MINUTES OF REGULAR MEETING OF THE
STATE BOARD OF HIGHER EDUCATION HELD
ON OCTOBER 23, 1981

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A regular meeting of the State Board of Higher Education was held in the Dads' Room, Erb Memorial Union, University of Oregon, Eugene, Oregon.

The meeting was called to order at 8:30 A.M. by the President of the Board, Mr. Edward C. Harms, Jr., and on roll call the following answered present:

Mr. Lester Anderson
Mr. Alvin R. Batiste
Mrs. Jane H. Carpenter
Mrs. Harriett Flanagan
Mr. Robert C. Ingalls

Mr. Louis B. Perry
Mr. James C. Petersen
Mr. Marion T. Weatherford
Mr. Loren L. Wyss
Mr. Edward C. Harms, Jr.

Absent: Mr. Lomnicki was out of the country.

OTHERS PRESENT

Centralized Activities--Chancellor R. E. Lieuallen; Secretary Wilma L. Foster; J. I. Hunderup, Vice Chancellor for Facilities Planning; Mrs. Clarethel Kahananui, Acting Vice Chancellor for Academic Affairs; E. Rex Krueger, Vice Chancellor for Educational Systems; W. T. Lemman, Jr., Vice Chancellor for Administration; Edward P. Kelley, Jr., Associate Vice Chancellor for Personnel Administration; Ms. Melinda Grier, Compliance Officer; James J. Casby, Assistant Attorney General; A. M. Rempel, Assistant Vice Chancellor for Academic Affairs; Richard Zita, Assistant to the Chancellor, Director, Public Services and Publications; J. Richard Pizzo, Director, High School Relations; James Lockwood, Assistant to the Chairman, Interinstitutional Library Council; Karen McCumsey, Secretary to the Chancellor; Francetta Carroll, Assistant Board Secretary.

Oregon State University--President Robert MacVicar; Sandra Suttie, Curriculum Coordinator; James J. O'Connor, Director of Advising, College of Liberal Arts; Sharon Wallace, ACE Fellow.

University of Oregon--President Paul Oltim; Ray Hawk, Vice President for Administration and Finance; Richard Hill, Vice President for Academic Affairs; Robert Berdahl, Dean, College of Arts and Sciences; Gerard Moseley, Associate Provost for Student Affairs.

University of Oregon Health Sciences Center--Donald Kassebaum, Vice President for Hospital Affairs; Ralph Tuomi, Assistant Vice President, Facilities Management; Gordon Ranta, Director, Facilities Planning; Janet E. Young, Special Assistant to the President.

Portland State University--President Joseph C. Blumel; Orcilia Forbes, Vice President for Student Affairs; J. K. Harris, Budget Director.

Eastern Oregon State College--President Rodney A. Briggs; William P. Wells, Dean of Student Affairs.

Oregon Institute of Technology--President Kenneth F. Light; W. M. Douglass, Dean of Administration; William W. Smith, Dean of Academic Affairs.

Southern Oregon State College--President Natalee A. Sicuro; Ernest Ettlich, Dean of Academic Affairs; Donald Lewis, Dean of Administration; Paul S. Willes, Chairman, Department of Education; Susan Roper, Director, School of Education and Psychology.

Western Oregon State College--President Gerald Leinwand; Glen I. Williams, Dean of Administration; James H. Beaird, Provost.
Others--State Representative John Schoon; T. K. Olson, Executive Director, Oregon Educational Coordinating Commission; Elizabeth H. Johnson, Commissioner, Oregon Educational Coordinating Commission; Robert Watrus, Executive Director, Oregon Student Lobby; Arthur Binnie, President, Chemeketa Community College; Nancy Borchgrevink, Dean of Instruction, Chemeketa Community College; John Weber, Acting President, Central Oregon Community College; Beth Bussard, Student, Central Oregon Community College; Dee Foss, Citizen of Bend and former Coordinator of Single Heads of Households Program at Central Oregon Community College; Richard Fehnel, Dean, Educational and Off-Campus Programs, Linfield College; Robert Davis, Executive Director, Association of Oregon Faculties; Ken Johnson, Governmental Representative, Association of Oregon Faculties; James Lemert, Member, Association of Oregon Faculties, Professor, University of Oregon.

Mr. Harms reported that the September minutes had incorrectly indicated that the Proposed Sale of the R/V CAYUSE, OSU, had been approved by the Board. The Board's action had been to place the matter on the consent calendar for the October meeting and a correction sheet to that effect had been prepared and would be distributed. The Board voted to dispense with the reading of the minutes of the last regular meeting held on September 11, 1981, and approved them as distributed and corrected. Those voting in favor: Directors Batiste, Carpenter, Flanagan, Ingalls, Perry, Petersen, Wyss, and Harms. Those voting no: None. Director Anderson was absent from the meeting at this time.

President Olum described the Pioneer Award presented by the University of Oregon each year to leaders of the community and of society and described them as people who have made a real difference. One of the recipients of the award for 1981 was Jane Hoyman Carpenter. President Olum presented the award and read the following statement which accompanies it:

University of Oregon
Pioneer Award
Presented to
Jane Hoyman Carpenter

A strong and sincere sense of social responsibility, with a particular emphasis on the area of education, has been the foundation for Jane Hoyman Carpenter's public life. As president of southern Oregon's Carpenter Foundation, she has been active in developing its educational element. More than half the resources of the foundation, established by her uncle A. S. V. Carpenter and his wife Helen Bundy Carpenter, support college scholarships for high school students from the Medford region. With her baccalaureate degree from Monmouth College in Illinois and advanced work in social services administration at the University of Chicago, Jane Carpenter brings an articulate voice to the needs of her society. She has served as a member of the Jackson County Community Action Council, the Medford League of Women Voters, the Intergroup Human Relations Council of the State Board of Higher Education prior to her appointment to the board itself, the board of the directors of the University of Oregon Foundation, the Educational Coordinating Commission's joint committee on planning for post-secondary education in Oregon, and the Peter Britt Festival Board. She also helped establish the first child guidance clinic and the first juvenile court in Jackson County. Both the University of Oregon Museum of Art and the Oregon Writing Project have been beneficiaries of the philanthropy of the Carpenters and the Carpenter Foundation. Those who know her praise the diligence with which she does her homework and the open-mindedness with which she pursues her ideals. The University of Oregon is honored to present its Pioneer Award to Jane Hoyman Carpenter.

October 16, 1981

Mr. Harms commented that the award was well-merited and the Board was pleased to have Mrs. Carpenter as one of its members.
The Chancellor reviewed the actions of the 1981 Legislative Assembly and plan for response to those actions. He said it had been indicated that the actions were interpreted to call for a smaller and leaner State System in the years immediately ahead, with reduced enrollments, stricter admissions standards, fewer program options, and higher tuition mentioned in the budget report. Plans were announced previously to develop a proposal for program and administrative reductions which would free approximately 6% of the General Fund budget--4% of the General Fund plus tuition for 1982-83. These funds would be used first to meet the budget cuts mandated by the 1981 Legislative Assembly, second to provide for any underfunding of the benefits package, and third to offset any shortfalls in either the General Fund or tuition revenues. Any remaining funds would be used to strengthen the remaining programs by reducing the salary inequities for academic staff and by generally increased support for those programs.

The Chancellor said the tentative proposals were under intensive review on the campuses. They will then be reviewed within the Board's Office and specific proposals will be presented to the Board in December.

The Chancellor said he regretted to report that the revenue picture is quite grim. The General Fund is falling short and tuition revenues are sharply below estimates. It has become clear that the target of 4% General Fund and tuition revenue will likely not be adequate. Rather than having freed money for strengthening the remaining programs, it appears that it will be necessary to cut further in order to avoid deficits, to raise tuition still further, to rely upon a Special Session of the Legislature or the Emergency Board for assistance, or possibly a combination of each of these. The Chancellor said if it becomes necessary to cut further, he would urge the Board to seek to make cuts deliberately designed to be short-range rather than long-range decisions, thus avoiding to the extent possible the elimination of any additional programs beyond the ones proposed in December.

The Chancellor said assessment of the State System indicates that it is at a very critical level where further program amputation might very well affect the basic missions of the State System's colleges and universities. One of the objectives has been to make the necessary adjustments in such a way as to preserve these basic missions. Some institutions may be unable to make the 4% target without vitally affecting their mission.

The Chancellor then stated that the magnitude and the causes of the tuition shortfalls could not be assessed fully until after the close of the fourth week of classes, so it would be several days before that kind of detailed assessment could be made. Preliminary studies suggest that tuition from foreign students is sharply below the estimates and tuition from domestic nonresidents is well below the estimates. The tuition from resident students appears to be very close to the estimates. The projected shortfall is expected to be significant.

Mr. Batiste suggested the possibility of considering a higher percentage reduction in December in view of the probability that it will be necessary to make further reductions. The Chancellor said he was reluctant to do this until there was additional firm data on which to base such a decision.

The Chancellor commented that the economic health of the Department of Higher Education depends substantially upon the economic health of the State of Oregon, which in turn is related to the success of the colleges and universities in developing the human resources upon which the state's economic health essentially depends. The various colleges and universities, through their specialized programs, provide the trained personnel especially needed by high technology industry. The Board's staff and the staff of the Economic Development Commission have been cooperating in recent weeks to determine the extent to which the goals of the Board and the Commission are similar. A resolution which would articulate common goals and call for closer liaison between these two bodies has been prepared and discussed.
The Chancellor said the Economic Development Commission would consider adoption of the resolution next week and recommended that the Board consider the adoption of the following resolution.

WHEREAS, The State of Oregon has reached the point in its development where the broad expansion of the industrial base is vital to the continued growth and well-being of the State;

WHEREAS, the State Department of Economic Development, which holds primary responsibility for attracting new industry to the State, plans to vigorously pursue this goal, for example, with regard to high technology industry;

WHEREAS, the State Department of Higher Education, through its colleges and universities, serves as the principal research resource for the State; and

WHEREAS, the instruction, research and public service functions of these colleges and universities provide an attractive environment for support of industry, including a wide variety of specialized programs to assist high technology industry;

NOW THEREFORE BE IT RESOLVED, that the Departments of Economic Development and Higher Education, recognizing their respective missions and the value of cooperative efforts, take advantage of this opportunity to explore new ways to attract industry to Oregon;

AND FURTHER BE IT RESOLVED, that in order to accomplish this goal the State Economic Development Commission and the State Board of Higher Education do hereby establish a formal liaison, the actual mechanism to be determined at a joint meeting of the Commission and the Board.

Mr. Perry commented that the economy of the State of Oregon is going through some changes which will make it difficult to anticipate a significant increase in revenue, even with an improvement in the economy. He said he referred specifically to changes occurring in the logging and timber industries and in the utilization and development of wood and wood products. He said a resolution of this kind which ties the interests of the higher educational plan and staff of this state with the long-range needs of the state itself is very important. He urged the Board to support the resolution.

Mr. Harms added that the Board had been attempting to obtain some state seed money for research which might have had some impact on the economy if it had been appropriated when first requested.

Mr. Batiste said the effort was long past due and suggested the possibility of a research council concept to bring research people together to plan for economic development. He expressed the hope that eventually the private research organizations might be actively involved also. It was indicated that such involvement was very likely. It was stated also that there have been businesses that have not established units in Oregon because there was not a high technology base.

