund has been built up to the maximum

requirement. It is now proposed to transfer \$895,000 to the Dormitory Improvement Fund, which is \$415,000 more than the minimum required in order to provide funds to meet equipment replacement, major repair and capital improvement costs.

President Boyd commented that the action proposed would not preclude subsequent evaluation with the student body, at its request, concerning rebate on dormitory fees if there should ever be any reason for that.

MOTION: Mr. Brownlee moved the board approve the transfer of \$895,000 to the Dormitory Improvement Fund from the Dormitory Surplus Fund. Mr. Baldrige seconded the motion and it passed with all members voting aye.

DORMITORY SYSTEM PROPOSED REVISION OF ANNUAL BUDGET, 1973-74. The board was requested to approve a dormitory system budget revision for 1973-74 as submitted by the university.

INCOME	Original Budget	Proposed Revision	Proposed Revised Budget
Dormitory			
Room-Academic Year Contract	\$2,612,369	\$ 7,176-	\$2,605,193
-Summer Session Contract	76,625	15,207	91,832
Dining-Academic Year Contract	2,706,143	174,984	2,881,127
-Summer Session Contract	52,436	5,954	58,390
-Cafeterias, Grills & Stores	455,666	3,193-	452,473
Conference & Guest Housing & Meals	253,026	55,888	308,914
Married Housing	932,068	13,990-	918,078
Vending Machine Receipts	498,806	9,233	508,039
Service Charges, Commissions, & Other	192,464	652	193,116
Interest Income	282,198	20,639	302,837
TOTAL INCOME	8,061,801	258,198	8,319,999
EXPENSE			
Cost of Food & Goods Sold	1,766,542	179,072	1,945,614
Salaries, Wages & Employee Benefits	2,350,491	58,442-	2,292,049
Operating Supplies & Expenses	474,453	10,572-	463,881
Utilities	739,425	44,792	784,217
Repairs & Maintenance	397,848	1,336-	396,512
General Departmental Expense	393,967	8,672	402,639
TOTAL EXPENSE	6,122,726	162,186	6,284,912
NET REVENUE	\$1,939,075	\$ 96,012	\$2,035,087

APPLICATION OF ESTIMATED NET REVENUE

Sinking Fund	\$1,336,620	\$	\$1,336,620
Bond Reserve Fund	480,000		480,000
University Overhead	122,455	13,836-	108,619
Surplus Fund	-0-	109,848	109,848
	\$1,939,075	\$ 96,012	\$2,035,087

(-) Deduction

MOTION:

Mr. Baldrige moved the board approve the dormitory system budget revision for 1973-74 as submitted by the university. Mr. Slife seconded the motion.

Regent Collison noted the savings and asked if this can be invested. Vice President Jolliffe reported it is being invested. She asked what interest rates could be gained on these funds. Mr. Jolliffe responded that when

IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Thursday, June 27, 1974.

TENURE POLICY. The board was requested to approve a proposed Iowa State University tenure policy.

President Parks noted that Professor of Economics Neil Harl and Professor Edwin Lewis, Assistant Vice President for Academic Affairs, of ISU, were present for discussion.

Professor Harl reported that copies of the proposed tenure policy were sent to all members on the ISU faculty prior to two open meetings. He commented that the board has a report and a tenure policy statement which represent the work of the ad hoc committee. Both the report and tenure statement have been approved by the general faculty.

The Board Office reported that in reviewing the recommendations of the Keast Report, the committee assigned the items to four basic categories: (a) those believed to represent current policies in effect at ISU; (b) those deemed acceptable to the committee with little or no question; (c) those given further study by the committee; and (d) those recommendations deemed by the committee to be irrelevant.

Eligibility for tenure was extended in the proposed policy to include part-time faculty (those with fifty percent or more of full-time service) and includes extension faculty members that hold or are granted academic rank. Administrative appointments should continue to not carry tenure as such; however,

administrators holding rank in an academic department are eligible for tenure according to the proposed policy.

Other proposed changes in the ISU tenure policy include: Written statements of the conditions for employment of all faculty; that equivalent criteria be applied to individuals in all departments; the availability of extensions of the probationary period for faculty who would not otherwise have adequate opportunity to qualify under the new criteria but who have demonstrated the potential to do so; a provision for annual evaluation of each faculty member; and the results of that evaluation be reviewed with the faculty member the development of more adequate methods of evaluating performance in teaching, research and extension for both tenured and non-tenured faculty; and that evaluation committees considering tenure recommendations regularly solicit information from persons outside the subject department and outside the university who possess special or unusual insights in the qualifications of the individual candidates.

The committee also recommended that a minimum period of three years service be required for the granting of tenure. It also was recommended that "adequate cause" in faculty dismissal proceedings, not due to financial exigency, be restricted to (1) demonstrated incompetence, (2) dishonesty in teaching or research, (3) substantial and manifest neglect of duty, and (4) personal conduct which substantially impairs the individual's fulfillment of his or her institutional responsibilities.

President Petersen thanked Professor Harl for the university effort to modify the tenure tradition and for spelling it out and clarifying it.

Regent Bailey expressed his concern that flexibility in institutional departments is essential in preserving university quality. He stated his reservations

that some departments have 100% or near that percentage in tenured faculty. Regent Bailey said a promising faculty member coming into a highly tenured department should understand the situation before being hired that the period of time involved before he could attain tenure would be indefinite but hopefully eventually.

Professor Harl stated with regard to quotas that they may create significant personnel obstacles. If a unit of the university were to approach a limit established for tenured professors, an almost certain result would be increased difficulty in employing faculty members. Also, difficulties would likely be experienced in hiring in fulfillment of affirmative action objectives. He said it is the belief of the committee that the potential problem of a high tenure ratio can better be avoided by judicious hiring rather than by a quota system applied to persons already hired. Professor Harl commented that any policy that tends to preclude the opportunity for tenure for a new faculty member would create problems first with respect to recruitment and second to keep that person with high morale.

Regent Bailey said the proposed tenure policy should be recognized without any binding rule on the university. He stated that flexibility in departments is essential but that you could get 100% tenure under the Keast recommendations. Regent Bailey commented that some mechanism is needed to tell people when the university is making decisions leading to complete tenuring of departmental faculties.

President Parks expressed his agreement with the committee's report on tenure. He noted that at Iowa State University there is no problem with regard to the number of faculty on tenure. President Parks suggested the university submit a report to the board every year or two reporting the number of faculty members

on tenure. Regent Bailey responded by saying the Keast Commission has recognized the problems of over-tenured faculty and stated the policy should include a statement to the effect that this situation is recognized as a possible "shut door" to quality.

Professor Harl stated that the committee endorses the philosophy of affirmative action in the recruitment, hiring and tenuring of women and members of minority groups. He said the committee recommends a statement regarding affirmative action which appears in the University of Iowa statement be adopted as policy at Iowa State University as well. That policy follows:

"As affirmative action and tenure function at Iowa State University, they are completely compatible concepts. Both seek to assure the acquisition and retention of those who are most qualified. In the appointment process, affirmative action operates to assure that the most qualified available person is identified and is offered the opportunity to join the faculty; and after initial appointment, it assures that in making tenure and salary decisions, irrelevant considerations such as race and sex play no role.

Prior to the initiation of the affirmative action program, the traditional process of identifying the most qualified person for an available position was somewhat limited in scope and, thus, the pool from which the most qualified person was drawn was relatively narrow. Under the present affirmative action program, all positions are advertised widely and direct inquiries are made of many more persons than in the past. With the expanded search, the pool from which to draw has been broadened substantially. The goal of the selection process has remained unchanged -- to select the most qualified from among those available. With a broader pool from which to draw, the University can be more confident that the person truly most qualified has been identified. As affirmative action and tenure function at Iowa State University, not only are the two compatible; they compliment each other in assuring a quality faculty.

Only if the University's tenure system becomes frozen -- either by the imposition of quotas on the percentage of persons who may acquire tenure or by restricting access to the tenure rank because substantially all faculty members have tenure -- is tenure incompatible with affirmative action. If either quotas are established or tenuring-in occurs, access and upward mobility become impossible or extremely difficult; and in such a situation, affirmative action is stymied and vitality lost.

Coupling a dedication to affirmative action with awareness of the problem, initial appointment practices that limit somewhat the number of persons appointed to probationary (tenure-track) positions, and firm quality control in the process of tenure decision-making, the University sees no danger of unduly restricting access to tenured positions to the extent that would subvert its affirmative action program. Any quota system restricting access to tenure by establishing maximum percentages of tenured faculty members can only function to the detriment of the University's vitality and to its affirmative action program. Those who qualify and are needed must be rewarded or initiative will be destroyed. Access to tenured ranks must remain open to those who qualify or women and minority group members without tenure will be deterred from joining the Iowa State University faculty. With an open system -- and we are persuaded that it can remain open -- vitality will remain and affirmative action accomplished."

MOTION:

Mr. Bailey moved the board approve the proposed Iowa State University tenure policy including Item IV of the ad hoc committee on tenure's report. Mr. Slife seconded the motion.

Regent Collison complimented the university on the tenure statement in that it is extremely open ended at the right end.

Professor Harl said the change of tenure policy for part-time faculty members would raise questions of transition to the new rules. Three options would appear to be open: (1) The probationary period for all part-time faculty eligible for tenure could commence at the time of enactment of the new policy. (2) The probationary period for all part-time faculty eligible for tenure could be considered to have commenced with the person's initial appointment. (3) A part-time faculty member eligible for tenure could choose the time when probationary period would be considered to have commenced between the date of that person's initial appointment and the date of enactment of the new policy. He said that every person must come through a satisfactory evaluation regardless of what option he or she selects.

VOTE ON MOTION:

The motion passed unanimously.

A copy of the tenure policy and report of the ad hoc committee are on file at the Board Office.

The following business pertaining to Iowa State University was transacted on Friday, June 28, 1974.

REGISTER OF PERSONNEL CHANGES for the month of May 1974 were ratified.

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

Marvin A. Anderson as Acting Dean of University Extension, Director of Cooperative Extension Service in Agriculture and Home Economics, and Professor of Agronomy, effective July 1, 1974. Dean Anderson had retired effective June 30, 1974. He will serve in an acting capacity until a new dean is appointed. Salary as budgeted, twelve months' basis, plus annuity.

Keith L. McRoberts as Chairman of the Department of Industrial Engineering, effective July 1, 1974 for a five-year period. Salary as budgeted, twelve months' basis, plus annuity. Dr. McRoberts is registered as a professional engineer in Iowa and has been active in the American Institute of Industrial Engineers, where he recently completed a term of office as National Director of the Operations Research Division.

Thomas W. Turnage as Associate Dean of the College of Sciences and Humanities. Dr. Turnage will continue to serve as Head, Department of Psychology and Acting Chairman, Department of Foreign Languages until these positions are filled by others. The appointment as associate dean will be effective July 1, 1974, salary as budgeted, twelve months' basis, plus annuity. Dr. Turnage has written numerous articles for professional journals dealing with experimental psychology, verbal behavior, memory, history and systems, and the teaching of psychology.

Elmer Daniel Klemke as Associate Dean of the College of Sciences and Humanities and Professor of Philosophy, effective July 1, 1974, salary as budgeted, twelve months' basis, plus annuity. Dr. Klemke has over 30 publications in professional journals dealing with metaphysics, contemporary philosophy (British and American), philosophical analysis, the philosophy of logic, and the philosophy of science.