Mr. Anderson said the state has a tremendous asset in its timber resources and he was bothered to see it go by default in lieu of bringing in more industry. He said the question of how to utilize better the assets of Oregon's greatest natural resource, its timber, must be addressed. The current housing construction shortage and the general economic conditions should not mean necessarily that the natural resource should go into oblivion.

The Chancellor noted that Dr. Krueger had played a prominent part in the development of this proposal.
It was moved by Mr. Wyss and seconded by Mr. Batiste that the Board adopt the resolution and that the president of the Board be empowered to attempt to arrange a joint meeting. The Board approved the motion, with the following voting in favor: Directors Anderson, Batiste, Carpenter, Flanagan, Ingalls, Perry, Petersen, Weatherford, Wyss, and Harms. Those voting no: None.

(Considered by Board on September 11, 1981.)

The Board adopted motions at its meeting on September 11, 1981, to place the following items on the consent calendar for approval at the next regular meeting:

- Request for Authorization To Terminate Six Programs.
  - OIT--See 9-81-4a and 9-81-4b, pages 2 and 7a of September docket; also minutes, p. 508.

- 1981-87 Information Systems Plan--See 9-81-11a and 9-81-11b, pages 11 and 16a of September docket; also minutes, p. 518.

- Proposed Sale of R/V CAYUSE, OSU--See 9-81-12a and 9-81-12b, pages 11 and 17a of September docket; also minutes, p. 519.

It was recommended that the Board approve the staff recommendations for these items as previously discussed.

Board Discussion and Action

The Board approved the consent calendar, including the recommended actions, with the following voting in favor: Directors Anderson, Batiste, Carpenter, Flanagan, Ingalls, Perry, Petersen, Weatherford, Wyss, and Harms. Those voting no: None.

Summary for Meeting Worksheets (10-81-19a)

Pursuant to arrangements made by supplement to their contract for professional services relating to the remodeling and rehabilitation of the Smith Memorial Center at Portland State University, Architects Thompson & O’Doherty have completed the schematic design phase of planning for additional alterations proposed to be accomplished within Phase III. For this work, an expenditure limitation of $660,000 was approved by the Board and is included in the capital construction program authorized by Chapter 539, Oregon Laws 1981. All of the project costs are expected to be financed from proceeds from self-liquidating bonds issued under the provisions of Article XI-F(1) of the Oregon Constitution and/or from balances available for auxiliary enterprises. This project, which is composed of a number of items such as dining area modifications, lighting, acoustical and mechanical system improvements, is intended to complete the extensive program of remodeling and rehabilitation of the Center that began in 1977.

Staff Recommendation to the Board

It was recommended that the appropriate Board officials be authorized to acknowledge the acceptance of the schematic design phase of planning for the Smith Memorial Center Remodel Phase III project at Portland State University and to instruct Architects Thompson & O’Doherty and their consultants to proceed with the design development phase of planning based upon a direct construction cost allowance of approximately $315,500.
Board Discussion and Action

Mr. Wyss asked how the determination was made of the relative necessity of projects for use of funds remaining from a bond issue. Mr. Hunderup explained that this particular bond issue had been made with the expectation that the debt service would be from commingled student building fees. Since the project for the Sports and Recreation Facility at Portland State University was dependent upon student building fees for its debt service, it seemed that the appropriate reallocation of the bond sale proceeds would be for high priority projects similarly identified with student building fees for debt service, rather than other projects based on user charges. It was then determined that these proceeds should be applied to the highest priorities in the 1981-1983 lists dependent upon student building fees. The amount was sufficient, Mr. Hunderup indicated, to cover all of the projects dependent upon student building fees except for two projects near the end of the priority list.

The Board approved the staff recommendation as presented, with the following voting in favor: Directors Anderson, Batiste, Carpenter, Flanagan, Ingalls, Perry, Petersen, Weatherford, Wyss, and Harms. Those voting no: None.

Summary and Staff Recommendation for Meeting Worksheets (10-81-20a)

Proposed Sale of Ada Matthews Estate Property, OIT

It was recommended that the Board's staff be authorized to offer for sale a strip of land 970 feet long and 20 feet wide, known as Tax Lot 290 in Jackson County, located just outside of the city limits of Ashland, Oregon. The minimum acceptable bid price would be in line with an appraisal which is currently being prepared. It is likely the advertised price would be less than $2,000. If the advertised invitation to bid results in no acceptable bids, the staff would proceed to negotiate a sale for cash for not less than the advertised minimum bid price. These procedures are authorized by ORS 273.201, 273.205, 273.211, and 273.216.

Board Discussion and Action

The Board approved the staff recommendation as presented with the following voting in favor: Directors Anderson, Batiste, Carpenter, Flanagan, Ingalls, Perry, Petersen, Weatherford, Wyss, and Harms. Those voting no: None.

Summary for Meeting Worksheets (10-81-21a; no 21b section)

Use of William A. Niskanen Estate Bequest, UO

Article IV (h) of the bequest of William A. Niskanen directs $50,000 to the University of Oregon. According to the probate, this is an unrestricted gift. The policy of the Board is that any gift of $20,000 or more is to be designated as a quasi-endowment unless the Board approves an institutional recommendation that the gift or bequest be expended rather than invested as a quasi-endowment. Conversations with the deceased before his death and conversations with his son subsequent to his death lead the University of Oregon to believe that the wish of the deceased was that $25,000 of the bequest be direct to the Department of Intercollegiate Athletics for the funding of the Stadium Club or, if sufficient funds are available without the use of this gift, that the $25,000 be made an endowment, the income from which is to be used for athletic scholarships. The remaining $25,000 is to be established as a quasi-endowment, the income from which is to be used by the College of Business Administration at its discretion.
**Staff Recommendation to the Board**

It was recommended that the Board approve the recommendation of the University of Oregon that $25,000 of the Niskanen Estate Bequest be used as a current restricted fund gift for the benefit of the Department of Intercollegiate Athletics and that the remaining $25,000 be established as a quasi-endowment, the income from which is to inure to the benefit of the College of Business Administration.

**Board Discussion and Action**

The Board approved the staff recommendation as presented with the following voting in favor: Directors Anderson, Batiste, Carpenter, Ingalls, Perry, Petersen, Weatherford, Wyss, and Harms. Those voting no: None.

**Staff Report to the Board**

The following information is presented in response to the request of the Board for a further review of the continued expansion of credit hours authorized the institutions of the State System during a period of stable enrollments and reduced budgets.

In the discussion with the Board, it was decided that the Board's Office would respond to the Board's request in terms of course changes approved for 1981-82 for a single institution. The University of Oregon College of Arts and Sciences has been selected for this review for two reasons: (1) the College's net increase of 238 credit hours accounts for one quarter (25.8%) of the 923.8 net additional credit hours approved for 1981-82 of the System, and (2) the Board's October meeting will be held on the University of Oregon campus, making it possible for representatives of the administrators and faculty directly responsible for the development and implementation of these credit hour changes to be present to answer questions.

Proposals for curricular change developed by the faculty of the College of Arts and Sciences and approved by the University faculty and administration and the Chancellor for 1981-82 involve the addition of 89 new courses, changes in 238 old courses, and the dropping of 27 old courses. A summary of the credit changes resulting from these proposals, by department, is shown in the table on the following page. A report prepared by Dr. Robert Berdahl, dean of the College of Arts and Sciences, which speaks to the reasons for the addition of new courses and the ways in which they will be implemented, appears immediately after the table.
## SUMMARY OF CREDIT CHANGES FOR 1981-82

**College of Arts and Sciences**  
**University of Oregon**

<table>
<thead>
<tr>
<th>CREDIT HOUR CHANGES</th>
<th>New Courses</th>
<th>Courses Dropped</th>
<th>Changes in Old Courses</th>
<th>Net Credit Hour Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(+)</td>
<td>(-)</td>
<td>(+)</td>
<td>(-)</td>
</tr>
<tr>
<td>College of Arts and Sciences</td>
<td>298</td>
<td>88</td>
<td>(+46)</td>
<td>(-18)</td>
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<tr>
<td>Anthropology</td>
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<tr>
<td>Biology</td>
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<td>+ 2</td>
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<td>(+ 6)</td>
<td>(- 1)</td>
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<td>Classics</td>
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<td>- 12</td>
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<td>Comparative Literature</td>
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<td></td>
<td>+ 3</td>
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<td>Computer and Information Science</td>
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<td>+ 4</td>
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<td>East Asian Languages and Literatures</td>
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<td>Geography</td>
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<td>+ 6</td>
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<td>+ 15</td>
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<td>(+ 3)</td>
<td>(- 6)</td>
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<td>+ 6</td>
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<td>+33</td>
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<td>- 3</td>
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<tr>
<td>Political Science</td>
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<td>- 2</td>
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<td>- 2</td>
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<td>Sociology</td>
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<td></td>
<td>+ 3</td>
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<tr>
<td>Speech</td>
<td>21</td>
<td>5</td>
<td>(+ 2)</td>
<td>(- 1)</td>
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</table>

563
Members of the State Board have inquired how, in a period of sharply declining financial support, the University of Oregon has been able to increase the number of courses it offers in the catalog by a net total of 305 credit hours. This is an appropriate question. Because the College of Arts and Sciences accounts for 241 credit hours of that total, in a year in which its salary budget has been slashed by $372,000, I have been asked to offer an explanation for this increase. I am happy to try to answer this question for the members of the Board.

A survey of the additional courses listed by the College of Arts and Sciences for 1981-82 leads to two general observations. The first is that, although the number of courses in the College repertoire has increased somewhat, many courses are offered alternate years or even less frequently, so that the number of courses offered in a given year has not increased; moreover, much of the increase does not, in fact, represent an expansion of the number of courses offered, but rather the introduction of a different system of numbering courses necessitated by changes in the curricular structure of the College.

A second general observation is obvious, but it needs to be stated anyway: that the fund of human knowledge which a university faculty is responsible to transmit to its students does not expand or contract in accord with university budgets. Neither the aspirations of this faculty nor its determination to provide its students with an education reflecting the most current research should be diminished by current budget reductions.

An examination of the specific changes in course offerings yields several reasons for the expansion of courses:

1. Much of the increase reflects changes in the general education requirements at the University, rather than a substantial growth in the number of courses offered. As part of an effort to improve the general education required of all students through the "group requirements" (distribution requirements for bachelor's degrees), the University has decided to grant "group satisfying credit" only for specific courses designed for general education, whose rigor can be judged by the curriculum committee. This has meant that broadly defined courses, entitled such as "Selected Topics in . . .", would have to be given greater specificity in order to obtain approval. The biology department, for example, previously had only six courses at the 100-level, four of which were simply entitled "Selected Topics . . .", dealing with a wide range of subjects. The new requirements necessitated giving each course its own number, rather than continuing to operate under a blanket number; this accounted for 59 additional credit hours in biology, nearly one-fourth of the College's total, although no new offerings were involved.

Other course numbers that add to the total of "new courses" without actually constituting new offerings are those courses which have previously been taught under experimental numbers (199, 210, 310, 410), for which departments are now seeking "regular" status. At least 6 hours of new courses in anthropology, 3 hours of English, and 15 hours of geography may be accounted for in this manner.