Bert Edward Nordlie as Professor and Chairman, Department of Earth Science, College of Sciences and Humanities. The chairmanship will be in effect from July 1, 1974, to June 30, 1979. Salary as budgeted, twelve months' basis, plus annuity. Dr. Nordlie is a member of the

American Association for the Advancement of Science, the American Geophysical Union, the Arizona Geological Society, the Geochemical Society, the International Association of Volcanology and Chemistry of the Earth's Interior, and Earth Science Honor Society.

Paul A. Hartman, Distinguished Professor, as Acting Chairman of the Department of Bacteriology, effective July 1, 1974, to serve until a chairman or head is appointed. Salary as budgeted, twelve months' basis, plus annuity. Dr. Hartman has been a member of the Alabama Academy of Science, the Indiana Academy of Science, the American Academy for the Advancement of Science, the National Institute of Food Technologists, the American Society for Microbiology, and the Society for Industrial Microbiology.

William W. Marion as Professor and Head of the Food Technology Department, College of Agriculture, effective July 1, 1974, salary as budgeted, twelve months' basis, plus annuity. In November 1971 Dr. Marion served as consultant to the International Bank for Reconstruction and Development in Equador. Dr. Marion has had numerous professional articles published in the field of food technology. He holds membership in the Institute of Food Technologists, Poultry Science Association, American Oil Chemists Society, American Association for the Advancement of Science, Gamma Sigma Delta and Alpha Zeta.

Charles V. Hall as Professor and Head of the Horticulture Department, College of Agriculture, effective September 1, 1974, salary as budgeted, twelve months' basis, plus annuity. Dr. Hall is a member of the American Society for Horticultural Science, Gamma Sigma Delta, Sigma Xi, Phi Kappa Phi, and the Kansas Vegetable Association. He has published numerous articles in professional journals and has done extensive research in vegetable breeding and genetics and in insect and disease resistance in vegetable crops.

Jack H_orowitz, as Acting Chairman, Department of Biochemistry and Biophysics, College of Sciences and Humanities, effective July 1, 1974. He will serve as acting chairman until a new chairman is appointed. Dr. Horowitz was appointed chairman July 1, 1971, for a three-year period. Salary as budgeted, twelve months' basis, plus annuity.

Ray D. Dearin as Acting Chairman and Associate Professor, Department of Speech, College of Sciences and Humanities, effective July 1, 1974. Salary as budgeted, twelve months' basis, plus annuity. The acting chairmanship will terminate when a chairman is appointed. Dr. Dearin is a member of the Speech Association of America and the Central States Speech Association. He is Associate Editor of the Iowa Journal of Speech and has had articles on rhetoric published in professional journals.

Orville V. Steil as Director of Purchasing and Stores, effective July 1, 1974, salary as budgeted, twelve months' basis, plus annuity. Mr. Steil is a member of the National Association of Educational Buyers and the National Association of Purchasing Management. He has served as past president of the Iowa-Nebraska regional group of the National Association of Educational Buyers.

MOTION:

Mr. Bailey moved the board approve the appointments of Iowa State University as shown above. Mr. Zumbach seconded the motion.

President Parks apologized to the board for the lateness of some of these appointments coming to the board.

VOTE ON MOTION:

The motion passed unanimously.

INFORMATIONAL REPORT ON PROPOSED UNIVERSITY OF MID-AMERICA. President Parks and Vice President Christensen presented an oral report on the university and a summation of their remarks follows:

The University of Mid-America is a project of the Mid-America State Universities Association (Iowa State University, University of Nebraska, University of Missouri, University of Kansas, Kansas State University, University of Oklahoma, and Oklahoma State University). Planning leading to the establishment of UMA began in 1971 when the University of Nebraska's S-U-N (State University of Nebraska) project studies, explored, and tested the idea that the university has an obligation which extends beyond the bounds of the traditional college campus. This idea has grown with federal encouragement into an ambitious idea with broad geographical bounds.

On February 1, 1974, MASUA university representatives endorsed continued MASUA participation in the possible regional development of the University of Mid-America and called for each MASUA institution to appoint a representative

to a MASUA/AMA ad hoc planning committee "to develop a plan for organization and implementation" of the regionalization concept for open learning. On that same date the National Institute of Education announced approval of a \$934,581 grant to S-U-N for calendar year 1974. The charge that accompanied the NIE grant also carried with it a number of assignments related to regional planning. These include:

Study the administrative, legal, political, economic, and operational constraints upon the two types of organization, constructs, including the receipt of state appropriations across state lines.

Consider and resolve the operational relationships of the several state members to consortium administration, the types of educational and fiscal commitments required, the methods by which open learning courseware will be employed in each member state, the operational relationship of each state delivery system to the consortium, and the methods of awarding credit for successful course competition.

Identify the specific states to be initially involved in the regional consortium, and develop a plan to formalize the organization of the University of Mid-America to become operational by, and initiate employment of courseware in, January 1975.

Quantify potential audience size in the regional consortium and develop statistical projections of students on a state-by-state basis for the five-year period.

Prepare and diagram five-year projections of broadcast television delivery with the region, including potential hours of channel time availability and other open learning delivery mechanisms.

Vice President Christensen added that the University of Mid-America is not a degree granting university. It offers courses which may be accredited and utilized through credit for any university that will accept credits, possibly with an Iowa Commonwealth College. In response to question he said that students do not need residency in order to take a course at the University of Mid-America.

Regent Collison expressed her pleasure that Iowa and surrounding states could capitalize funds on this type of network where there are outlying regional advantages.

President Parks noted that the universities involved in the University of Mid-America at present are only the beginning group. He said he hoped that other universities would be included in the UMA.

PRELIMINARY LINE BUDGET SUMMARY, 1974-75. The board was requested to approve the Iowa State University preliminary 1974-75 budget for general program operations for general university, Agriculture and Home Economics Experiment Station, and Cooperative Extension Service in Agriculture and Home Economics as revised to delete the amount of \$356,000 from the contingency fund for federal funds losses and as revised to include a portion of the appropriated amount for coal research.

President Parks stated that the proposed preliminary budget for the university generally follows the appropriations as granted. Although funds provided are greatly needed and much appreciated, they do not completely restore our employees' purchasing power with the rate of inflation experienced during the past year, nor permit the university to finance adequately certain necessary departmental activities. The special needs included in the supplemental appropriation bill provides for \$209,000. However, a starting base reduction of \$300,000 also has been made resulting in a net reduction of funds for program improvements. This reduction reflects continued misunderstanding regarding some \$605,000 contained in the general university's 1972-73 operating budget as educational allowances for research support. These funds have been budgeted as a part of the general university's income for many years and are the result of federal allowances associated with supporting various graduate student fellowship programs in a number of fields. These funds have been an integral part of the university's general operations and have had the effect of reducing the amount of state support necessary for the general university

budget. This adjustment and the reduced funding from the Department of Public Instruction are currently under review.

General University
General Program Operations
(000's omitted)

Table I

	Starting Base <u>1973-74</u>	<u>A d d i t i o n s</u>	
		As Appro- priated <u>1974-75</u>	Proposed Prelim. Budget <u>1974-75</u>
Starting Base		48,665	48,665
Starting Base Adjustment		-300	
Faculty & Institutional Officials	28,233	2,110	2,508
Administrative and Professional	3,764	395	395
General Service Staff	8,252	834	834
Disability Insurance		60	
General Expense			
Fuel & Purchased Electricity	1,220	61	61
Fuel & Purchased Electricity Contingency			938
Other	5,293	265	837
Transmissible Gastroenteritis		70	70
Equipment & Library Books	1,378	117	39
Repairs, Replacements & Alterations	525	26	26
Special Needs		209	
Total Additions		<u>4,645</u>	<u>5,708</u>
Total Budget	<u>48,665</u>	<u>52,512</u>	<u>54,373</u>
Estimated Income:			
State Appropriations			
Chapter 106 (original approp.)	32,876	33,397	33,397
S.F. 618 (cost of living)	842	842	842
Supplemental - S.F. 1386			
Salaries & Disability Insurance		2,692	2,692
Merit Salaries		351	351
Adjustment to Original Approp. (tuition)		-333	-333
Support & Maintenance		190	190
Transmissible Gastroenteritis		70	70
Fuel & Purch'd Electricity Contingency			938
Contingency - Fed. Funds Losses			356
Student Fees	12,563	12,896	13,470
Federal Funds	467	464	464
Sales & Services	717	743	636
Other Income	<u>1,200</u>	<u>1,200</u>	<u>1,300</u>
Total Income	<u>48,665</u>	<u>52,512</u>	<u>54,373</u>

GENERAL UNIVERSITY

Table II

Calculation of Faculty Salary Increases

Academic Salaries - Including benefits	\$28,129,000	
Professional & Scientific	<u>3,764,000</u>	
Salary base used in appropriation	\$31,893,000	
Calculation of increase \$31,893,000 X 7.5% =		<u>\$2,391,975</u>

Appropriations provided in bill

Faculty - Including benefits	\$ 2,110,000	
Professional & Scientific (Including benefits)	<u>282,000</u>	
	<u>\$ 2,392,000</u>	

Total funds available for salary increases	\$ 2,392,000	
1. Less portion needed for employee benefits @ 14.5%	- 347,000	
2. Promotion increases	<u>- 50,900</u>	
Funds available for salary increase	<u>\$ 1,994,100</u>	

Salary Base less benefits including Salary Savings

Faculty	\$26,184,344	
Professional & Scientific	<u>2,243,943</u>	
	\$28,428,287	

Average increase allocated to Colleges

$$\$1,994,100 / \$28,428,287 = 7.0\%$$

Average increase \$1,994,100

Including promotions 50,900

$$\$2,045,000 = 7.2\%$$

Average increase less salary savings

$$\$2,045,000 / (\$28,428,287 - \$640,000) = 7.4\%$$

The Board Office reported on each preliminary budget presented by the university.

General University

Income includes the various items as appropriated. The appropriation of \$70,000 for transmissible gastroenteritis is included. An amount to be requested from the fuel and purchased electricity contingency in the amount of \$938,000 is included.

Iowa State University requests approval for allocation of \$356,000 from the contingency for federal funds losses. The request includes items which have been previously approved subject to documentation confirming the fact that the funds are definitely lost. Documentation has not been submitted with this preliminary budget request and therefore the Board Office recommends that this item be deleted from the final budget pending further review of the items by the board.

Student fees are shown to increase in the amount of \$574,000 from \$12,896,000 as estimated for the appropriation process to \$13,470,000. \$470,000 are to include the student fees as income which are to be transferred to the Memorial Union as expense in accordance with the unified budgeting and accounting procedure. The remainder of the increase amounts to \$104,000.

Estimated sales and services are shown to reduce in the amount of \$81,000 from \$743,000 to \$636,000. The institution states that income is being adjusted to more realistically reflect actual income. The preliminary budget includes an increase of \$100,000 to \$1,300,000 for other income, which consists primarily of indirect cost reimbursed from sponsored research and training programs.