2. Additional new courses in some departments reflect an increased emphasis on undergraduate education, especially as the demand for graduate education slackens. Anthropology, for example, has indicated that two of its new courses must be viewed "expressly
as part of a departmental move to focus more attention on the undergraduate courses." Biology added 16 hours of new upper-division courses designed "to strengthen biology's major program." Economics added a third term to its introductory sequence, partially in response to the new "group requirements," partially in response to the growing demand for undergraduate courses in economics.

3. Departments have also felt it necessary to add a few new courses in order to provide students with courses addressing the new developments in their fields. Computer and Information Science, for example, has added a new four-credit course to provide majors in the natural sciences with a programming course designed specifically for their needs. Physics has added a three-credit course, "The Energy Laboratory," to introduce students to the manner in which new developments in physics apply to the energy issue.

Other liberal arts departments have added courses specifically designed for students in the professional schools. Thus, German has introduced a three-term course in "Business German," designed for students in the College of Business Administration; Mathematics is offering a new course at the lower level in Matrix Algebra, designed, at the request of CSPA, for students majoring in the social sciences.

4. A number of additional new courses reflect the changing composition of the faculty. A new faculty member, replacing someone who is retiring, may bring some new field hitherto unrepresented in the department. This was the case with economics, with the introduction of a course on the economics of health, or with geography, with the introduction of more coursework dealing with the ethno-geography of eastern Europe. At the same time, departments are reluctant, despite some urging, to remove from the catalog courses that are infrequently taught because of inadequate staffing. Removing such courses appears, to the departments, as a resignation to decline. As the head of the mathematics department put it: "A number of courses in the catalog that ought to be offered at a first-rate university have been increasingly omitted from the time schedule. Unless the University is forced to drastically reduce its educational aspirations, these courses should not be stricken from the catalog." There is a tendency, therefore, for more new courses to be added than old courses removed, creating a net addition.

Almost all of the reasons for the addition of new courses to the list of courses offered in the College of Arts and Sciences can be subsumed under one or more of the reasons enumerated above. It is vitally important, perhaps especially during this period of perilous budget reductions at the University, that the faculty be allowed to innovate, to retain its sense of movement and of excitement over the expanding fields of learning. It is the unique mission of a research university that the faculty be given the freedom, even in stressful times, to translate the results of current research and exploration into new courses to educate the new generation of students. To do so requires a constant evolution of the University's curricular offerings.

Board Discussion and Action

Dr. Berdahl reviewed briefly the reasons for the increase in credit hours of courses as presented above in his report.

The Board accepted the report as presented, with the following voting in favor: Directors Anderson, Batiste, Carpenter, Flanagan, Ingalls, Perry, Petersen, Weatherford, Wyss, and Harms. Those voting no: None.
Mr. Harms stated that a request had been received from the Association of Oregon Faculties to appear in relationship to the concerns of the faculties regarding how and when long-range higher education policy planning would be done and when meaningful faculty involvement would be achieved. He invited the representatives to make their presentations.

Mr. Robert Davis, Executive Director of the Association of Oregon Faculties, described it as an organization in which members of the faculties in the State System have voluntarily joined together to promote the interests of faculty and the interests of higher education in general. It is composed of approximately 1,100 members from all institutions. Mr. Davis referred to a statement mailed to the Board prior to the meeting. The statement addressed two main concerns—first, the perception of a lack of long-range planning for the future of higher education faced with limited resources; and second, what is believed to be a lack of consistent, efficient, and system-wide involvement of faculty in such planning.

Mr. Davis said he agreed with the Chancellor's analysis of the legislative action as reported in the Board minutes of September 11. He noted that higher education today is facing the most serious threat since the great depression and the war years. In the development of the higher education budget, the Legislature moved from general statements about doing more for less and being more efficient to recommendations concerning policy positions that it had not made before. The Legislature ultimately stated that the State System was being asked to limit access to higher education in Oregon in order to comply with budget constraints that it was imposing and that a constriction would be required.

Mr. Davis then referred to the appropriation of only a one-year budget with instructions to prepare a budget for the second year of the biennium which would state the proposals for attaining the objectives and goals outlined in the legislative action.

Mr. Davis said he was convinced of the reality that the financial crisis is not short-term but long-term. If the institutions do not make the program decisions the the Legislature has indicated it wants, those decisions will be made by someone. This may be the last chance for the Board and the institutions to make those decisions internally to preserve a System that, even though it may be smaller in the number of students and the number of faculty, maintains and improves the quality that the State System has had.

Mr. Davis indicated he disagreed that the 4% across-the-board cuts reflected even a movement toward the kind of long-range planning expected by the Legislature. Further, the Legislature clearly indicated there should be faculty involvement in those decisions. Mr. Davis said it was his position that when the 4% decision was made, it was a significant program decision without any faculty involvement. He also indicated that the plans for faculty involvement submitted to the Board showed great variation among the campuses and a general feeling that faculty should be presented with a proposal and react to it.

Dr. Fred Waller expressed similar concerns with respect to the meaning and implications of the 4% reduction and the matter of faculty involvement in planning. He commented on the limited time available for planning in order to meet the deadlines externally imposed upon the institutions and the Board. He expressed appreciation for the Board's support of the 13% catch-up pay raise for faculty and reiterated the continued interest of the faculty in achieving this goal.

Dr. Lawrence Pierce, Professor of Political Science at the University of Oregon and a member of the Interinstitutional Faculty Senate, said that body consisted of 19 faculty members elected by the faculties of the eight institutions. He read two resolutions adopted by the Interinstitutional Faculty Senate. The first encouraged state institutions and the Board to provide meaningful faculty participation in the 1982-83 budget plan and requested that direct faculty opinion and testimony be included in the Board's
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Review of institutional budget proposals between November 1 and March 15. The second resolution stated the belief that improvement of faculty salaries should be the highest priority of the State System of Higher Education once economic conditions in the state improve. Further, the Interinstitutional Faculty Senate supported the statement presented by the Association of Oregon Faculties with respect to long-range planning. Dr. Pierce indicated that many faculty members are of the opinion that cuts should not be applied only to higher education because the funding of education in general in Oregon is somewhat unbalanced in comparison with other states. A smaller proportion of the educational funds go to higher education than to the community colleges and primary and secondary education. The entire funding of education should be reviewed and attempts made to redress the present imbalance. He concluded by offering the expertise of the faculty to assist in the planning.

Mr. Ingalls asked whether the faculty involvement would be on an inter-institutional or an institutional basis. Dr. Pierce said if the Interinstitutional Faculty Senate were asked for information on a certain topic, it would attempt to speak as an interinstitutional organization on that subject.

Mr. Ingalls said the Board had reaffirmed its belief in a decentralized system and asked if the faculty presentation would have any impact in terms of the decentralized system. Dr. Pierce responded that he did not believe that it would but there tends to be less long-range planning in a decentralized system than in one that is highly centralized. Dr. Waller said decisions about allocations to the various institutions should be centralized.

Mr. Davis said the faculty was prepared to advise and consult with the Board in trying to set the extent of the program changes that must be made. He said the faculty strongly believes, as he was sure the Board and the Chancellor did, that those individual decisions must be made within each individual institution, but the reaffirmation of institutional guidelines must be made first at the institutional level, but blended by the Board. The ultimate decisions must be made at the Board level if there are to be changes in the missions or guidelines of the institutions.

Mr. Ingalls pointed out that the ultimate decisions on each campus have to be made by the presidents of the institutions. Mr. Davis replied that they must also be consistent with policy set by the Board and the faculty would like to participate in advising the Board on what that policy should be.

Mr. Petersen said the communication issue had been of concern to him so that the Board would be accessible to all constituencies in the System—students, faculty, administration, and others. He said the various groups often have the same goals but may not communicate adequately with each other.

Mr. Perry said this had been an excellent presentation on the necessity for long-range planning. He said the State System planning could be compared with corporate planning where there are responsible independent divisions offering different products. He said long-range planning is an extremely difficult but essential process, and when accomplished requires constant attention because revisions are necessary. He said a review of the goals and objectives of the State System would make it possible to determine what the functions and missions should be of the separate eight units, with the establishing, reaffirming, or changing of those missions, and allocating them. The plan should involve the participation of the institutions themselves so that there will be agreement. Planning could continue on a divisional or institutional level within the total framework of the overall System goals and objectives. Mr. Perry said both institutions and corporations can utilize the expertise of personnel, but the final decisions within the institutions or the corporate divisions must be made by those who will be held accountable for what is done. In the State System, those that the Board is going to hold responsible within the institutions are not likely to be the faculty but the administrators.
Dr. Waller said he recognized and accepted the accountability and responsibility of the institutional executives. Mr. Davis said, however, that it was the Board that the Legislature had directed to do certain things. This process must be started, Mr. Davis said, and an across-the-board cut does not address the issues identified by the Legislature.

Mr. Harms requested the Chancellor to advise the Board about the justification for the use of the 4% and what steps were requested of the central office with respect to faculty involvement.

The Chancellor said the Legislative admonition was not stated in terms of a percentage. It was very clear, not in terms of the long-run but in terms of 1982-83, that prior to the approval of the budget for the second year of the biennium, certain reports were to be provided to the Legislature. One was to involve any kinds of changes in programs designed to "strengthen quality in the face of fiscal adversity." These responses were to be made by March 15, 1982. The Chancellor said it was clear that the expectation was that the institutions would come to the Board with proposals for "program restructuring" that would permit a response to the quality desires of the Legislature and to the reduced funding. In order to do this, it is necessary to develop at the institutional level proposals for program reduction which are not budget cuts in their intent, but are program reductions, the purpose being to free funds that could be used to strengthen the remaining programs and carry out the admonition of the Legislature to improve salary levels for faculty. The 4% represented a target. To describe this as across-the-board may not be totally in keeping with the ultimate recommendation to the Board. It was an arbitrary figure and was not based on extensive involvement of the faculty on the assumption that meaningful faculty involvement would occur in the selection of the programs to be cut. The selection of 4% was not based on any kind of insight with respect to the amount of money that would be available. It was believed until recently that full tuition income and General Fund money would be available and that the 4% reduction would be available for reallocation for the purposes stated. This now appears unlikely.

The Chancellor said the only requirement imposed upon the institutions for faculty involvement was that they develop and submit plans to the Board for that to occur.

Mr. Harms thanked the faculty members for their presentations. It was agreed that in most instances the interests of the faculty and the Board were very similar.

Amendment of OAR 580-01-000

Appearances Before the Board

Summary for Meeting Worksheets (10-81-23a; no 23b section)

The present rule stating the procedures to be followed for appearances of individuals before the Board requires clarification for ease of interpretation.

Staff Recommendation to the Board

It was recommended that the Board adopt; after public hearing, the following amendments to OAR 580-01-000:

Appearances Before the Board

580-01-000 Individuals and representatives of organizations desiring to appear before the Board to present any matter concerning higher education [are asked to] shall file a written request stating the purpose(s) of the appearance and naming explicitly the person or persons who desire to speak to the Board. The written request shall be delivered to the Board Secretary at least seven days before the meeting at which the matter is proposed to be heard [, in order that the Board President may be advised of the request and the appearance may be scheduled]. If the request is granted by the Board President, conditions of the appearance may be imposed. [Individuals and organizations not complying with this rule may be denied an opportunity to be heard by the Board.] If written materials are to be submitted for Board consideration, 25 copies thereof shall be furnished for consideration by the Board.
Board Discussion and Action

Mr. Casby explained that OAR 580-01-000 permits the Board to consider requests for appearances before the Board by members of the general public. The present language refers to requests for appearances, but in spite of this apparent granting of discretion by the use of the word "requests," it has been questioned whether the Board by language used in the existing rule has the power or right to limit appearances before it. This has been the consistent interpretation of the Board and its legal counsel. However, in order to clarify the matter, the new language is proposed. It is intended to remove any vestige of doubt that the Board itself has ultimate control of its own time and has the privilege to limit comments in terms of time, subject matter, the number of people who might speak, or to limit comments to the point of excluding them entirely if they are thought to be inappropriate in terms of the Board's agenda and the time available to the Board. Mr. Casby then reviewed the proposed changes and indicated that the new language made it absolutely clear that the Board president, in consultation with the Board, has the privilege of controlling appearances to permit the Board to conserve its resources, energy, and time to meet its agenda items. Mr. Casby said that this interpretation was not in conflict with the agenda item providing an opportunity for public comment because for the most part OAR 580-01-000 addresses a different situation than that considered in the opportunity for public comment. To the extent that there is an overlap, the Administrative Rule would be viewed as the rule which applies, whereas the opportunity for public comment is that portion of the agenda where the Board can consider waiving a strict application of that rule should it choose to do so.

Mr. Harms said that the time scheduled for the public hearing had arrived and indicated that Ms. Katherine Eaton had requested an opportunity to appear.

Ms. Eaton read the following statement on behalf of Dr. Thomas Morris, President of the Oregon Federation of the American Association of University Professors:

It is the view of the Oregon Federation (AAUP) that the proposed rules on appearance before the Board are undesirable. The general tendency of the rules could be to reduce access of faculty and student groups on matters of the utmost moment to them. From our view the time to request an appearance is too short (we often do not receive the agenda until ten days before the Board meeting), and the increased costs for written statements unduly burden such groups. To the extent that such rules reduce the access of faculty and student groups it will, of course, reduce the flow of information to Board members upon matters which require their considered judgment. Although the intent may be to provide for more efficient use of Board time the result, unfortunately, is a move toward a more closed system. For these reasons we hope you will consider other, less burdensome rules.

Since no one else wished to be heard, Mr. Harms declared the public hearing closed.

There was some discussion of the time element included in the rule. It was pointed out that there was no change in terms of time but only in the wording which was modified from "asked to" to "shall."

Mr. Wyss said it seemed that the proposed change was giving greater responsibility than existed presently to the president of the Board to decide whether or not a matter is discussed by the Board. He also questioned whether 35 copies were needed. It was indicated that the number could be reduced to 25. In discussing further the determinations to be made by the president of the Board, it was indicated that the president or the Board itself could waive the requirements of OAR 580-01-000 at any time.
Mr. Petersen said he wanted it to be clear that there would be some opportunity for individuals who might not understand fully the procedures to appear before the Board. Mr. Casby said that was his interpretation of the wording.

Mr. Ingalls proposed that the last three words be changed to "for consideration by the Board."

The Board approved the staff recommendation as presented and on roll call vote adopted the amendments to OAR 580-01-000 as modified by Mr. Ingalls and with the number reduced from 35 to 25. Those voting in favor: Directors Anderson, Batiste, Carpenter, Flanagan, Ingalls, Perry, Petersen, Weatherford, Wyss, and Harms. Those voting no: None. The modifications have been incorporated in the rule.

Summary for Meeting Worksheets (10-81-24a)

Several categories of potential users of student health service are not currently eligible to avail themselves of the health service provided at each institution. The proposed amendments to OAR 580-11-005 would enable these students to obtain the services at a cost commensurate with charges made to matriculated full-time and part-time students at the institution.

Staff Recommendation to the Board

It was recommended that the following amendments be adopted to OAR 580-11-005:

OAR 580-11-005--Student Health Services

(1) The institutions shall operate or provide student health services to safeguard the health of their students through health education, medical treatment of injuries and diseases, and limited counseling services.

(2) Student health services supported by student fees shall be made available [only] to full-time and part-time students who are enrolled [students] in courses taught by institution faculty and who have paid the health service fee[s] adopted by the Board. [Institutions may permit part-time students, except nonmatriculants, to participate upon payment of the fees. This rule shall not prohibit an institution from rendering health services to other persons on campus if an emergency occurs.]

(3) An institution may also provide health services to:

(a) participants in on-campus, non-credit workshops and programs sponsored by the institution.

(b) participants in on-campus, non-credit workshops and programs sponsored by the institution under contract with an off-campus organization.

(c) participants in on-campus workshops and programs sponsored and taught by off-campus organizations under a lease or contract with the institution.

(d) other persons on the campus on an emergency basis.

Health service fees charged to these categories of users shall be not less than the current fees charged full-time and part-time students prorated according to the period of use.

Charges may be made for prescriptions, laboratory services, immunizations, and other special services in accordance with regulations adopted by institutions. The institutions may deduct such charges from breakage fees or make other arrangements for payment.
The student health services will not pay or be responsible for bills from private physicians or private hospitals, except in cases of advance contractual arrangements made by the institutions.

Faculty and staff (other than residents, interns, graduate assistants) employed by the Department of Higher Education and institution thereof shall not be eligible for student health services operated or provided by the institutions.

Board Discussion and Action

Mr. Harms said that the time scheduled for the public hearing had arrived and indicated that Dr. Orcilia Forbes, Vice President for Student Affairs at Portland State University, had asked to appear. Dr. Forbes read the following statement:

"Members of the Board, I would like to direct my comments to a new section in the proposed student health service rules revisions, section number six directs that:

(6) "Faculty and staff employed by the Department of Higher Education and institution thereof shall not be eligible for student health services operated or provided by the institution."

In my opinion, this is a very restrictive change. I see nothing wrong in providing limited incidental use of the SHS to faculty and staff on a fee basis as long as these do not become full medical services.

Further, it seems to me that we do not really need to add this prohibition at a time when faculty and staff morale is already low.

I urge the Board to reconsider the addition of this section. If it is deleted it will allow us to continue to provide faculty and staff limited incidental services on a fee basis such as flu shots, and occasionally checking a blood pressure.

In response to questions, she indicated there was a fee schedule which was submitted annually and the use of the services by faculty and staff was minimal. With respect to allergy shots, about 13 people a year might take advantage of that service. President Blumel said there was interest in continuing this very limited service because of the great geographic dispersion of faculty members relative to their physicians. It is much more efficient for allergy shots to be given at the health service than by the individual physicians elsewhere in the area.

Mr. Lemman explained that the changes were proposed because the health services were intended for students and were not to be expanded incrementally to become a higher education community health establishment. Mr. Lemman indicated that a change would be proposed in section 6 to make an exception for emergencies and an additional change would be made in section 3d, also to deal with emergency services. Mr. Lemman said there should be no faculty use of the health services other than on an emergency basis. During the discussion it was also stated that charges are made to cover the actual costs incurred and perhaps administrative overhead for the influenza shots.

Mr. Lemman commented that he had no problem interpreting influenza shots as emergency in the sense that they are ordinarily administered on a widespread basis when there is possibility of an epidemic. However, he said he had more difficulty in construing routine allergy shots as an emergency and would prefer to include language permitting this if the Board wished to authorize this type of service.
Dr. Ray Hawk, Vice President for Administration and Finance at the University of Oregon, said it was imperative to provide an opportunity for emergency treatment. He indicated that visiting groups participating in various activities at the institutions may be on campus for several days. A charge is included as part of the service for these groups to cover any necessary health care during the period they are on campus. These people are not students in the sense that they are registered at the university, but they are guests of the university. In many cases, their opportunities to seek outside health care would be very limited. He said it was extremely important to protect staff and faculty from potential epidemics.

President MacVicar concurred in the statements concerning the importance of encouraging faculty and staff to take appropriate preventive health measures, such as the influenza vaccine. However, it is an appropriate restriction to prohibit the student health service from becoming a community health service. He stated that at Oregon State University many faculty members are involved in various international activities to Africa and Asia in countries which require cholera and yellow fever inoculations. The nearest clinics for these are in Portland and Eugene. He suggested that the Board make the institutional executives responsible by adding "except as specifically authorized by the institutional executive."

President Leinwand said he agreed that the health service should have some latitude for providing incidental services.

Mr. Lemman then suggested amendments to the language to provide for emergencies and for immunizations and injections.

Mr. Perry proposed that the comment by President MacVicar regarding authorization by institutional executives be incorporated in the revised language.

Mr. Wyss said he was sensitive to President MacVicar's view but that unless the wording is specific, there will be different interpretations. Mr. Lemman pointed out that use of the words "such as" in his proposed modification was illustrative and therefore it was implicit that the executive would have to approve anything other than immunizations and injections.

The public hearing was closed and the Board referred the matter to the staff to incorporate suggested changes in revised language to be placed on the consent calendar for the December meeting. Those voting in favor: Directors Anderson, Batiste, Carpenter, Flanagan, Ingalls, Perry, Petersen, Weatherford, Wyss, and Harms. Those voting no: None.

Amendment of OAR 580, Division 30, University of Oregon Health Sciences Center Hospital & OAR 580-40-015 Hospital Charges; Adoption of IMD 5.005, Governing Body, University Hospital

Summary for Meeting Worksheets (10-81-25a)

OAR 580, Division 30, describes the function and responsibility of the University of Oregon Health Sciences Center; provides for an Advisory Council; establishes the policy for the selection of patients; describes patient financial policies; and describes the policy in medical and surgical charges. OAR 580-40-015 establishes the policy for determining hospital charges.

The amendments propose to change the governance structure of University Hospital to simplify the operational activities that must be undertaken to meet the requirements of Medicare and Medicaid reimbursements, and requirements of the Joint Commission on Accreditation of Hospitals.
Staff Recommendation to the Board

It was recommended that OAR 580, Division 30, and OAR 580-40-015 be amended, and that IMD 5.005 be adopted as follows:

DIVISION 30
[University of Oregon Health Sciences Center]
Oregon Health Sciences University Hospital

Function and Responsibility

580-30-005 The function of the University Hospital of the [University of Oregon Health Sciences Center] Oregon Health Sciences University is to augment the teaching, research, and medical health care programs of the institution. University Hospital includes inpatient services, outpatient clinics, emergency department, and ancillary services. In carrying out this function, it will operate as an integral part of the Health Sciences University. Responsibility for its operation will be placed on a director appointed by and responsible to the President of the Health Sciences Center Oregon Health Sciences University.

[Health Sciences Center Advisory Council]

580-30-010 (1) The Health Sciences Center Advisory Council shall serve in an advisory capacity to the President of the Health Sciences Center.

(2) The Advisory Council shall consist of nine to fifteen members appointed on staggered terms: initial appointments made in 1975 shall be for two, four, and six years. Thereafter, appointment terms will generally be for a six-year period. Appointments shall be approved by the President on recommendation by the President of the Health Sciences Center.