The expenditure items in the proposed preliminary budget are identical with those in the appropriation process except for salaries for faculty and institutional officials, fuel and purchased electricity contingency, other general expense, and equipment and library books. Fuel and purchased electricity contingency is included at \$938,000 and is offset by the income item in the same amount. Of the remaining \$923,000 of increase in income for the proposed preliminary budget over the income as shown in the appropriation process, \$470,000, is included in general expense for a unified accounting treatment of the Memorial Union student fee allocation and an additional \$102,000 is allocated to general expense. The special needs were for opening new buildings in the amount of \$19,000 and \$190,000 for adjustment of student fee income error made in the 65th G.A. first session appropriation. An amount of \$398,000 has been allocated to faculty and institutional officials in the proposed preliminary budget over that in the appropriations process by providing an increase of only 2.8% in funds for equipment and library books over the starting base budget of 1973-74. The increase of \$398,000 for faculty and institutional officials may be appropriate if the institutional estimate of additional funds for benefit costs of \$490,000 is required.

Mr. Richey commented there is a problem with fuel cost overrun. He noted that \$938,000 is being budgeted for fuel as if funds were available.

President Parks commented that the appropriation bill contains funds to increase equipment by 5% and library books by 10% of the base, totaling \$117,000. Five percent of the university's equipment base is \$16,400. These funds will be added to the current budgeted equipment funds of \$372,000. This will provide a proposed equipment budget of approximately \$388,000, woefully inadequate considering the current rate of inflation and obsolescence of scientific equipment. In comparison to other institutions and even some of the area community colleges within Iowa, the university is having difficulty maintaining adequately equipped laboratory facilities. The current library development requires additional personnel to effectively manage library operations and funds for data processing systems to permit implementation of modern library techniques. Approximately \$78,000 of funds will be reallocated within the library to provide for these needs.

Vice President Moore presented members of the board with the most recent version of the actual federal fund losses at Iowa State. He noted that the \$202,000 in capitation money was funded completely.

Vice President Moore made reference to the fact that the Department of Public Instruction paid \$103,000 for research contracts at the university. He said the university expected more, other than just for research, so the State Comptroller will now make up some of the difference.

Regent Collison asked whether there was any difference in the way the university appropriated to the Memorial Union the student fee money. Vice President Moore commented there is a difference between how Iowa State University does it and the other institutions. He said at ISU the Memorial Union funds are part of the activity fee whereas at the other institutions it was general support. President Petersen said she had no objection on the part of the

board to reclassify that part of the activity fee as part of the general income and transfer it over. This would increase the base by that amount and a payment could be made to the Memorial Union for that amount. This would have the effect of increasing student fee income by that amount of money to the general fund and reducing student activity fee by that amount. It would be a bookkeeping device rather than a change in fees as there would be no real change in the flow of funds.

The Board Office noted Iowa State University has not included the amount of \$3 million or any portion thereof in its preliminary budget for 1974-75 which was appropriated for coal research by S.F. 1362, 65th G.A., as follows:

Section 1. There is appropriated from the general fund of the state to Iowa state university of science and technology the sum of three million (3,000,000) dollars, or so much thereof as may be necessary, for the energy and mineral resource research institute to carry out a coal research project within the state."

The wording appropriates to Iowa State University as does the wording for transmissible gastroenteritis which has been included in the preliminary budget. The Board Office recommends that the proper portion of this appropriation should be budgeted for 1974-75.

Mr. Moore commented that the board will be kept much more closely informed on the coal research project than on any other given research because it is unique in that it is state-funded and it is a high sum of money for a single research project. He stated the project will be handled as restricted funds.

Agriculture and Home Economics Experiment Station
 General Program Operations
 (000's omitted)

Table III

	Starting Base <u>1973-74</u>	<u>A d d i t i o n s</u>	
		As Appro- priated <u>1974-75</u>	Proposed Prelim. Budget <u>1974-75</u>
Starting Base		5,928	5,928
Faculty & Institutional Officials	3,572	268	271
Administrative and Professional	612	64	65
General Service Staff	933	98	98
Disability Insurance		7	
General Expense	761	38	166
Equipment	<u>50</u>	<u>2</u>	<u>2</u>
Total Additions		<u>477</u>	<u>602</u>
Total Budget	<u>5,928</u>	<u>6,405</u>	<u>6,530</u>
Estimated Income:			
State Appropriations			
Chapter 106 (original approp.)	4,317	4,402	4,402
S.F. 618 (cost of living)	75	75	75
Supplemental - S.F. 1386			
Salaries & Disability Insurance		336	336
Merit Salaries		46	46
Federal Funds	1,446	1,446	1,571
Sales & Services	<u>90</u>	<u>100</u>	<u>100</u>
Total Income	<u>5,928</u>	<u>6,405</u>	<u>6,530</u>

Agricultural and Home Economics Experiment Station

The preliminary budget is identical with that in the appropriation process except for an income item of \$1,571,000 for federal funds which represents an increase of \$125,000 or 8.6% and which is based on the current recommendations of the President to the U. S. Congress and regarded as likely to be funded. Approximately the full amount is proposed for expenditure as general expense for meeting inflationary costs of the experimental farms, new research projects developed in conjunction with the Department of Agriculture in the amount of \$28,000 and initial compliance with OSHA on various outlying research facilities in the amount of \$25,000.

Cooperative Extension Service
General Program Operations
(000's omitted)

Table IV

	Starting Base 1973-74	<u>A d d i t i o n s</u>	
		As Approp- riated 1974-75 (State)	Proposed Preliminary Budget Including State & Federal 1974-75
Starting Base		6,884	6,884
Faculty & Institutional Officials	1,727	130	130
Administrative & Professional	3,813	400	542
General Service Staff	452	48	49
Disability Insurance		12	
General Expense	868	43	119
Equipment	<u>24</u>	<u>1</u>	<u>1</u>
Total Additions		<u>634</u>	<u>841</u>
Total Budget	<u>6,884</u>	<u>7,518</u>	<u>7,725</u>
Estimated Income:			
State Appropriations			
Chapter 106 (original appropriation)	3,655	3,765	3,765
S.F. 618 (cost of living)	50	50	50
Supplemental - S.F. 1386			
Salaries & Disability Insurance		395	395
Merit Salaries		128	128
Federal Funds	<u>3,179</u>	<u>3,179</u>	<u>3,387</u>
Total Income	<u>6,884</u>	<u>7,517</u>	<u>7,725</u>

Vice President Moore commented that there is an increase in federal funding for Cooperative Extension Service that is being used for program expansion.

Mr. Richey commented that the university will revise the budget as it comes closer to the time for final budget presentation.

MOTION:

Mrs. Collison moved the board approve the Iowa State University preliminary 1974-75 budget for general program operations for general university, Agriculture and Home Economics Experiment Station, and Cooperative Extension Service in Agriculture and Home Economics as revised to delete the amount of \$356,000 from the contingency fund for federal fund losses and as revised to include a portion of the appropriated amount for coal research. Mr. Brownlee seconded the motion and it passed unanimously.

DEAN OF STUDENTS' OFFICE - EXTENSION OF AGREEMENT FOR LEASE OR SPACE FROM

MEMORIAL UNION. The board was requested to approve an extension of agreement for one year for lease of space from the Memorial Union for the office of the dean of students.

The university reported that since 1967 the office of Dean of Students has been housed on the fifth floor of the Iowa State University Memorial Union. The present lease agreement expires September 1, 1974, and provides for payment of \$3.09 per square foot for the 14 rooms being used.

In 1967 the rental rate was \$3.20 per square foot for 12 rooms. In 1970, two additional rooms were added with a total rent increase of an amount that reduced the overall rental rate to \$3.09 per square foot. The proposed rate of \$3.65 per square foot is very reasonable for the type of space being rented.

It is now proposed to extend the agreement to September 1, 1975 for \$3.65 per square foot. When the renovation of the hospital is completed, the office of Dean of Students will be moved to the hospital. The schedule for the completion of the renovations indicates the move can take place late in the summer of 1975.

MOTION:

Mr. Baldrige moved the board approve extension of an agreement for a one year lease of space from the Memorial Union

for the office of the dean of students.
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 unanimously.

APPOINTMENT OF SECRETARY AND TREASURER. The board was requested to approve
the reappointment of Bernard O. Randol, Controller, to be university secretary
for the fiscal year beginning July 1, 1974 and the reappointment of Samuel A.
McDowell to be university treasurer for the fiscal year beginning July 1, 1974.

MOTION: Mr. Slife moved the board approve the
reappointments of Bernard O. Randol and
Samuel A. McDowell as shown above.
Mr. Baldrige seconded the motion and it
passed unanimously.

TENANT PROPERTY LEASES FOR 1974-75. The board was requested to approve the
following tenant property leases effective July 1, 1974. In each case, the
annual rental figures are the same as for the 1973-74 fiscal year.

	<u>Annual Rental</u>	
	<u>1973-74</u>	<u>1974-75</u>
Agricultural Engineering Research Farm - Howard Price	\$ 756	\$ 756
Horticultural Farm South - Harry Price	945	945
The Hub - Memorial Union	1,890	1,890

The university reported it intends to terminate the rental property business by
June 30, 1975. The tenants have been notified of this decision and are in
agreement with the university.

In response to question Vice President Moore commented that two of the leases are residences.

STUDENT HEALTH SERVICE - VOLUNTARY FEE. The board was requested to approve a voluntary fee for Student Health Service as proposed by the university in the amount of \$5.00 per quarter and \$2.50 per summer session, effective fall quarter 1974.

President Parks introduced Dr. Wilbur Layton, Vice President for Student Affairs, and Dr. J. H. Gardner, Director of Health Service, of Iowa State University who were present for discussion.

The university reported that the Student Health Service is requesting a voluntary student fee to supplement general university support so that the rapidly increasing costs of providing primary health care for students can be financed. The income from the voluntary fee will provide for recruiting physicians to fill staff vacancies, to increase the staff slightly, and to cover increased expenses. It has not been possible to recruit physicians at the currently budgeted salaries. There are presently four vacant physician positions out of a total of seven such positions.

Students who pay the voluntary fee will receive office calls, laboratory services, diagnostic x-rays, gynecology service, and minor medical treatment without further charge. Those who choose not to pay the fee will be charged for office calls and services. These fees will be lower than private practice fees because of the general fund subsidy.

Regent Zumbach asked what would happen if the voluntary fee system doesn't work. President Parks said he didn't know what would happen but said he is quite enthusiastic about this approach. He noted that in other states this

type of approach is workable. President Parks said an orientation program is currently underway and he said he suspects a large percentage of the freshmen will pay this fee right from the beginning.

MOTION:

Mr. Zumbach moved the board approve a voluntary fee for Student Health Service in the amount of \$5.00 per quarter and \$2.50 per summer session, effective fall quarter 1974. Mrs. Collison seconded the motion.

The following inclusions and exclusions were reported to be provided by health services.

INCLUSIONS

1. Professional fee -- 24 hour coverage (excluding third party claims)
2. Laboratory services (processed internally)
3. Diagnostic x-rays (excluding third party claims)
4. Gynecology -- professional services and internal laboratory tests
5. Ear irrigation
6. Wart removal
7. Medical records information requested by students.
8. Pre-marital blood test

EXCLUSIONS

1. All services normally covered by third party providers involving professional fees, laboratory, diagnostic x-rays, etc. resulting from accidents, medical emergencies, minor surgery.
2. Laboratory (processed externally, e.g. biopsies, thyroid and enzyme studies, Pap smear, cholesterol)
3. Allergy injections
4. Immunizations and medications by injection
5. Prescriptions
6. Gynecology (Pap smear)
7. Dietary
8. Hospital and related services
9. Physical exams (unrelated to illness --- e.g. pre-employment)

President Parks commented that the general fund of the university is actually supporting Student Health Services and that the student fee will supplement it.