(3) The Council shall have the authority of the governing body of the University Hospital for purposes of meeting:
(a) Conditions for participation of hospitals under the statutes, rules, and regulations of the Social Security Administration for the Medicare and Medicaid programs; and
(b) Standards of the Joint Commission on Accreditation of Hospitals.

(4) The Advisory Council shall report to the Board at least annually on its activities.

Governing Body, University Hospital

580-30-011 (1) The governing body of the University Hospital shall be the Board of Higher Education.

(2) The President of the Oregon Health Sciences University shall act for the governing body for the purposes of meeting:
(a) Conditions of participation of hospitals for the Medicare and Medicaid programs; and
(b) Standards of the Joint Commission of Accreditation of Hospitals.

(3) The President of the Oregon Health Sciences University shall report to the State Board of Higher Education at least annually on University Hospital medical staff activities and appointments; hospital administrative activities and principal appointments; hospital operations, including compliance with Medicare and Medicaid regulations, standards of the Joint Commission on Accreditation of Hospitals, and compliance with Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975, Part 90 of Title 45 of the Code of Federal Regulations, as well as compliance with the requirements for accessibility to the handicapped in accordance with Section 504 of the Rehabilitation Act of 1973 and Part 84 of Title 45 of the Code of Federal Regulations.

Any appointment or termination subject to IMD 1.020 shall nevertheless comply with the terms of that directive.
Selection of Patients

580-30-015 Authority for selection of patients to be admitted to the hospital is delegated to [Health-Sciences-Center] Oregon Health Sciences University authorities. All admissions shall be determined on the basis of the educational, health care and research programs of the [Health Sciences-Center] Oregon Health Sciences University. [There will be no committal-system.] Patients may be self-referred, or referred by licensed [physicians; ambulatory-care-clinics] practitioners and agencies charged with responsibility for their [medical] health care.

Care of Patients

580-30-020 Professional care of patients in the hospital is to be given only by licensed practitioners who are members of the [active] medical staff of [University-of] Oregon Health Sciences [Center] University hospitals and clinics.

Patient Financial Policies

580-30-025 (1) All patients shall be charged on a uniform basis for hospital services in accordance with established [fee] rate schedules.

(2) Patients shall be responsible for meeting the costs of their health care. Patients shall be [financially-screened by trained credit officers under the supervision of University Hospital administration] interviewed to determine [patient] financial resources and ability to pay.

(3) Patients may be granted charity allowances on the basis of the financial interview [screening] and the ability to pay.

(4) Patient selection shall be based [primarily-on-the-value-to-the-teaching program] on clinical circumstances in relation to the educational, health care and research programs of the Oregon Health Sciences University and not on ability to pay.

[Medical and Surgical-Charges]

580-30-030 Patients in the University Hospital who are found able to pay the costs of all or part of the medical and/or surgical professional services performed by School of Medicine faculty members are to be billed for such services by the faculty members concerned. Bills are to be presented to patients only in those instances where investigation of the patient's financial resources discloses that funds are available to pay for the services and where the faculty member rendering the services approves charging the fee.

Professional Fees

580-30-031 Patients in University Hospital are to be billed appropriately for professional services rendered by licensed practitioners of the medical staff.

[Oral Health-Service-Charges from School of Dentistry]

580-30-035 Invoices for professional oral health services provided patients in the University Hospital shall be submitted to the patient by the Health Sciences Center. An invoice is to be presented only where investigation of the patient's financial resources discloses that funds are available for this purpose and the faculty member rendering the service approves the fee. Generally, the patient is not to be billed for oral health service until after any obligation to pay the hospital bill is satisfied.]
DIVISION 40

Board's Financial Powers

Hospital Charges

580-40-015 (1) [Patient-fee] Rate schedules for hospital services shall be established and maintained by the [University of] Oregon Health Sciences [Center] University, [and shall be adequate to meet costs of operating the Hospital-and other commitments in accordance with the approved budget.] The schedules must be approved by the Hospital Director and the President and filed with the Vice Chancellor for Administration.

(2) [Charges may be established for:
(a) Room, board, and nursing services per patient day;
(b) Per diem ancillary services;
(c) Itemized ancillary services;
(d) Outpatient charge;
(e) Medication and medical supplies.] Rates shall be established to meet the financial requirements of the hospital according to recognized hospital standards and to meet the commitments of the operating budget.

(3) Costs and [charges] rates shall be computed in a manner consistent with generally accepted accounting principles for hospitals and the requirements of third party [carriers] sponsors.

(4) [Charges for room, board, nursing services, ancillary services, and outpatient services must] Rates shall be filed and maintained in accordance with the rules and procedures established by the Oregon State Health Planning and Development Agency under ORS 442.410.

(5) Inpatients shall pay or make arrangements for payment of services on admission or as soon thereafter as is feasible. Outpatients shall pay or make arrangements to pay for services before completion of the last visit.

OREGON HEALTH SCIENCES UNIVERSITY
University Hospital

Proposed Internal Management Directive

5.005 Governing Body, University Hospital

To meet the requirements of the Medicare and Medicaid conditions of participation and the standards of the Joint Commission on Accreditation of Hospitals, the governing body of University Hospital must take certain actions. Acting for the governing body, the President of the Oregon Health Sciences University will:

1. Establish written objectives of University Hospital and how they will be met.

2. Establish and implement policies and procedures for:
   a. Formal and regular communications with the medical staff.
   b. Approval of medical staff bylaws.
   c. Ensuring that all hospital services are supervised.
   d. Approval of the selection of a chief of the medical staff and directors of organized services.
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e. Approval of the appointment of members of the medical staff.

f. Approval of the reports of the medical staff executive committee.

g. Approval of written statements of the functions and responsibilities of house staff.

h. Ensuring that the hospital and staff meet all applicable federal, state and local laws and regulations.

i. Reviewing the Hospital's institutional planning activities to ensure that the Hospital adheres to the requirements of the federal provider regulation regarding institutional planning.

j. Ensuring that the Hospital operates in compliance with Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975, Part 90 of Title 45 of the Code Federal Regulations, as well as the requirements for accessibility to the handicapped in accordance with Section 504 of the Rehabilitation Act of 1973 and Part 84 of Title 45 of the Code of Federal Regulations.

3. Represent the governing body (State Board of Higher Education) on the Joint Conference Committee of University Hospital, along with Oregon Health Sciences University and University Hospital administration and the medical staff.

Board Discussion and Action

Mr. Harms stated that the time set for the public hearing on the amendments to Chapter 580, Divisions 30 and 40, had arrived and asked if anyone wished to be heard for or against the proposed amendments. There being no response, Mr. Harms declared the public hearing closed.

In response to a question concerning the advisory function of the former Advisory Council and the Board of Overseers, it was explained that the Board of Overseers would be similar to a development group and would be advisory in a general sense for the whole institution. To the extent that the Advisory Council engaged in development activities in the past, the Board of Overseers would be a replacement for the Council; to the extent that the Advisory Council was the governing body of the hospital, the Board of Overseers would not be a replacement.

Dr. Donald Kassebaum, Vice President for Hospital Affairs and Director of University Hospital, indicated that the Board of Overseers does not replace the Advisory Council which had some delegated governing authority responsibility for the hospital to meet the standards for accreditation and the conditions of Medicare and Medicaid participation. All hospitals are required for accreditation and to meet the conditions of participation of federal reimbursements to have a clearly defined governing body. That body is expected, in order to meet the standards, to hear reports on a regular basis about the operation of the hospital, the appointment of key administrators, its organization, and the workings of its medical staff organization. At the time when the Advisory Council was authorized by the Board, it was given limited delegated authority by the Board. There is no longer an Advisory Council, and in order for the hospital to be in compliance with the standards, it is necessary to designate the Board as the governing authority with the president of the Oregon Health Sciences University explicitly required to report on the items listed in the proposed Internal Management Directive.
Mr. Wyss asked whether the responsibility delegated to the president represented a change in major responsibility for him. Dr. Kasseebaum said it was not a substantive change but made explicit the functions handled by the University president in the past. Mr. Petersen pointed out that the Board was assuming a very important responsibility that apparently it once had delegated. Mr. Lemman commented that even though the Board had delegated responsibility in the past, it still maintained ultimate responsibility.

In response to questions from Mr. Batiste concerning the way in which reporting directly to the Board differed from the present reporting procedures, the Chancellor said the president of the Oregon Health Sciences University would hear the reports from the hospital and the Board would have no greater involvement than it had with the former Advisory Council. The requirement is one of a governing body which cannot be delegated to an advisory council. The Advisory Council was technically assigned this governing responsibility, but not in an advisory capacity to the hospital.

Mr. Petersen commented that most hospital governing boards are composed of lay persons who bring various types of expertise to the governing board, but the chief executive is held responsible for these requirements, and it is required under the standards of the Joint Commission to have a direct line between the people who are accountable and the hospital itself.

The Board approved the staff recommendation as presented and adopted the amendments to OAR 580, Division 30, University of Oregon Health Sciences Center Hospital; OAR 580-40-015, Hospital Charges; and IMD 5.005, Governing Body, University Hospital. The following voted in favor: Directors Anderson, Batiste, Carpenter, Flanagan, Ingalls, Perry, Petersen, Weatherford, Wyss, and Harms. Those voting no: None.

Mr. Harms stated that the public hearing on the proposed revisions to OAR 580-21-100, Kinds of Appointments, had been continued from the previous Board meeting to provide an opportunity for additional testimony. Representatives of the Oregon Federation of the American Association of University Professors were invited to make their presentation.

Dr. Chapin Clark said that he was representing the State Federation of the American Association of University Professors upon the invitation of Dr. Thomas Morris, President of the organization. He distributed a packet of materials consisting of the present rule, the proposed rule from the Board's Office, a suggested rule from the American Association of University Professors, and the prepared statement from Dr. Morris. AAUP views on the possible impact on tenure is discussed in the statement. This material is on file in the Board's Office.

Dr. Clark said he had two basic points. First, is a rule necessary at all; and secondly, if a rule is necessary, Dr. Clark said he would explain why the Association opposed the proposal and would request that the Board adopt a substitute. Dr. Clark said that if a rule were needed to validate the collective bargaining agreement at Southern Oregon State College, then a temporary rule has already been adopted by the Board which should validate the collective bargaining agreement at Southern Oregon State College, if the agreement were signed within the proper time. Since there is some controversy and question about extendable contracts, it would be inadvisable to authorize them by a permanent rule. Dr. Clark said he saw no necessity for the Board to take any action. However, if on advice of staff and counsel, the Board considers the rule essential to validate the established contract at Southern Oregon State College, the alternative proposed by the American Association of University Professors would be preferred. Further, the Board action clearly indicated the intent that the extendable contract would apply only to Southern Oregon State College for a period of two years. It is the position of the AAUP that the proposed rule applies to all institutions. He explained why this was considered to be a general grant of authority, indicating that when the sentence limiting the extendable contracts to Southern Oregon State College for two years expires.

Continuation of Public Hearing on Revisions to OAR 580-21-100, Kinds of Appointments (9-81-8a)
at the end of that time, the language which remains authorizes extendable contracts. He recommended that if the Board were to adopt a rule that it adopt the language proposed by the Association to limit the extendable contracts to Southern Oregon State College.