Regent Baldrige asked whether the university officials had any idea how much money from office calls and services could be brought in from students who don't pay the voluntary fee. A response was given that 60% student participation at \$5 per call will pay for the additional programs being proposed.

It was noted that lacerations would be covered under accident care under a person's accident insurance and not under the Student Health Service. A person could receive health service but would be charged just as if he went anyplace else for treatment. Regent Collison said the student needs a clear understanding of what services he will be provided for the \$5 fee. President Parks replied that this request has been built on understanding.

VOTE ON MOTION:

The motion passed unanimously.

VETERINARY MEDICINE FACILITIES - MECHANICAL CONSTRUCTION CHANGE ORDER. The board was requested to approve a mechanical construction change order in the amount of \$101,417.10 for the Veterinary Medicine facilities.

The university presented the following list of items included in the change order:

Following is a list of the items included in this change order:

1. Recent changes in the federal requirements for animal handling necessitate revisions for the dog run areas. \$36,769.00
2. Due to an error in the specifications, it is necessary to provide for duct insulation to cold air ducts.
Phase I \$16,560.00
Phase II \$14,623.00
3. The remaining items are additions, relocations and revisions of mechanical equipment required throughout the project for proper operation of the facility. In part, this is the result of changes in use of some of the spaces in the building. However, other changes are the result of errors in, omissions from, and poor coordination of the drawings and specifications. \$33,465.10

All of the above changes are essential to the proper and efficient operation of the Veterinary Medicine Facilities.

Contingencies and miscellaneous funds will cover this change order so that an increase in the project budget will not be required.

MOTION:

Mrs. Collison moved the board approve a mechanical construction change order in the amount of \$101,417.10 for Veterinary Medicine facilities. Mr. Baldrige seconded the motion and it passed unanimously.

ALCOHOLIC BEVERAGES - REQUEST FOR CHANGES IN POLICIES NOW IN EFFECT. The board was requested to approve the following changes in the alcoholic beverage policies:

(1) authority for the Memorial Union to serve alcoholic beverages in coordination with its banquet service; (2) authority to serve alcoholic beverages in connection with food service in the Iowa State University Center buildings; (3) authority to serve wine as well as beer in the student-operated Maintenance Shop in the Memorial Union; (4) authority to serve beer and wine in the Maintenance Shop from noon until closing time, Monday through Saturday; (5) authority to sell beer for carry-out (Class C) in the Pammel Grocery Store.

The university reported that since the first of this year, the Maintenance Shop in the Memorial Union, with the Board of Regents' approval, has been serving beer from 4:00 p.m. until closing time. The Student Union Board has approved and requests permission from the Board of Regents to serve wine as well as beer and to begin service at noon, rather than 4:00 p.m.

MOTION:

Mr. Zumbach moved the board approve the following changes in the alcoholic beverage policies at Iowa State University: (1) authority for the Memorial Union to serve alcoholic beverages in coordination with its banquet service; (2) authority to serve alcoholic beverages in connection with food service in the Iowa State University Center buildings; (3) authority to serve wine as well as beer in the student-operated Maintenance Shop in the Memorial Union; (4) authority to serve beer and wine in the Maintenance Shop from noon until closing time, Monday through Saturday; (5) authority to sell beer for carry-out (Class C) in the Pammel Grocery Store. Mr. Baldrige seconded the motion.

AMENDMENT TO MOTION:

Mr. Bailey moved the board amend the above motion by deleting item 4 as stated above. Mr. Shaw seconded the motion.

Regent Shaw inquired whether the requested action of the university would be broadening the definition of alcoholic beverages. President Petersen replied yes, that this is the first request to add wine in banquet service.

Regent Collison, speaking as a member of the Board of Directors of the Iowa State Memorial Union, said the request to serve beer and wine in the Maintenance Shop from noon until closing time Monday through Saturday would be an augmentation of that business operation. She commented that sandwiches are available during the noon hour and the union board has been persuaded that it is a very good project.

Regent Shaw expressed his view that by extending the hours in the Maintenance Shop, it really doesn't add anything. He said whether they make or lose money is not important. He said he would like to keep the hours the same because many times if you don't have such rules during school hours, things get out of hand.

Regent Collison said this would be contingent upon its making its own way. She added the extension of hours and other beverages would be an effort to encourage more students to use the union. Regent Collison said that if students desire to drink during noon they would have the option of going to the union or going "across the street."

Regent Zumbach commented the union would be a more casual meeting place than a tavern type place. He said if students are going to get drunk, they wouldn't go to the union, and said he didn't see any possible problems arising from the proposed change in hours.

President Petersen expressed her support of the amended motion. She said she felt the time now set is appropriate and expressed support of Regent Shaw's remarks.

Regent Bailey commented that both the state and the university are involved here. He said that if the board changed the hours in the Maintenance Shop to noon to closing time, the board and university would be encouraging students to drink

while classes are on or are about to occur in the afternoon. He said that is something that the university should not encourage.

Regent Collison commented that every room in the Memorial Union is planned for very carefully and commented that if a certain activity does not pay off, that activity will be replaced.

Vice President Hamilton stated that ISU students feel quite keenly on the issue and it is not a casual matter with them with regard to hours extension in the Maintenance Shop.

VOTE ON AMENDMENT TO MOTION: The motion to amend failed with Bailey, Shaw and Petersen voting aye.

VOTE ON MOTION: The motion carried with Bailey, Shaw and Petersen voting nay.

ARCHITECTURAL SERVICES FOR DESIGN CENTER. The board was requested to approve an agreement for architectural services for the Design Center with the firm of Charles Herbert and Associates, architects of Des Moines.

The university reported that the agreement provides for payment to the architect on the basis of cost plus a multiple of direct personnel expense, with a fixed total compensation for services not to exceed \$300,000. This is 5.5% of the cost of construction of \$5.5 million.

Costs will be computed as follows:

For the principals (Charles Herbert, John P. Locke and Scott Stouffer) a fixed rate of \$30.00 per hour.

For their employees' time a multiplier of 2.5 times the following maximum hourly rates:

Registered architects	\$8.10 per hour
Architects in training	6.75 " "
Draftsmen	5.00 " "
Specification typist	3.80 " "

Engineering consultant services at the amounts invoiced to the architect in accordance with agreements between the architect and the consultants.

Reimbursable expenses include travel, subsistence and long-distance phone calls, except between Des Moines and Ames; and for costs of reproduction and handling of the contract documents as needed for bidding and construction.

MOTION:

Mr. Bailey moved the board approve an agreement for architectural services for the Design Center with the firm of Charles Herbert and Associates, architects of Des Moines. Mrs. Collison seconded the motion and it passed unanimously.

SECURITY OFFICER. The board was requested to commission Jeffrey A. Nelson as permanent special security officer.

Mr. Nelson, age 21, has been employed at Iowa State University since August 16, 1973. He completed the six week, Thirty-Second Basic Training Session of the Iowa Law Enforcement Academy on May 24, 1974.

MOTION:

Mr. Baldrige moved the board commission Jeffrey A. Nelson as permanent special security officer for Iowa State University. Mrs. Collison seconded the motion and it passed unanimously.

ALCOHOL PERMIT RESOLUTION. The board was requested to approve the following resolution:

ALCOHOL PERMIT RESOLUTION
1974-6-1

WHEREAS, The Bureau of Alcohol, Tobacco and Firearms, the Department of the Treasury, requires that a designated employee of Iowa State University be named by the Board of Regents as the curator for the distribution and use of tax-free alcohol by the institution, therefore be it

RESOLVED, that the Director of Purchasing and Stores of Iowa State University of Science and Technology be and is hereby designated and appointed curator for the distribution and use of tax-free alcohol by said university, with the overall site responsibility for the use of tax-free alcohol,

AND BE IT FURTHER RESOLVED, that the Director of Purchasing and Stores is authorized to execute on behalf of said university all applications, bonds, power of attorney, and other instruments required by The Bureau of Alcohol, Tobacco and Firearms, the Department of the Treasury, in connection with tax-free alcohol permits.

It was reported by a representative of the Department of the Treasury that a resolution was adopted on February 12, 1965 which designated Mr. D. H. Ostermann as having over-all site responsibility for the distribution and use of tax-free alcohol, but he will retire as of June 30, 1974. The above resolution simply rewords the resolution to indicate on-site responsibility and/or authority to sign by title only.

MOTION: Mrs. Collison moved the board approve the above resolution. Mr. Baldrige seconded the motion and it passed with Baily voting nay.

NAMING OF A UNIVERSITY FACILITY. The board was requested to grant ISU authorization to name the university baseball field "Cap Timm Field".

The university reported that L. C. "Cap" Timm, Professor of Physical Education for Men and Iowa State University baseball coach, has coached the university's

baseball team since 1938. He joined the faculty in 1934 as an assistant coach on the football and basketball coaching staffs. Mr. Timm has brought credit to the university during a long career in which he has become one of the most highly respected members of the coaching profession.

MOTION: Mr. Slife moved the board authorize Iowa State University to name the university baseball field "Cap Timm Field". Mr. Baldrige seconded the motion and it passed unanimously.

TRAFFIC AND PARKING REGULATIONS FOR 1974-75 - RATIFICATION OF MINOR CHANGES.

The board was requested to ratify three minor changes in the Traffic and Parking Regulations for 1974-75 for Iowa State University.

The university reported that the Traffic and Parking Regulations for 1974-75 for Iowa State University were approved by the board on April 11-12, 1974. As a result of a review made by the Attorney General's Office, the following two changes were made:

1. Rule 4.47(1) (2) (3), p. 15. The word "unicycle" has been deleted.
2. Sect. 4.50(3), p. 17. The word "ticket" has been added at the end of the sentence, after the word "violation".

The third change is in Subrule 4.25 (10). The Departmental Rules Reivew Committee proposes to strike the words "the Magistrate Court of the City of Ames" and insert in lieu thereof the words "a Magistrate Court of Story County."

The Board Office reported the rules will go into effect September 1, 1974.

MOTION: Mrs. Collison moved the board ratify three minor changes in the Traffic and Parking Regulations for Iowa State University for 1974-75. 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 period May 10 through June 28, 1974 was filed with him, was in order, and recommended approval.

The following construction contracts were recommended for approval:

<u>PROJECT</u>	<u>AWARDEE</u>	<u>TYPE OF CONTRACT</u>	<u>AMOUNT</u>
Steam Generator No. 4 and Auxiliary Equipment, Structural Alterations and Additions - Division II	James Thompson & Sons, Inc., Ames, Iowa	General	\$400,850
		Tax Refund	- 4,009
			<u>\$396,841</u>
Student Health Services Building Renovation	Proctor Plumbing & Heating, Inc., Des Moines, Iowa	General	\$614,587
		Tax Refund	- 6,147
			<u>\$608,440</u>

Vice President Moore recommended the board approve the two contract awards. With regard to the Student Health Services Building Renovation project, he realized that the total cost is close to double what the board was told a year ago what this project would cost. He recommended its approval, however, because he commented that estimating renovation projects is not easy, and this renovation project would permit the Dean of Students Office to be out of the Memorial Union.

MOTION:

Mrs. Collison moved the board approve the Register of Capital Improvement Business Transactions for the period May 10 through June 28, 1974; the construction contracts be awarded; the executive secretary be authorized to sign all necessary documents. The motion was seconded by Mr. Slife and it passed unanimously.

President Petersen asked board members and institutional executives if there were any additional matters to be discussed under the Iowa State University portion of the minutes.

STORM LOSSES. The board was presented a preliminary summary and estimates of the losses sustained by the storm of June 18, 1974. The following report was presented by the university:

On June 18, 1974, a severe wind and hail storm occurred in the central Iowa area affecting a number of Iowa State University facilities on the Ames campus, university farms surrounding the Ames area and at the Ankeny Research Station.

The attached table summarizes the estimated damages which at this time appear to exceed \$470,000. On the Ames campus, the most severe damage occurred to the horticulture greenhouses. Approximately 2,200 panes of glass were broken in the greenhouse facilities compounding a problem of deteriorated rails and supporting structural members. These greenhouses were originally constructed in 1915. It is estimated that the actual replacement of the glass panes in these greenhouses will cost \$12,000 - \$14,000. However, because of the deteriorated condition of the redwood structural members, a very serious hazard is present to personnel working on the greenhouse structures. There also is a serious problem in providing adequate anchorage for glass panes. Even if these repairs were made, the greenhouses would still present facilities that are likely to incur increasing maintenance costs and further window breakage even during minor storm periods unless extensive structural repairs are made. The attached estimate is based upon the need for a major renovation and repair of the horticulture greenhouse facilities.

Minor losses were incurred in a number of other university operated farms in the Ames area. The most significant farm losses occurred at the Ankeny Research Station where a number of facilities were completely destroyed and major cleanup and crop damage has been incurred. In addition to the damage directly caused by the storm to the facilities outlined in the attached material, because of the severe damage to the City of Ankeny, the University road leading to the Ankeny landfill and dumping ground has been utilized by crews cleaning up the town itself. The heavy truck traffic on this road hauling debris, the operation of a road grader pushing gravel and debris into the ditches will necessitate almost complete rebuilding of the road bed. In addition, the University has incurred crop damage at the Ankeny farm on approximately 320 acres of soybeans, 441 acres of corn and 15 acres of oats.

The total cost of repair and replacement at the Ankeny Research facility is estimated to be approximately \$316,000.

Following the storm, the University informed appropriate state officials of the extensive damage incurred and the state auditor's office had representatives inspecting all of the listed university facilities. Mr. Kasey Kiplinger, the resident auditor at the University, has physically inspected the majority of these facilities and is aware of the extent of the damage. It is hoped that this will facilitate the processing of a claim with the Executive Council for appropriate contingency funds.

The enclosed estimates have been developed hurriedly but are based upon the best information we have available at the present time. It is possible that further refinements will need to be made as additional information is obtained. It is extremely important that repairs be undertaken in some of these areas as soon as possible. A number of the plant materials in the horticulture greenhouses cannot stand exposure to cool temperatures. Similar problems exist at the Ankeny Research Farm, particularly in connection with the dairy operations. This is a production and research operation attempting to improve the breeding of dairy cattle. Adequate barn and milking facilities must be replaced prior to the incurrence of cold weather or these operations will be seriously jeopardized.

Because of the length of time normally involved in obtaining bids for construction replacement and then the actual completion of the work, it is hoped that the Executive Council will act promptly on the enclosed estimated losses in order that these facilities can be repaired and replaced as soon as possible.

A. Ames Campus

1.. Glass replacement for approximately 2,300 panes in various campus buildings	\$ 12,000
2. Roof replacements and repairs for Carver Hall, Ross Hall and other minor structures including temporary repairs	3,500
3. Grounds cleanup	11,000
4. Vehicle repair and cleanup from storm damage	150
5. Minor repairs to other facilities	<u>500</u>
Subtotal	\$ 27,150

B. Horticulture Greenhouses - Damage to approximately 2,200 panes of glass. Existing rails and structural members of greenhouses do not justify expenditures of approximately \$14,000 for repair. The inability to provide secure glass anchorage and the existing safety hazard to personnel necessitate major renovation

\$ 80,000

Estimated Ames Campus Repair Costs

\$107,150

C. University Farms

1. Ankeny Research Station:	
a. Replace chain fence (3,200' @ \$4.35/ft)	\$ 13,600
b. Ankeny Research Station sign	200
c. Poultry Farm residence	6,063
d. Poultry Chicken Research facility	12,651
e. Dairy Research Unit	72,721
f. Ankeny Farm Service	72,280
g. Beef Research Farm	5,076
h. Road repairs	32,900
i. Cleanup debris in cultivated fields	2,430
j. Crops	<u>98,537</u>
Estimated Ankeny Farm Damage (Exhibit B)	\$316,458

In addition to being inadequate and in need of replacement, the present structures are dangerous for the repairmen and have an extremely high maintenance cost. The enclosed memo from Mr. Kenyon reflects the concern of the Physical Plant staff.

I recommend that the University request the Executive Council to provide \$80,000 to renovate the research ranges and the conservatory. While this will cost substantially more than glass replacement, it would be more sensible than spending 20 percent of this total cost of renovation to replace glass in facilities that would still require renovation if they are to remain in use.

We would be happy to supply any additional information needed.

Regent Zumbach asked whether the university has to replace structures in order to get the insurance money. Vice President Moore replied that you must replace; you can't just take the money.

Mr. Richey commented that the Executive Council has been most understanding and supportive of the storm losses at Iowa State. Mr. Moore noted that the emergency situation was being recognized through anticipated early action by the Council.

UNIVERSITY OF NORTHERN IOWA

The following business pertaining to the University of Northern Iowa was transacted on Thursday, June 27, 1974.

UNI-DOME (FIELD HOUSE) - Public Hearing on Site Work. President Petersen called the meeting to order at 11:00 a.m., June 27, 1974, 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 advised that this was the day, time and place set for a hearing on the proposed plans and specifications and proposed form of contract for site work for a new field house to be constructed on the campus of the University of Northern Iowa in the city of Cedar Falls, Iowa.

President Petersen asked if there were any present who desired to register objections concerning either said proposed plans and specifications, form of contract or cost of said improvement. No objections were filed.

The president then inquired whether the executive secretary or university had received any written objections to the project. The executive secretary and President Kamerick each stated that they had not received any such objections. There being no objections, the president declared the public hearing closed.

Public Hearing on Constructing and Equipping - Field House. President Petersen called the meeting to order at approximately 11:00 a.m., June 27, 1974, 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 advised that this was the day, time and place set for a hearing on the proposed plans and specifications and proposed form of contract for constructing and equipping a new field house on the campus of the University of Northern Iowa in the city of Cedar Falls, Iowa.

President Petersen asked if there were any present who desired to file objections to said proposed plans and specifications, to form of contract, or to cost of said improvement. No objections were filed.

The president then inquired whether the executive secretary or the university had received any written objections to the project. The executive secretary and President Kamerick each stated that they had not received any such objections. There being no objections, the president declared the public hearing closed.

Issuance of \$2,500,000 Field House Revenue Bonds. President Petersen advised that this was the day, time and place set for the board to institute proceedings and take action for the issuance of field house revenue bonds of said board in the principal amount of \$2,500,000 for the purpose of paying the cost, to that amount, of construction and equipping a field house on the campus of the University of Northern Iowa in the city of Cedar Falls, Iowa.

President Petersen stated that the notice of intention to issue said bonds was published in both the Des Moines Register and Cedar Falls Record on June 4, 1974.

President Petersen asked the executive secretary whether anyone had filed a petition setting forth objections or protest or appeal thereto. The executive secretary responded no petitions were filed.

President Petersen asked whether there was anyone present who desired to file a petition setting forth objections to this issue. In absence of any petitions, the board proceeded to consider the following resolutions.

Resolution Providing for the Issuance of \$2,500,000 Field House Revenue Bonds to Pay the Cost of Constructing and Equipping a Field House on the Campus of the University of Northern Iowa. The board investigated and found that notice of intention to issue \$2,500,000 Field House Revenue Bonds had heretofore been published on the 4th day of June, 1974, in "The Des Moines Register", a newspaper published in the City of Des Moines and having a general circulation throughout the State of Iowa, and on the 4th day of June, 1974, in the "Cedar Falls Record", a newspaper published in the City of Cedar Falls, Iowa, and having a general circulation therein, and that no petition of protest or appeal or objections of any kind had been filed in the office of the Executive Secretary or presented to the Board of Regents.

MOTION:

Whereupon Member Slife introduced and caused to be read a resolution entitled "A Resolution providing for the issuance of \$2,500,000 Field House Revenue Bonds to pay the cost of construction and equipping a Field House on the campus of the University of Northern Iowa", and moved that said resolution be adopted. Member Brownlee seconded the motion and after due consideration the President put the question on the motion and, the roll being called, the following voted:
AYE: Bailey, Baldrige, Barber, Brownlee, Collison, Shaw, Slife, Zumbach, Petersen.
NAY: None.
Whereupon the President declared the motion duly carried and said resolution adopted.

A complete copy of the above-mentioned resolution is on file in the Board Office with the official copy of the minutes.

The board took up for consideration the matter of providing for the advertisement and sale of \$2,500,000 field house revenue bonds.

MOTION:

Whereupon Member Slife introduced and caused to be read a resolution entitled "Resolution directing the advertisement and sale of \$2,500,000 field house revenue bonds", and moved that said resolution be adopted. Member Baldrige seconded the motion, and after due consideration the president put the question on the motion and, the roll being called, the following voted:

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

NAY: None.

ABSENT: None.

Whereupon the president declared the motion duly carried and said resolution adopted.

A complete copy of the above-mentioned resolution is on file in the Board Office with the official copy of the minutes.

Vice President Stansbury commented that a clause was added to the contract which will allow the general contractor to make recommendations during construction. If in the judgment of the contractor some things can be done at less expensive cost, and if the architect concurs in the recommendation, action would proceed to issue a change order. If the university is successful in reducing cost, he noted that cost savings will be shared between the university and contractor--75% and 25% respectively. Mr. Stansbury reported that legal advice was sought on this matter and it was pointed out that it is legal as long as the low bidder receives the contract.

Mr. McMurray commented that with the above procedure no problem would be faced with bond holders.

President Kamerick thanked members of the board and paid special tribute to Mr. Richey and Mr. McMurray for their help regarding the difficult circumstances surrounding the construction and funding of the UNI-Dome.

The following business pertaining to the University of Northern Iowa was transacted on Friday, June 28, 1974.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the month of May 1974 were ratified.

APPOINTMENT OF SECRETARY AND TREASURER. The board was requested to approve the reappointment of Dr. Robert Stansbury, Vice President for Administrative Services, to be secretary of the University of Northern Iowa for the 1974-75 fiscal year. The board was also requested to approve the reappointment of Mr. James Bailey as treasurer of the University of Northern Iowa for fiscal year 1974-75.

In absence of objections, President Petersen approved the reappointments of Dr. Robert Stansbury and Mr. James Bailey as shown above.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. Executive Secretary Richey reported the Register of Capital Improvement Business Transactions for the period May 8 to June 18, 1974 had been filed with him, was in order, and recommended approval.