Ms. Katherine Eaton, a member of the Interinstitutional Faculty Senate from the University of Oregon and a member of the executive board of the Association of Oregon Faculties, stated that she was presenting resolutions from each of these organizations to the Board. The Interinstitutional Faculty Senate took action at its October 3 meeting to recommend that the Board oppose the concept of extendable term contracts and limit revision to Southern Oregon State College for the specified time. The remainder of the proposed revisions should be deleted. On October 10, the Association of Oregon Faculties took a similar position on the basis that the proposed amendments represented a change in faculty tenure status without faculty participation. The Association of Oregon Faculties endorses a strict limitation of the contracts to Southern Oregon State College and to the date of June 30, 1983.

Dr. Clark said that he had not included paragraph 3 in his alternative proposal because it might or might not be a problem in terms of the American Association of University Professors. However, the paragraph seems to delegate to the institution the authority to adopt its own probationary period. If this is the intent, it would not be an appropriate delegation in the opinion of the AAUP, and it would be contrary to the Board's existing rules which specify a maximum probationary period of seven years.

Mr. Harms then referred to the correspondence expressing opposition to the proposed revisions which had been received from the following:

1. The American Association of University Professors, Washington, D.C., signed by Jordan E. Kurland, Associate General Secretary.

2. Executive Committee of the Faculty Senate at Oregon State University, signed by Patricia A. Wells, President.

3. Charles Coate, Chairperson of the Interinstitutional Faculty Senate.

4. Thomas Morris and Chapin Clark--materials referred to in presentation before the Board.

Mr. Petersen asked whether it was possible to have a temporary rule expire, but serve to validate a contract during the 180 days in which the temporary rule was effective.

Mr. Edward P. Kelley, Jr., Associate Vice Chancellor for Personnel Administration, said the temporary rule might satisfy, but there is sufficiently a question that should the temporary rule lapse there at least would be a cloud placed on the validity of the article in the agreement in which the article exists after the lapse of the temporary rule. Further the faculty at Southern Oregon State College has not yet ratified the agreement and failure of the Board to support some permanent rule that would allow such an article might give the impression to the Southern Oregon State College faculty that the article could not be effectuated during the term of the agreement.

Mr. Perry said it was highly important, particularly in the environment in which we find ourselves as a nation, to pay due regard to the concept of academic freedom and make certain that it is not infringed upon. He said if the Board would reiterate the position that the proposed change is applicable for the period of the contract, assuming it is ratified, and that it pertains only to Southern Oregon State College, eliminating any reference that might be construed as applying to any of the other institutions, that might resolve the issue.
Mr. Lemman said it was intended that the three paragraphs in Section 2 be read conjunctively and suggested placing a colon after the date, setting that portion out as a separate paragraph. The three paragraphs following then would be clearly subject to that time limitation. Further, there is an administrative rule on academic freedom which is not repealed or modified in any way. He further suggested that the word "an" be changed to "the" in the first line of paragraph 2 and at the beginning of the third paragraph. He commented in response to the need for the rule that it would be bad practice for the Board to adopt temporary rules for the purpose of enabling some action and then let the rules expire. That gives the wrong impression of what is occurring and does cast some doubt on the validity of the action.

Dr. Clark indicated that he concurred with the changes suggested by Mr. Lemman. He said the question remained in connection with paragraph 3 about the delegation to the institutions of authority to establish the probationary period.

Mr. Lemman said for this paragraph to be read the way Dr. Clark was interpreting it, it would have to have the effect of repealing the Board's other rules governing the probationary period. There is no repeal of that and the 7-year probationary period still stands as a maximum. Paragraph 3 merely permits negotiation of a probationary period of less than seven years. Mr. Lemman said he could see no way in which it could be read to repeal the Board's maximum which appears elsewhere in the rules and for that reason he recommended no change in Paragraph 3.

In response to further questions, Mr. Lemman indicated that Section 3 did not refer only to Southern Oregon State College. However, the article governing extendable contracts at that institution does negotiate a probationary period shorter than seven years for people to be placed on extendable contracts. The last sentence was included to clarify that fixed term appointments offered to visiting faculty shall not exceed a total of seven years. It makes it explicit that fixed term appointments can be offered to administrative staff with faculty rank.

After 1983, Section 2 would expire, Section 1 would have no meaning without Section 2, and Section 3 would remain.

The Board approved the staff recommendation with the modifications proposed by Mr. Lemman and on roll call vote adopted the proposed revisions to OAR 580-21-100, Kinds of Appointments, as presented and modified. The following voted in favor: Directors Anderson, Batiste, Carpenter, Flanagan, Ingalls, Perry, Petersen, Weatherford, Wyss, and Harms. Those voting no: None.

The rule as adopted appears below.

1. OAR 580-21-100(1) was amended as follows:

   Appointments authorized in Department institutions are: fixed term appointments, [and] tenure-related appointments (annual tenure and indefinite tenure), and extendable contract appointments as permitted by OAR 580-21-100(1)(c).

2. The following paragraphs were added to Section 580-21-100 (1)(c):

   For the period July 1, 1981, through June 30, 1983:

   Southern Oregon State College may initiate the use of an extendable contract which is defined as a contract having a term of not more than three years and which permits, following the first year of the contract term, the term of the contract to be extended an additional year if required conditions have been met, leaving the faculty member at the beginning of each year with a contract having the same term as the original contract.
Such appointments may be made only after the institutional policy has been adopted following faculty consideration through established governance mechanisms, or negotiated with the exclusive bargaining representative of the faculty. The policy or negotiated agreement must establish the probationary period to be served prior to an extendable contract appointment, describe the procedures and criteria for attaining such an appointment, and describe the conditions under which contracts may or may not be extendable.

The institution utilizing extendable contract appointments will be expected to reaffirm its commitment to tenure.

3. OAR 580-21-100 (1)(a)(C) was amended as follows:

Fixed term appointments are designed for use at the discretion of the President in such cases as, but not limited to, appointments of visiting faculty (or similar category); academic staff members whose support wholly or principally comes from gift, grant or contract funds, the cessation of which funding would eliminate the budget base for the position in question; [and] part-time faculty; administrative staff with faculty rank [1]; and faculty appointments during an initial probationary period where an institutional policy has been adopted or negotiated which establishes such probationary period. [Visiting] Fixed term appointments offered to [any] visiting faculty [member] shall not exceed a total of seven years.

Summary for Meeting Worksheets (10-81-27a; no 27b section)

Presented below for the consideration and approval of the Board is a statement of policies governing off-campus instruction in the State System of Higher Education prepared in response to a request from the Board March 27, 1981.

The policy statement is made up of policies approved by the Board in 1978 and 1980 and additional statements addressing particular concerns of the Board not specifically addressed in earlier policy statements. In response to these concerns, the policy statement presented below includes provisions in respect to the quality of instruction offered in off-campus locations (item 8, paragraphs d, e, and f); the location of programs in off-campus facilities through rental or lease or through cooperative arrangements with non-System organizations and agencies, e.g., the community colleges (item 10); and the scheduling of courses, credit and non-credit, out-of-state (item 11).

Drafts of the proposed policy statement have been mailed to the presidents of all colleges and universities in Oregon, public and independent, with a request that they let the Board’s staff know if the proposed policies will present any problems of coordination with programs of their institutions or suggestions for improvement. Responses have been favorable.

Staff Recommendation to the Board

It was recommended that the Board adopt the following system-wide policies for off-campus instruction:

1. There shall be maintained in the State System a centrally coordinated, institutionally based off-campus instructional program, with funding of off-campus enrollments in the same manner as on-campus enrollments. (Meeting #446, 5-26-78, p. 399.)

Should the Legislature not authorize funding for off-campus enrollments in the same way as on-campus enrollments, the institutions may offer such instruction as self-support courses. (Op. Cit., p. 400.)
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2. Campus enrollments are state-funded enrollments for credit in (1) courses conducted within the campus boundaries, and (2) courses which must be offered outside the boundaries because resources or facilities necessary to conduct the courses are available only in off-campus locations; e.g., student teaching, clinical experience, marine science instruction at Newport and Charleston. (Institutions may also schedule courses within the campus boundaries which are taught under contract or agreement where the sponsoring agency pays the full cost of instruction or which are self-supporting from fee income.) (1981-82 Academic Year Fee Book, p. 2.)

3. Off-campus enrollments are enrollments for credit in courses taught at a location outside the campus boundaries in order to make the courses and programs of the institution more accessible geographically. Such enrollments are limited to:
   a. Upper-division or graduate courses.
   b. Lower-division courses outside a community college or area education district.
   c. Lower-division courses inside a community college or area education district offered with the approval of the district.
   (1978 Joint Agreement of Boards of Education and Higher Education.)

4. Responsibility for off-campus non-credit courses and activities is shared among the institutions, according to institutional interest, resources and the interests of the publics to be served. Generally, with the exception of programs of the Oregon State University Extension Service and the Labor Education Resources Center at the University of Oregon, non-credit courses and activities do not receive state-fund support and none is proposed. (Meeting #446, 5-26-78, pp. 401, 406.)

Institution Responsibilities

5. The System's coordinated off-campus instructional program shall be based on the strengths of the institutions as regional instructional centers and statewide providers of educational programs. Each institution will have primary responsibility for service to the geographic area in which it is located, and will assist other institutions which may, in accordance with centrally approved plans, wish to schedule programs and courses in the region. (Op. Cit., p. 400.)

6. In addition to its regional responsibilities, each institution will identify, organize, and administer statewide off-campus programs in curricular areas and specialties unique to the institution. (Ibid.)

7. The institutions are encouraged to examine ways in which their regular degree programs can be made more accessible to the nontraditional student through appropriate modifications in such areas as admissions, registration, counseling, scheduling of courses, format of courses, location of courses, interpretation of residence credit required. (Meeting #446, 5-26-78, p. 383.)

8. There shall be no distinction in quality between an institution's on- and off-campus courses and programs:
   a. The quality of credit course or program offerings off campus shall be maintained at the same level as the same offerings on campus. (Meeting #465, 5-23-80, p. 400.)
   b. Admissions and prerequisite requirements for credit courses and programs offered off campus shall be the same as for on-campus courses and programs of the same kind. (Ibid.)
c. Curricular allocations and course authorizations as approved by the Board shall apply to all credit course offerings, on and off campus. (Ibid.)

d. Adjunct faculty employed to teach off-campus credit courses shall be subject to the same appointment criteria and review procedures as regular faculty and shall be fully qualified to teach the courses they are assigned. Each faculty person shall be informed as to the standards and grading practices of the department approving his/her instructional assignment.

e. Degree requirements for programs offered in off-campus locations shall be the same as for on-campus programs, except as specifically indicated in respect to residency requirements. Residency requirements for off-campus programs shall specify a minimum number of hours which must be completed in course work taught by members of the regular campus-based instructional staff.

f. Before authorization is granted for the scheduling of credit courses or programs in an off-campus location, arrangements must be completed for student access to library resources, counseling, and support services adequate to the instruction proposed.

9. The Board's Office will work with the institutions in assuring the orderly development of extended degree programs and appropriate coordination of these efforts with Oregon's community colleges and independent colleges and universities. (Meeting #465, 5-23-80, p. 400.)

10. Subject to applicable statutory requirements, the institutions may procure off-campus office and classroom space through rental, lease, or cooperative arrangements with non-System organizations and agencies in order to provide a consistent location for registration, information, and instructional services offered in the off-campus programs. Acquisition of such a facility does not constitute establishment of a branch campus; the costs of the facility are properly charged to the programs served.