The following construction contracts were recommended for approval:

<u>PROJECT</u>	<u>AWARDEE</u>	<u>TYPE OF CONTRACT</u>	<u>AMOUNT</u>
Industrial Arts and Technology Building	Jens Olesen & Sons Construction Co., Waterloo, Iowa	General	\$969,000
Industrial Arts and Technology Building	Young Plumbing & Heating Co., Waterloo, Iowa	Mechanical	\$553,365
Industrial Arts and Technology Building	Meisner Electric, Newton Iowa	Electrical	\$177,249
Remodel Property at 1233 West 23rd Street	Chas. Mauser and Sons, Waterloo, Iowa	General	\$ 21,364
UNI-Dome (Field House) Site Work	MEPCO, Inc., Waterloo, Iowa	Grading	\$136,000

The Board Office reported that the contracts on the Industrial Arts and Technology Building were awarded by the board by conference call on May 15, 1974 and need ratification at this time.

Mr. McMurray reported that the MEPCO bid was somewhat unusual in that the university in its specifications intended that an alternate be an add alternate. However, MEPCO voluntarily took it as a deduct alternate. Therefore, the bid came in considerably below the project budget, which was \$175,000. The MEPCO bid was the low bid of five bids received.

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

INDUSTRIAL ARTS AND TECHNOLOGY BUILDING

REVISED
PROJECT BUDGET

Estimated Expenditures:

CONSTRUCTION	\$1,699,614	
Tax Credit	<u>24,000-</u>	\$1,675,614
ARCHITECT'S FEE		64,025
INSPECTION during construction		18,000
UTILITIES:		
Sewers (sanitary & storm)	5,000	
Central Control System	8,000	
Gas	2,000	
Water (other funds)	<u>---</u>	15,000
IMPROVEMENTS and PHYSICAL PLANT WORK:		
Soil Test	1,500	
Surveying	1,500	
Sodding & Landscaping	5,000	
Walk Extensions	3,000	
Art Work	5,500	
Miscellaneous	<u>2,000</u>	18,500
CONTINGENCY		<u>18,861</u>
	TOTAL PROJECT BUDGET	\$1,810,000

SOURCE OF FUNDS: Appropriation - 65th G.A.

It was pointed out that the board needed to approve a revised project budget for the Speech/Art Complex reducing that budget by the \$470,000 "borrowed" for the Industrial Arts and Technology project. That revision reduces the Speech/Art budget from its previous level of \$4,564,000 to \$4,094,000.

REVISED PROJECT BUDGET
for
SPEECH-ART COMPLEX

Source of funds:	
Appropriation - 65th G.A.	\$3,794,000
Interest earnings on Treasurer's Temporary Investments	<u>300,000</u>
Total	\$4,094,000

Estimated Expenditures:	
Construction contracts	\$3,565,700
Architects' fee	188,300
Project Inspector	30,000
Utilities	50,000
Landscaping	40,000
Art Allowance	15,000
Equipment	---
Moving expense	15,000
Physical Plant work	40,000
Contingencies	<u>150,000</u>
Total Estimated Expenditures	\$4,094,000

REMODEL DEL FARM BUILDING FOR UNI-CUE

CHANGE IN FUNDING

In November 1973 the board approved a project budget of \$127,150. Funding was \$120,000 in income from Treasurer's Temporary Investments and \$7,150 contributed to the project. The university now recommends a change in funding without any budget increase. The change in funding is to switch \$60,000 funding from Treasurer's Temporary Investments to 1973-74 RR & A. At the time the original project budget was put together it was thought that RR & A funds for 1973-74 would be insufficient to carry out any part of this project.

MOTION:

Mrs. Collison moved the board ratify the actions taken in the conference call of May 15, 1974 to award contracts, approve a revised project budget for the Industrial Arts and Technology Building, and the rest of the Register of Capital Improvement Business Transactions for the period May 8 to June 18,

1974 including award of the construction contracts as shown above; the revised or amended project budgets be approved; the executive secretary be authorized to sign the necessary documents. The motion was seconded by Mr. Slife and passed unanimously.

A conference call which took place on May 15, 1974 provided explanation for the transfer of funds from the Speech/Art Complex to the Industrial Arts and Technology Building. Vice President Stansbury reported the following regarding the May 15 call:

The Board of Regents took action last Friday and rejected the bids for the Industrial Arts and Technology project. Because of the discussions of some members of the board regarding the matter, I talked with Mr. McMurray and Mr. Richey at the close of the meeting to see if there was any possibility of saving the project. In those discussions, someone suggested the possibility of investigating the project bids more closely during the weekend and then arranging a board conference call for Monday to discuss the outcome of that investigation. The bids on the project were good only through Tuesday of this week. I agreed to arrange the weekend study and on my route home I called the architect and asked him to see if he could get us any more time to study the bids. He succeeded and all three low bidders, general contractor, mechanical, and electrical reluctantly gave us until this Friday. Thus, I postponed the Monday call until today to provide more time for review of the bids and the project itself. Incidentally, some of the prices for the contractors are good only through today at 5:00 p.m. The extension of time has, of course, given us more time to investigate the situation even more closely than before. We have spent considerable amount of time during the last four days examining the project and virtually going through it room by room and office by office. The architect has been involved in the study as well as his architect's partners, the low bid contractors, and the staff here at UNI. As a result of this there appears to be two relatively clear-cut possibilities.

The first possibility is to do as I admit recommending to you on Friday and that was to return to the project and attempt to take pieces of the building off to reduce the cost of the construction. On Friday I hoped this could be done in short time so that possibly bids could be returned to the Board of Regents for action at the June board meeting. However, the last four days have demonstrated that it would not be possible to do this in such short order. The reasons for this is that the building itself is designed so efficiently with all systems centrally located to minimize cost that to take any piece of the building off would require complete redesign of a number of the systems. This obviously could not be done in the two or three week period available. Another matter which must be recognized is that unless a significant change would be made in the structure of the building in the redesign the contractors would be submitting bids based on very similar construction. The question of ethics in bidding then might be raised by the contractors. Another factor, probably the most important, that needs to be considered is that a return to the design stage and then rebidding will require a number of months and will cause us not to be able to begin construction until possibly early spring of 1975. Thus, the route of redesign would cause not only a reduction of space so that the project would fit the budget, but another years inflationary cost would take its toll as well. Other pertinent points are:

1. The building will house the total program and any less building would mean removal of some segment of the program.
2. The bids are favorable and competitive.
 - a. It works out just over \$30 per square foot.
 - b. The two low general contractors were only \$20,400 apart or 2% of the amount of low bid.
3. The building incorporates OSHA requirements such as a sprinkler system costing \$53,000.
4. Industrial Arts and Technology is a program with growing interests as demonstrated by increasing enrollments.

The second alternative to the situation is to reallocate current funds in the university to carry out the project with the hope of regaining these funds through the next legislative session. This is an alternative to which I had given earlier thought. However, to do the reallocation would by necessity require a reduction in the Speech-Art facility since that is the only other capital available that may be used for this project other than some very limited utility funds. As many of you know, the Speech-Art project is well into the design stage and a reduction in their budget at this time would cause us to retrench and make major decisions concerning the functions that could be served by the building. Thus, my second alternative is plausible only if I could give some assurance to the Speech-Art people on this campus every attempt would be made to recover the loss of those funds. If I could give that assurance, then we would continue with the current design which is now well underway. My problem is that I believe I alone cannot give them that assurance. If, however, you as a board are willing to assure me that it will be given consideration as a top priority item in the next capital, then I would recommend approval.

I have reached a conclusion that the wisest decision for the state of Iowa and the University of Northern Iowa would be to accept the bids less some of the deduct alternates and proceed with the construction of the building.

The Board Office reported:

Previously, at its regular May meeting, the board voted to reject all bids with the understanding that the project should be given intensive study in the few days following during which the bids could be held open. The board was deeply concerned with the possible consequences of delay of the project. The facilities are urgently needed because of rapidly rising enrollments in the Industrial Arts program. Construction prices have skyrocketed and are expected to continue to rise quite rapidly because of union contract negotiations.

The university and the Board Office recommended in the conference call that the board reverse its action and award the contract by "borrowing" \$470,000 from the original allocation of the 65th G.A. appropriations to the Speech/Art Complex.

The 1973 General Assembly provided \$5 million in that session (including \$300,000 in institutional funds) and appropriated an additional \$1,064,000 in the 1974 session for the university to construct an Industrial Arts Building and a Speech/Art Complex. The appropriation in the 1973 session was not line-itemed by project and \$1,340,000 was allocated by the board based on presentations to the General Assembly concerning the Industrial Arts and Technology project.

The approach of borrowing \$470,000 from the non-line-itemed allocation to the Speech/Art Complex allows the Industrial Arts project to proceed on a firm price base and eliminates any delay in utilization of the facility. The university had maintained the project in the same scope as reported to the Appropriations Committees in the 1973 session, except for a relatively small item to meet OSHA requirements such as a sprinkler system costing \$53,000. The bids were favorable and competitive at a project cost of just under \$30 per square foot and the two low bidders for the general contract were only 2% or \$20,400 apart. The board voted to award the contract as recommended with the understanding that the "borrowed" \$470,000 would be a high priority request in the capital improvement program presented to the 1975 legislative session. The board felt that the best interests of the state and of the institution demanded that the contracts for the Industrial Arts Building be awarded at this time to avoid substantially higher costs for the same project next year.

PROPERTY LEASES, 1974-75. The board was requested to approve the following property leases for 1974-75.

<u>Property</u>	<u>Tenant</u>	<u>Monthly Rental</u>	<u>Increase</u>
1. Rownd Farmhouse	J.J. Schurman	\$ 60.00	\$10.00
2. 1223 West 22nd Street	L. Jernigan	200.00	20.00
3. 1228 West 22nd Street	Thomas Moore	135.00	10.00
4. 1234 West 22nd Street	Ruth Fairbanks	135.00	10.00
5. 2218 Campus Street	R. Kramer	135.00	10.00
6. 1227 West 23rd Street	Terry Williams	135.00	10.00
7. 1227½ West 23rd Street	Sheila Jorgensen	103.50	5.00
8. Garage - West 23rd Street	(vacant)	6.00	
9. Garage - West 23rd Street	(vacant)	6.00	
10. Garage - West 23rd Street	M. Rechkemmer	6.00	
11. Garage - West 23rd Street	(vacant)	6.00	
12. 1215 West 22nd Street	Stan Jensen	120.00	10.00
13. 1221 West 23rd Street	Debbie McDonald	100.00	7.50
14. 1221 West 23rd Street	B. Beekman	100.00	7.50
15. 1221½ West 23rd Street	J. Henry	100.00	7.50
16. 1221½ West 23rd Street	J. Franck	100.00	7.50
17. Matland House - West 27th Street	K. Wiseman	145.00	10.00

MOTION:

Mr. Baldrige moved the board approve the property leases for 1974-75 as listed above. 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 carried.

PRELIMINARY BUDGET 1974-75. The board was requested to approve (1) a change in student fees to accommodate changes required for unified budgeting and accounting and (2) the preliminary budget for 1974-75 for the University of Northern Iowa.

MOTION:

Mr. Baldrige moved the board approve (1) a change in student fees to accommodate changes required for unified budgeting and accounting and (2) the preliminary budget for 1974-75 for the University of Northern Iowa. Mr. Brownlee seconded the motion.