11. Off-campus instructional programs shall be scheduled within the geographic boundaries of the state, with the following exceptions:

   a. Courses which are a part of the regular curricula of the sponsoring institutions, but which must be offered in out-of-state locations because the facilities necessary to conduct the courses are only available in those locations, e.g., foreign study.

   b. Courses offered through independent study (correspondence and multi-media courses).

   c. Credit courses which are supported entirely by student fees and other nonstate income offered in regions contiguous to Oregon which are a part of the sponsoring institution's natural geographic service area, and are not a part of the natural service area of an out-of-state institution offering similar instruction.

   d. Courses and activities, credit and noncredit, offered in the Northwest region and elsewhere, which make available specialized expertise of regular campus-based faculty, when this can be done without penalty to the campus programs and when the entire cost of the offering is covered by fees, grants, gifts, and/or contract funds.

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Coordination

12. Central coordination of off-campus instruction, credit and noncredit, including independent study (correspondence and multi-media courses), in the State System will be provided through the Board's Office of Academic Affairs, working in cooperation with an interinstitutional council on off-campus education. Specifically, the Board's Office will work with the institutions in coordinating policies and procedures for off-campus instructional programs, avoiding unnecessary program duplication, insuring maximum use of resources, providing special reports to interested groups, serving a clearinghouse function, adjudicating issues which may arise concerning off-campus instruction, and promoting off-campus educational opportunities for citizens residing in areas remote from campuses of the State System. (Meeting #446, 5-26-78, p. 399.)

13. It is expected that the State System institutions will adhere to the Joint Agreement between the State Board of Higher Education and the State Board of Education concerning coordination of off-campus credit and noncredit education and articulation among and between two- and four-year colleges and universities and secondary schools, and to any subsequent changes in that Agreement as may be agreed to by the two Boards. (Op. Cit., p. 402.)

In accordance with this Agreement, intersegmental regional coordination of credit and noncredit off-campus programs in Oregon will be maintained through regional coordinating meetings of the institutional presidents (State System, community college, independent college and university) or their designees; necessary intersegmental coordination on the state level will be accomplished through consultation between the Board's Office and the State Department of Education and independent institution representatives, or through the State System-Community College Coordinating Committee, as appropriate, with the participation of such other individuals and agencies as may be necessary. Any intersegmental issues related to coordination which cannot be resolved agreeably by the segments concerned may be referred to the Educational Coordinating Commission for review and recommendation. (Op. Cit., p. 400 and 1978 Joint Agreement.)

Board Discussion and Action

The Board discussed the policies and the two proposed programs, hearing first from individuals who had testified in support of the off-campus instruction programs. Following consideration of these two programs, Mr. Harms invited the presidents of the institutions to comment on the policies and they indicated no difficulty with the policy statements.

Mr. Perry stated that the demand for off-campus instruction is likely to increase due to demographic changes, energy conservation, and the cost of capital expenditures.

Dr. Richard Fehnel, Dean of Off-Campus Programs at Linfield College, expressed concern with the matter of coordination of off-campus instruction and whether there would be centralized coordination from the Office of Academic Affairs.

Mr. Perry asked Dr. Fehnel whether by definition he could discriminate between coordination and control with respect to the off-campus function. Dr. Fehnel responded that one way of defining coordination is to achieve it through some effort of centralized planning in which institutions would submit in advance a statement of the activities they intended to offer in a specific area. Coordination as opposed to control might involve a centralized effort to plan activities with greater clarification of the unique characteristics each institution intends to carry off campus.
In presenting the policy statements, Mrs. Kahananui indicated that the material before the Board represented a compilation of the actions of the Board in 1978 and 1980 and additional statements addressing particular concerns of the Board not specifically addressed in earlier policy statements. She indicated that efforts have been made to coordinate within regions so that the resources of the institutions would be used as wisely as possible without interfering with each other. The institutions are in the process of developing guidelines for the implementation of the policies that the Board has had, and the expanded policies that will be brought to the Board for approval.

Dr. T. K. Olson, Executive Director of the Oregon Educational Coordinating Commission, indicated that the Commission has placed on its agenda the issues involved in the two specific programs. There will also be an effort to address policy issues which perhaps transcend those which are exclusively the responsibility of the Board.

It was moved that the policies and the two degree programs be placed on the consent calendar for the December meeting.

Mr. Anderson said there was no question as to concept, need, and merits of the programs proposed and those who appeared in support of the program were very persuasive. He said he had withheld his approval at the last meeting because he did not believe there was an adequate policy in place to make judgments and he still questioned whether there was an adequate policy. In April, the motion indicated a need for some information on the impact of the program on all institutions in all areas and the specific impact which this particular program might have on any change in policy. For example, would approval of these or similar programs mean that eventually there would be a declining enrollment at the eight institutions because more instruction would be offered in an off-campus atmosphere? What limits would there be on subject matter and who would determine the institution which would teach a program for a particular location? With respect to the quality issue, Mr. Anderson said he was satisfied that both of the applicants for the programs before the Board had justified the quality in considering the kinds of degrees that are to be offered. He said he continued to believe that the impact should be considered on a long-range basis before proceeding too far in this direction.

There was discussion of placing the two requests on the consent calendar and deferring the policies. Mr. Anderson offered a substitute motion that the requests for liberal studies in Bend and the program for interdisciplinary studies in Salem be placed on the consent calendar and that action be deferred on the policies for off-campus instruction.

Mr. Ingalls and Mr. Batiste said the two programs had been discussed at length and they would favor approving them at the October meeting rather than placing them on the consent calendar for the December meeting. For that reason they would vote against the motion.

Mr. Harms commented that the Educational Coordinating Commission has a legitimate interest in the matter and he would be reluctant to give any further indication of approval than would be given by placing the items on the consent calendar until the Commission had had an opportunity to consider the issues and to comment. He said he would support the motion because in effect it indicated adoption of the policy, barring any unusual developments.

Mr. Batiste said it had been his impression that the policies were still incomplete and had not been approved by the Board.

Mr. Harms said the material before the Board was an editorial compilation of existing policies. The deferral merely indicates that the Board may want to make some additions to the policies or some changes.
Mr. Anderson restated his motion to place the two programs on the consent calendar and to defer discussion on the off-campus instruction policies. Mr. Ingalls asked that the motion be separated.

The Board voted to refer the policies for off-campus instruction for additional discussion. The following voted in favor: Directors Anderson, Batiste, Carpenter, Flanagan, Perry, Petersen, Weatherford, Wyss, and Harms. Those voting no: Director Ingalls.

The Board then voted to place the liberal studies program in Bend and the interdisciplinary studies program in Salem on the consent calendar for the December meeting. The following voted in favor: Directors Anderson, Carpenter, Flanagan, Perry, Wyss, and Harms. Those voting no: Directors Batiste, Ingalls, Petersen, and Weatherford.

Oregon State University requests authorization to offer its BA/BS Degree program in liberal studies in the Central Oregon region on a part-time, self-support basis for students residing in that region who are unable for personal or employment reasons to leave the region to participate in a full-time campus-based program and who have completed or are able to complete undergraduate course work meeting the lower-division requirements of the degree at Central Oregon Community College or in other accredited college or university programs.

Staff Recommendation to the Board

The Board's staff recommended that the Oregon State University request be approved.

Board Discussion and Action

Mr. Harms stated that several persons had requested an opportunity to appear before the Board with respect to the proposed BA/BS degree program in liberal studies in Bend.

Dr. John Weber said there were three essential components to the program. Oregon State University would arrange for qualified instructors to teach a few courses each quarter in Bend, primarily on evenings and weekends to meet the needs of the clientele. Central Oregon Community College would agree to provide classrooms, secretarial support, some audio-visual support, and appropriate library facilities. The key element is the self-sufficiency of the program which requires that enough students must enroll in the classes so that the tuition generated offsets the instructors' salaries and travel expenses. There would be some slight additional costs to both institutions and additional work for those responsible for the program.

Dr. Weber said this was exactly the kind of program needed at this time. It is a cooperative program with no proposals for additional facilities and the recipients pay the major cost of the services received. The people of central Oregon have a heavy stake in this program, Dr. Weber said, and he introduced two persons who had accompanied him to describe the importance of the program. Mrs. Dee Foss served as coordinator of the Central Oregon Community College program for single heads of households and came in contact with many residents who are interested in this degree program. The second individual, Mrs. Beth Bussard, is a resident of the area and interested in the program.

Mrs. Foss said many of the persons with whom she had worked began with very low self-confidence, but after entering the college program, they found it was not enough and they wanted to continue. However, the problems inherent in being a single head of household prevent them from leaving the area to go to school. She described her own experiences in which she had to leave her family for a while to finish her degree. She urged the Board to approve the program for the benefit of those citizens in the Bend area who need and want this opportunity.
Mrs. Bussard said the people in central Oregon need this program for intellectual, emotional, and job advancement. The program is academically and financially feasible and there is substantial interest in having higher education brought to an area which is currently without these advantages.

In response to a question, it was indicated that it was intended at Central Oregon Community College that additional library resources would be provided, through private funds.

Mr. Petersen commented that the witnesses had spoken very eloquently of the need to have external programs in those areas of the state where the advantages of a university are not available.

The Board voted to place the request on the consent calendar for the December meeting, as indicated in the action reported under the policies for off-campus instruction.

Summary for Meeting Worksheets (10-81-29a)

Western Oregon State College requests authorization to offer an upper-division program of studies in Salem leading to the BA/BS degree in interdisciplinary studies. The Western Oregon State College program would be part of an articulated program of studies which has been developed by Chemeketa Community College, Western Oregon State College, and Willamette University in a cooperative effort to serve adult postsecondary educational needs of the state's third largest population center. Under this agreement, students who complete appropriate associate degree work in business at Chemeketa may proceed without loss of time or credit to Western Oregon State College and meet requirements for the BA/BS in interdisciplinary studies with an integrated major combining business administration and economics or political science (depending upon whether the student is working in the private or public sector). Graduates of the combined program will be prepared to continue advanced studies in management at Willamette University, if they should desire to do so.

The request before the Board is for authorization for Western Oregon State College to offer its portion of the coordinated degree programs as self-support evening classes in its Salem facility.

Staff Recommendation to the Board

It was recommended that the Western Oregon State College request be approved.

Board Discussion and Action

Representative John Schoon, representing Polk and Benton County residents, spoke in favor of the proposed BA/BS degree in interdisciplinary studies in Salem. He said he was particularly interested in education of the type that would help people get decent jobs because that will provide economic stability, family stability, and happiness. The proposed program is an opportunity to provide for the working people in the greater Salem area an opportunity to further their education. State employees and people in private enterprise want to further their education. He urged the Board to support this unique cooperative program for the benefit of the public, one which can be provided without an additional load on the taxpayer.

President Arthur Binnie of Chemeketa Community College described the cooperative development of the program and the need for it. In view of the people interested in this type of program, he said he believed it was essential that they have the opportunity to pursue the baccalaureate degree without traveling long distances after work.
Dr. Nancy Borchgrevink, Dean of Instruction for Chemeketa Community College, indicated that community colleges serve a broad spectrum of the citizenry in adults of varying ages, differing educational preparation, and from many socio-economic levels. She indicated that many of the transfer students are unable to transfer to a residential institution and this program would be very helpful.