Following is a preliminary budget summary prepared by the University of Northern Iowa:

GENERAL OPERATIONS PRELIMINARY BUDGET
1974-75
(000's omitted)

SOME

	<u>Base 1973-74</u>	<u>As Appropriated 1974-75</u>	<u>Additions</u>	<u>Budget 1974-75</u>
te Appropriations				
Chapter 106	\$13,024	\$13,555		\$13,555
SF 618	144	144		144
Supplemental SF 1386				
Salaries & Disability		1,005		1,005
Merit Salaries		151		151
Adjustment, tuition		16-		16-
Fuel & Electricity Cont.			421	421
Federal Fund Loss			52	52
udent Tuition	4,657	4,688	203	4,891
er Income	622	622	238	860
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	\$18,447	\$20,149	\$ 914	\$21,063 1111

EXPENDITURES

	Starting Base 1973-74	Additions		Budget 1974-75
		As Appropriated 1974-75	to Budget 1974-75	
Starting Base		\$18,447	\$18,447	----
Academic Adm. Salaries	11,303	889	1,153	12,456
General Services Staff	2,977	332	612	3,589
Disability Insurance	----	22	----	----
General Expense				
Fuel & Purch. Elect.	640	32	52	692
Fuel & Purch. Elect. Cont.	----	----	421	421
Other Expense	2,729	140	314	3,043
Equipment and Library Books	568	52	52	620
Repairs Replacements & Alter.	230	12	12	242
Special Needs	----	223	----	----
Total Additions	----	1,702	2,616	
Total Budget	\$18,447	\$20,149	\$21,063	\$21,063

The following information is submitted to detail the loss of federal support for certain University of Northern Iowa programs:

Upward Bound Program

1972-73 federal grant	\$109,500	
1973-74 federal grant	46,952	
1974-75 federal grant	65,000	
Loss of support for 1974-75 compared to 1972-73		\$44,500

National Science Foundation Grant for Science

1972-73 federal grant	\$ 4,360	
1973-74 federal grant	none	
1974-75 federal grant	none	
Loss of support for 1974-75 compared to 1972-73		4,360.

Institutional Allowance on Training Grant for
Speech Pathology

1972-73 federal grant alws.	\$ 10,000	
1973-74 federal grant alws.	8,870	
1974-75 federal grant alws.	6,855	
Loss of support for 1974-75 compared to 1972-73		3,145

Mr. Richey said he assumed the motion is subject to substantiation of the lost federal funds of \$52,000. Mr. Richey commented that there is approximately \$18.5 million in the existing budget 1973-74 for UNI and the university is going into a new year for about \$21 million. He asked within the existing budget what shifts in emphasis program-wise or staffing-wise has the university anticipated. Vice President Martin responded that there has been some shifting in the colleges, staff-wise, there are new positions as a result of special needs, and there are some non-academic staff changes. President Kamerick added that the university has found it necessary to add some staff positions in the Business Office also.

VOTE ON MOTION:

The motion passed unanimously.

SALE OF HOUSE AT 2425 HUDSON ROAD. The board was requested to approve the sale of a house at 2425 Hudson Road to Ronald McLaughlin for \$2,055.55.

Board members were reminded by the Board Office that at its May meeting the board authorized disposal of structures located at 2425 and 2505 Hudson Road. Both structures sit in the site plan for the UNI-Dome project and must be moved. The university reported at that time that it would attempt to sell both houses but if unable to sell they would be razed.

MOTION:

Mr. Slife moved the board approve the sale of a house at 2425 Hudson Road to Ronald McLaughlin for \$2,055.55. 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.

Regent Bailey commended the university in its attempt to sell the houses.

CONSULTANT CONTRACT, J.W. MAUCKER UNIVERSITY UNION. The board was requested to authorize the University of Northern Iowa to enter into a contract with Coffeen, Anderson & Associates, Inc.

The university requested permission to employ a consultant to study sound problems in the University Hall at the Maucker University Union. University personnel are experiencing difficulties in using this area for any type of event due to acoustical problems. Large amounts of sound reverberations and machine noise makes the room very difficult for people to hear and to enjoy the events that are scheduled there. The engineering fee, estimated in the amount of \$4,400, is to be paid from the University Union Improvement Fund.

MOTION:

Mr. Slife moved the board authorize the University of Northern Iowa to enter into a contract with Coffeen, Anderson & Associates, Inc. Mr. Bailey seconded the motion.

Regent Collison cautioned the university against accepting just one type of alternative from the consultants and requested that it encourage the consulting firm to offer more than one alternative route to take. Mr. Stansbury concurred with Regent Collison.

VOTE ON MOTION:

The motion passed unanimously.

CONTRACT - ALLEN MEMORIAL HOSPITAL. The board was requested to approve an agreement with Allen Memorial Hospital for course work offered by the university to student nurses.

The Board Office reported that this agreement conforms with agreements made with Allen Memorial Hospital in recent years. The tuition rates for Iowa residents comply with the part-time student tuition rates for the hours specified with the addition of \$10 laboratory fee. The non-resident rates are close to the

part-time tuition schedule, but will be reviewed further by the Board Office before the meeting. The Board Office recommended approval of the agreement subject to further check on the non-resident tuition rates.

CONTRACT

This contract made and entered into by and between the Iowa State Board of Regents, governing body of the University of Northern Iowa, and the Allen Memorial Hospital of Waterloo, Iowa, for course work to be offered by the University to student nurses in connection with the Nurse Training Program of the Allen Memorial Hospital. The contract covers the school year 1974-75.

For course work offered, the University will charge the Allen Memorial Hospital as follows:

Fall semester, 1974-75

Course		Iowa Resident	Non- Resident
86:041	Chemistry for Nurses	3 sem hrs	
84:031	Anatomy and Physiology I	4 sem hrs	
40:008	Introduction to Psychology	3 sem hrs	
	Laboratory fee (\$10.00)		
	Total for 10 hours per student	\$260.00	\$510.00

Spring semester, 1975

Course			
84:032	Anatomy and Physiology II	3 sem hrs	
98:058	Principles of Sociology	3 sem hrs	
84:033	Principles of Microbiology	3 sem hrs	
	Laboratory fee (\$10.00)		
	Total for 9 hours per student	\$235.00	\$460.00

Application fee: To be paid once by each student at time of first admission to the University.	\$ 10.00	\$ 10.00
---	----------	----------

MOTION:

Mr. Baldrige moved the board approve the agreement with Allen Memorial Hospital for course work offered by the university to student nurses. Mr. Barber seconded the motion and it passed unanimously.

President Petersen asked board members and institutional executives if there were additional matters to be discussed.

INTRODUCTION. President Kamerick introduced the university's new Dean of the College of Humanities and Fine Arts, Ms. Janet Travis.

IOWA SCHOOL FOR THE DEAF

The following business pertaining to the Iowa School for the Deaf was transacted on Friday, June 28, 1974.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the month of May 1974 were ratified.

APPOINTMENT OF SECRETARY-TREASURER, 1974-75. The board was requested to approve the reappointment of C. E. Geasland as secretary-treasurer of the Iowa School for the Deaf for 1974-75.

In absence of objections, President Petersen approved the reappointment of C.E. Geasland as secretary-treasurer of the Iowa School for the Deaf for 1974-75.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. There were no actions reported on the Register of Capital Improvement Business Transactions for the month of May 1974.

PRELIMINARY BUDGET, 1974-75. The board was requested to approve the preliminary budget for Iowa School for the Deaf as revised to include library book expenditures in the equipment and library books expenditure category and to include credit for maintenance as income.

	<u>STARTING BASE 1973-1974</u>	<u>REVISED ESTIMATE 1973-1974</u>	<u>AS APPRO- PRIATED 1974-1975</u>	<u>PROPOSED PRELIM BUDGET 1974-1975</u>
Starting Base Adjustment			20	
Faculty & Institutional Officials	805	805	869	871
Administrative & Professional	146	146	156	157
General Service Staff	582	580	643	659
Disability Insurance				
General Expense				
Fuel & Purchased Electricity	50	60	55	65
Fuel & Purchased Elec. Contingency				20
Food	81	101	105	125
Paper	112	110	115	113
Equipment & Library Books	17	11	18	34
Repairs, Replacements & Alterations	37	37	39	39
Special Needs			43	
Total Budget	<u>1,830</u>	<u>1,850</u>	<u>2,063</u>	<u>2,083</u>
Estimated Income:				
State Appropriations				
Chapter 106 (original approp)	1,776	1,796	1,805	1,805
S.F. (cost of living)	35	35	35	35
Supplemental-S.F. 1386			204	204
Salaries & Disability Ins.				
Merit Salaries				
Adjustment to Original Approp.				
Fuel & Purch'd Electric Contingency				20
Contingency-Fed. Funds Losses				
Student Fees				
General Funds	7	7	7	7
Less & Services	6	6	6	6
Other Income	6	6	6	6
Total Income	<u>1,830</u>	<u>1,850</u>	<u>2,063</u>	<u>2,083</u>

GENERAL PROGRAM OPERATIONS
DETAIL

GENERAL BASE 1973-1974 Total \$1,830,927.50

this figure was added the 1973-1974 adjustment of \$20,000.00 approved by the Board and appropriated by the Comptroller.

adjusted figure included an additional \$10,000. for fuel and an increase in the food budget of \$20,000. with adjustments in other line budgets to keep the increase within the total of \$20,000.

the adjusted 1973-74 budget, the following increases were added:

	General Increase	Special Needs	Total Increase
Salary	135,000.	21,000.	156,000.
Expense	32,000.		32,000.
Equipment	1,000.	22,000.	23,000.
R.R. & A.	<u>2,000.</u>	<u> </u>	<u>2,000.</u>
Total	170,000.	43,000.	213,000.

SALARIES

General increase includes salaries for faculty, merit and non-merit staff at 7 1/2% to 10 1/2% totaling \$ 135,000.

Special needs, include \$18,000. for new positions in the Girls Dormitory addition \$3,000. for payment of health insurance. Total \$21,000.

EXPENSE

The expense consists of \$5,000. for additional fuel, \$24,000. for food, and \$3,000. general line expense. Total \$32,000.

EQUIPMENT

The equipment increase consists of only \$1,000. in the general support and \$22,000. special needs for the special equipment in the Business Office. Total equipment increase \$23,000.

R.R. & A.

The R.R. & A. increase was a total of \$2,000.

SALARIES

The general increase of \$170,000. and special needs of \$43,000. make a total of \$213,000. additional. This effects a total of \$2,063,027.50 for 1974-75 budget.

ADDITIONAL INCREASE FOR FUEL & ELECTRICITY

The total increase anticipated for 1974-75, was estimated conservatively at \$20,000. estimate includes needs for the new Girls Dorm Addition, which will be in service by the time school opens the last part of August 1974.

The estimate includes the reduction of 10% use of natural gas as curtailed by the Natural Gas Company for the 1974-75 year, and includes the increase of fuel oil by 10% as a substitute for the reduction of BTU's previously received from use of natural gas.

A portion of the rapid increase in fuel costs over the past two years has been offset by the special appropriation granted during the 1973-74 year, however because fuel oil BTU's are more expensive than natural gas BTU's we require additional funds to offset the additional amount of fuel oil required to replace the same number of BTU's previously generated by natural gas.

The cost of fuel oil has increased 123.9% over the 1972-73 year and we anticipate an additional 15% over the current price for 1974-75 heating season.

The electric rate has a potential increase of over 3% (3.3% now being considered), the demand charge will increase 25¢ per kw.

Including the cost of fuel and electric power needed for the new Building, estimate for additional fuel cost will be \$18,000. and the additional electric cost of electricity will be \$2,000. Making a total estimated increase for 1974-75 of \$20,000.

The Board Office reported that the budget for 1973-74 in the amount of \$1,830,000 was adjusted by \$20,000 to \$1,850,000 as approved by the Board of Regents and appropriated by the Comptroller in order to resolve serious budgetary difficulties. The revised estimate for 1973-74, which is provided by the institution above, shows internal realignment to increase fuel and purchase electricity by \$10,000, food by \$20,000 and reduce equipment and library books by \$6,000.

Regent Collison asked whether the school ever purchases small microphones for children. Superintendent Giangreco responded that the school includes this expenditure in the equipment budget if there is money for it.

Superintendent Giangreco noted that 90% of the school's students have their own hearing aids. He said parents are encouraged to buy them for their children. He noted that the school has been receiving donation money for the purpose of providing hearing aids for children whose parents can't afford to buy them.

Business Manager Geasland commented that there are several items of expense which are not included in the preliminary budget but that will be included in the final budget. He noted that the expense of the merit coordinator was a little higher than expected, as is the cost of the youth opportunity program. He commented that the support of the deaf-blind field worker will also be added which will total \$10,400 additional expense in the final budget for ISD.

Mr. Geasland reported that the field worker is shared by both Iowa Braille and Sight Saving School and the Iowa School for the Deaf. He commented that IBSSS handles the paying of salary and expenses while the School for the Deaf is billed for its portion. Superintendent Giangreco reported that IBSSS has a very good field worker and it is advantageous for ISD to share this person.

Mr. Richey commented that if the additional expenses for ISD cause any problem on the final budget, it will be called to board members' attention.

MOTION: Mr. Baldrige moved the board approve the preliminary budget for Iowa School for the Deaf as revised to include library book expenditures in the equipment and library books expenditure category and to include credit for maintenance as income and also to include an addendum to the preliminary budget pertaining to the shared field worker. Mr. Barber seconded the motion and it passed unanimously.

REAL ESTATE CONTRACT AND INTERAGENCY TRANSFER OF JURISDICTION - STATE BOARD OF REGENTS TO IOWA STATE HIGHWAY COMMISSION. The board was requested to ratify action taken in conference call of May 21, 1974 transferring land at Iowa School for the Deaf to the Iowa State Highway Commission for consideration of \$16,250.

The Board Office reported that the Iowa State Highway Commission has plans to reconstruct Highways 92 and 375. Involved in this reconstruction is 2.88 acres of land located at the Iowa School for the Deaf. The Highway Commission agrees to pay to the Board of Regents the appraised value of the land itself. The Highway Commission also agrees to reconstruct the main vehicular entrance of the school back 150 feet from the intersection with the road. The Board Office also reported that the Highway Commission plans to let contracts for the reconstruction of Highways 92 and 375 by the end of this year with construction to occur in spring, 1975.

MOTION:

Mr. Bailey moved the board ratify action taken in conference call of May 21, 1974 transferring land at Iowa School for the Deaf to the Iowa State Highway Commission for consideration of \$16,250. 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.

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

NOTES OF APPRECIATION. Superintendent Giangreco expressed his thanks to Executive Vice President Chambers, SUI, and the Business College for evaluating the school's accounting equipment and giving advise regarding it. Appreciation was also expressed to Vice President Hardin, SUI, who is assisting in seeing to it that each child at ISD gets his or her eyes checked at the university since a lot of parents can't get their children to eye doctors. He noted that five ophthalmologists will come to the school in September.

IOWA BRAILLE AND SIGHT SAVING SCHOOL

The following business pertaining to the Iowa Braille and Sight Saving School was transacted on Friday, June 28, 1974.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the month of May 1974 were ratified.

APPOINTMENT OF M. D. BERRY AS SECRETARY-TREASURER. The board was requested to approve the reappointment of M. D. Berry as secretary-treasurer of the Iowa Braille and Sight Saving School for 1974-75.

In the absence of objections, President Petersen approved the reappointment of M. D. Berry as secretary-treasurer of the Iowa Braille and Sight Saving School for 1974-75.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. Executive Secretary Richey reported the Register of Capital Improvement Business Transactions for the month of May 1974 had been filed with him, was in order, and recommended approval. Mr. Richey recommended board members ratify action taken by them by telephone poll on May 31, 1974 in which the following construction contracts were recommended for approval:

<u>PROJECT</u>	<u>AWARDEE</u>	<u>TYPE OF CONTRACT</u>	<u>AMOUNT</u>
Roof Repairs, Children's Cottage, Auditorium of Main Building and Deaf-Blind Center	D. C. Taylor Company, Cedar Rapids, Iowa	Roofing	\$21,870
Tunnel Repair for Exterior Waterproofing and Interior Repair and Refinishing	W. G. Jaques Company, Des Moines, Iowa	General	\$16,987

Telephone approval for the school to finish the tunnel repair project and the remaining four phases of that project through use of either force labor or purchase order/quotation was also granted the school and ratification was requested.

MOTION:

Mr. Baldrige moved the board approve the Register of Capital Improvement Business Transactions for May 1974 and ratify all actions taken by board members by telephone on May 31, 1974 regarding the two above-named construction projects and that the executive secretary be authorized to sign all necessary documents. The motion was seconded by Mrs. Collison and passed unanimously.

1973-74 REVISED BUDGET. The board was requested to approve the revision in the 1973-74 budget in the amount of \$7,350 as requested by the institution.

It was reported that the Iowa Braille and Sight Saving School has realized additional interest income due to higher interest rates and the availability of additional funds for investment because the academic staff has elected to receive salary payments on a twelve-month basis, sale of used equipment and obsolete materials produced more than anticipated and the federal participation in the milk lunch program exceeded the estimate by about \$2,000. The institution requested authorization and approval to increase the budget ceiling for the 1973-74 general programs operation by the amount of \$7,350 from \$1,011,032 to \$1,018,382.

MOTION:

Mr. Brownlee moved the board approve the revision in the 1973-74 budget in the amount of \$7,350 as requested by the institution. Mr. Baldrige seconded the motion and it passed unanimously.

PRELIMINARY 1974-75 BUDGET. The board was requested to approve the proposed preliminary budget for 1974-75 as revised to include library books in the expenditure category, credit for maintenance as income, and to defer consideration of the \$32,000 federal funds loss to the July board meeting.

The Board Office reported that additional costs for 1973-74 of \$10,000 for food, \$21,000 for equipment and \$1,000 for repairs, replacements and alterations are offset by savings of \$9,000 for salaries, \$7,000 for fuel and purchased electricity and \$9,000 for other general expense for a net addition of \$7,000 which was the rounded amount requested in the 1973-74 revised budget.

The proposed preliminary budget is in accordance with the calculations for the appropriated amounts for 1974-75 with the exception of \$10,000 increase in anticipated receipts of which \$5,000 is to be spent for food and \$5,000 for other general expenses and the special needs item of \$32,000 of which \$21,000 is to be spent for faculty salaries and \$11,000 for general staff salaries.

Charges for lodging and for meals for employees have been credited to expenditures rather than shown as income. As a consequence, the budget shows neither total expenditures nor total income. The institution reported that no significant change in administrative practices would be required and the State Auditor's Office acquiesces to the proposed change.

PRELIMINARY 1974-75 Budget
 IOWA BRAILLE AND SIGHT SAVING SCHOOL
 General Program Operations
 (000's Omitted)

	Starting Base <u>1973--74</u>	Revised Estimate <u>1973--74</u>	A D D I T I O N S	
			As Appro- priated <u>1974-75</u>	Proposed Prelim. Budget <u>1974-75</u>
Starting Base		1,011	1,011	1,011
Faculty & Institutional Officials	368	(5)	31	52
Administrative & Professional	28	(1)	3	3
General Service Staff	425	(3)	49	60
General Expenses				
Fuel & Purchased Electricity	41	(7)	2	2
Fuel & Purchased Electricity Contingency	--	--	4	4
Food	25	10	5	10
Other	79	(9)	3	8
Equipment & Library Books	17	21	1	1
Repairs, Replacements & Alterations	28	1	1	1
Special Needs	<u>--</u>	<u>--</u>	<u>32</u>	<u>--</u>
Total Additions	--	7	131	141
Total Budget	<u>1,011</u>	<u>1,018</u>	<u>1,142</u>	<u>1,152</u>
Estimated Income				
State Appropriations				
Chapter 106	984	984	1,000	1,000
S.F. 618	18	18	18	18
Supplemental - S.F. 1386				
Salaries	--	--	62	62
Merit Salaries	--	--	14	14
Fuel & Purch'd Electricity Contingency	--	--	4	4
Food Contingency	--	--	3	3
Contingency - Fed. Fund Losses	--	--	32	32
Federal Funds	2	4	2	4
Sales & Services	3	5	3	6
Other Income	<u>4</u>	<u>7</u>	<u>4</u>	<u>9</u>
Total Income	<u>1,011</u>	<u>1,018</u>	<u>1,142</u>	<u>1,152</u>

Regent Collison commended the school on the remodeling being done and the efficient manner in which it has been done.

MOTION:

Mrs. Collison moved the board approve the proposed preliminary budget for 1974-75 as revised to include library books in the expenditure category, credit for maintenance as income, and to defer consideration of the \$32,000 federal funds loss to the July board meeting. Mr. Bailey seconded the motion and it passed unanimously.

TITLE I. The board was requested to approve the following Title I budget for Iowa Braille and Sight Saving School:

It is proposed during the 1974-1975 school year to employ a full-time psychologist, using some Title I monies. Funding will be from the following sources:

- | | | |
|----|----------|---|
| a. | \$ 6,060 | from savings derived by sharing position with School for the Deaf |
| b. | 5,652 | additional Title I allocation |
| c. | 2,500 | anticipated savings in current Title I project to be carried over |
| | <hr/> | |
| | \$14,212 | total |

Superintendent Woodcock reported that the summer program for Iowa Braille and Sight Saving School will extend beyond the date of June 30, 1974 and will run through July 26, 1974 instead. He proposed the use of the \$5,652 which represents the difference between the tentative Title I figure and the final figure by adding it to an anticipated \$2,500 saving in the Title I program and \$6,060 from the 1974-75 budget of IBSSS, making a total of \$14,212 to be used to purchase psychological services for the school year 1974-75. A full-time counselor position now being shared with the Iowa School for the Deaf produced a \$6,060 saving in the IBSSS 1974-75 budget.

Superintendent Woodcock reported a psychologist for IBSSS would be desirable to counsel with students and follow up with recommendations made by the University of Iowa Medical School, particularly those from the Child Development Clinic and the Child Psychiatry Department.

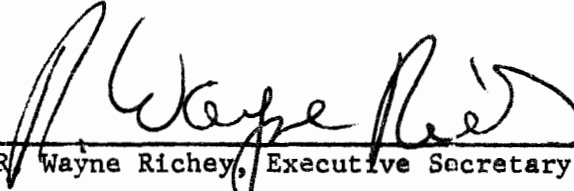
Regent Collison commented that she felt the school should have a full-time psychologist and said that this would provide the kind of support that is needed for the school.

MOTION:

Mrs. Collison moved the board approve the Title I budget as shown above to fund the position of a full-time psychologist. Mr. Zumbach seconded the motion and it passed unanimously.

President Petersen asked board members and institutional executives if there were additional matters to be discussed regarding Iowa Braille and Sight Saving School. There were no matters brought up for discussion.

ADJOURNMENT. The public meeting of the board adjourned at 4:40 p.m., Friday, June 28, 1974.


Wayne Richey, Executive Secretary