Mr. Petersen asked Representative Schoon whether he considered this to be a duplication of programs within the State System. Representative Schoon replied that programs were offered elsewhere which were similar, but they were not duplicative in the sense that anyone else was offering this type of program to working people in the Salem area. It is not a duplication because it serves a group of people who are not going to school now and who want to do so. It is a new market and a different market. That market, as it improves its educational ability and level, will be better producers for the State of Oregon and will ultimately benefit the state financially.

It was also indicated that the institutions have explored sharing libraries, faculty, and other resources to keep the costs as low as possible.

Mr. Harms said there was some concern that the proposed programs would have the appearance of an expansion of program at a time of very serious budgetary constraints. He said he had personally come to the conclusion that there was no justification for turning down a sound, innovative educational program as long as the Board was operating under some kind of uniform policies and the cost was nominal.

President Leinwand indicated the program was to be totally self-supporting and no further costs were anticipated. This would be an extension of an existing program to a new market in an off-campus site. The advising would be done by staff members from Western Oregon State College.

President MacVicar said that the distance from Corvallis to Bend is greater than from Monmouth to Salem and the advising would be handled differently. Central Oregon Community College personnel would provide the day-to-day support for this operation, including the counseling and advising of the students, with the assistance of periodic visits of staff from Oregon State University to deal with some of the more complex problems. With respect to quality, President MacVicar said the main quality control is that the same faculty members will be doing the instructing in substantial part in both the campus location and the extended campus. Beyond that, the regional accrediting association is likely to be interested in these programs. Further, a degree-granting institution has no desire to erode the value of the institution's degrees by offering one that is less than full quality in a different location.

Mr. Wyss asked about the rationale for offering a liberal studies degree rather than one in a more specific discipline. President MacVicar said it was primarily a matter of the available market. In a study done about two years ago, it was determined that the clientele was adequate if a fairly flexible program was offered. In time, the market might be adequate for more specific programs, but it did not seem wise to begin with more restrictive offerings.

President Leinwand said he was convinced from experience at Western Oregon State College that interdisciplinary majors are of high quality, carefully advised, and taught on-campus by regular staff in reasonably-sized classes. It is proposed to use a similar model for a program offered jointly off-campus.

Mr. Wyss asked about experience with the Portland State-Lewis and Clark master's in public administration program in terms of cooperating with an outside private institution. President Blumel responded that the relationship has been very good. He indicated the program with Lewis and Clark was not a joint program but a cooperative program. He said one of the reasons the program has worked successfully and avoided problems of tuition differences is that the principal clientele is composed of part-time students and the fee structure is very similar.
Mr. Harms noted that a letter in support of this program had been received from Robin Cannon, Assistant Vice President, First National Bank of Oregon, Salem.

The Board voted to place the request on the consent calendar for the December meeting as indicated in the action reported under the process for off-campus instruction.

**Summary for Meeting Worksheets (10-81-22a)**

Southern Oregon State College requests authorization to offer a program in education leading to the basic endorsement in teaching the handicapped learner, effective 1982-83.

On May 29, 1981, the Board authorized the three State System teacher education institutions (SOSC, EOSC, OSU) not presently approved to offer basic preparation in teaching the handicapped to develop programs of instruction (1) which would enable their elementary and secondary graduates to perform effectively in mainstreamed classrooms, and (2) which would provide their students with the option of fulfilling requirements for the basic handicapped learner endorsement.

The action was permissive. It permits the institutions to strengthen their resources and plan basic programs of instruction, with the expectation that the programs developed under this authorization will be brought to the Board for review before being forwarded to the Teacher Standards and Practices Commission and the Educational Coordinating Commission.

**Staff Recommendation to the Board**

The Board's staff recommended that the Southern Oregon State College request be granted.

**Board Discussion and Action**

The Board approved a motion to place the request on the consent calendar for the December meeting. The following voted in favor: Directors Anderson, Batiste, Carpenter, Flanagan, Ingalls, Perry, Weatherford, Wyss, and Harms. Those voting no: None.

**Summary for Meeting Worksheets (10-81-26a)**

To accommodate the relocation of Surgical Pathology from the first floor of the Basic Science Building, Architects WEGROUP, P.C., have completed the schematic design phase of planning for alterations to the fourth floor of University Hospital South. Institutional officials have proposed that these alterations, which are estimated to cost approximately $395,000, be undertaken as part of the 1981-1983 capital construction authorization of $4,235,000 for Hospital and Clinic Rehabilitation and Alterations Projects to be financed from Article XI-F(1) bond borrowings. Pending the sale of bonds, the expenditures for planning are being provided from patient fee income.

**Staff Recommendation to the Board**

It was recommended that the appropriate Board officials be authorized to acknowledge the acceptance of the schematic design phase of planning for the University Hospital South Fourth Floor Surgical Pathology Alterations portion of the Hospital and Clinic Rehabilitation & Alterations Projects at the University of Oregon Health Sciences Center and to instruct WEGROUP, P.C., Architects, and their consultants to proceed with the design development phase of planning based upon a direct construction cost allowance of approximately $305,000.
Board Discussion and Action

The Board approved the staff recommendation as presented, with the following voting in favor: Directors Anderson, Batiste, Carpenter, Flanagan, Ingalls, Perry, Weatherford, Wyss, and Harms. Those voting no: None. Director Petersen was absent from the meeting at this time.

Summary for Meeting Worksheets (10-81-30a)

Based upon the design and cost estimates of KEI/KRUCHEK ENGINEERS, INC., officials of the University of Oregon Health Sciences Center have proposed that approximately $320,000 of Article XI-F(1) bond proceeds be applied to supplement a federal energy grant of $172,500 and the state matching funds of $172,500 allocated in 1979-1981 to cover the estimated total expenditure requirements of $665,000 for the purchase and installation of an incinerator adjacent to the south campus utility plant. The project would enable the institution to incinerate most of the contaminated, non-contaminated and low-level radioactive wastes from the hospital and clinics and convert the heat captured in the process into steam for the central distribution system. It would also eliminate the expense of a separate waste disposal contract at the hospital and clinics, reduce air discharge emissions by eliminating the use of the existing small incinerator in University Hospital North, and generally improve operating efficiencies relating to waste disposal on the campus. Furthermore, by reducing landfill requirements, it would benefit the total community.

The $320,000 portion of the estimated total project cost of $665,000 would be subject to Emergency Board authorization as a charge against the expenditure limitation of $5,480,000 approved within Chapter 539, Oregon Laws 1981, for Hospital and Clinic Rehabilitation and Alterations Projects.

Staff Recommendation to the Board

It was recommended that the appropriate Board officials be authorized to acknowledge the acceptance of the design of the proposed Incinerator with Waste Heat Recovery at the University of Oregon Health Sciences Center, seek the concurrence of the State Emergency Board to complement earlier capital outlay authorizations of $345,000 for energy conservation with approximately $320,000 of Article XI-F(1) bonds as a charge against the 1981-1983 capital construction program for Hospital and Clinic Rehabilitation and Alterations Projects, solicit bids and award contracts for the work within a maximum total budget of $665,000.

Board Discussion and Action

The Board approved the staff recommendation as presented, with the following voting in favor: Directors Anderson, Batiste, Carpenter, Flanagan, Ingalls, Perry, Weatherford, Wyss, and Harms. Those voting no: None. Director Petersen was absent from the meeting at this time.

The admissions requirements for 1982-83 were referred for further discussion from the September Board meeting.

Mr. Wyss asked whether the increase of one-quarter of one percent in the grade-point average continued to be available to the institutions at their discretion or whether it was a one-time authorization that has now been used.

The Chancellor said the interpretation had been that the institutions were authorized to raise the gpa's by .25 without Board consideration. Once that occurred, it was assumed that the action had been completed and further Board action would be required for that option to continue.
Mr. Wyss said he had recalled the discussion differently and that it was his impression that anything beyond one-quarter of one percent would need specific approval but that it was an encouragement for institutional executives to try to deal with their problems and allow a little more flexibility in the process of the decentralization.

The Board discussed briefly whether the authorization had been a one-time or a continuing authorization. Mrs. Kahananui explained that the institutions had taken advantage of the authorization and this was being brought to the Board as part of the admissions requirements approved for the information of high school students, their parents and counselors. A similar permissive policy could be authorized for 1983-84. However, the information does need to be available a year in advance for the use of the high school counselors, students, and their parents. For this reason, the requirements are brought to the Board for review and approval, even though the Board might have approved a permissive policy.

Mr. Wyss said if the option were removed in this set of admissions requirements, the institutions would not have that early option available unless they specifically requested it next time.

Mrs. Kahananui indicated that representatives of the institutions would be meeting soon to consider what should be done for 1983-1984 and to collect the background analyses upon which to base such decisions. The institutions always have the option of seeking Board approval of a change in admissions requirements.

Mr. Harms questioned whether these decisions should be made independently under present conditions where admissions requirements can be manipulated to restrict or enlarge enrollments and the Board must consider the overall System.

Mr. Wyss said that it appeared to him during the last 12 months when the institutions faced the crisis in quickly changing conditions that they were helped by having options that had been discussed. The fact that they all decided to move rather simultaneously to increase their admissions requirements probably removed the competitive spirit. He said he 'would expect that in most instances there would be simultaneous movement up or down, depending on what the overall conditions were within the System. He said he believed personally that it was a good policy to allow the institutions to have greater flexibility in reacting to crisis.

The Board approved the staff recommendation as presented at the September meeting, with the following voting in favor: Directors Anderson, Batiste, Carpenter, Flanagan, Ingalls, Perry, Weatherford, and Harms. Those voting no: Director Wyss. Director Petersen was absent from the meeting at this time.

The Board then voted to place on the December agenda a discussion of optional admissions requirements, with the following voting in favor: Directors Anderson, Batiste, Flanagan, Ingalls, Weatherford, and Harms. Those voting no: Directors Carpenter, Perry, and Wyss. Director Petersen was absent from the meeting at this time.

Sale of Property to University Park, Inc., OSU

Summary and Staff Recommendation for Meeting Worksheets (10-81-16a)

To resolve a boundary inconsistency which became apparent from recent resurveys of property owned by University Park, Inc., an apartment development adjacent to a portion of the Hill Farm of Oregon State University's Agricultural Experiment Station in Corvallis, it was recommended that the President and Secretary of the Board be authorized to deed approximately 0.47 acres of land to University Park, Inc., for the appraised value of $1,014.
Meeting #480

October 23, 1981

Board Discussion and Action

The Board approved the staff recommendation as presented, with the following voting in favor: Directors Anderson, Batiste, Carpenter, Flanagan, Ingalls, Perry, Weatherford, Wyss, and Harms. Those voting no: None. Director Petersen was absent from the meeting at this time.

Summary and Staff Recommendation for Meeting Worksheets (10-81-17a)

In view of the actions of the Legislature in 1979 and 1981 in creating the Oregon Commission on Public Broadcasting and in designating it as "the administering agency of noncommercial educational television stations owned by the state and the state-owned television network", it was recommended that the President and Secretary of the Board be authorized to execute deeds and/or other legal documents to eliminate the Board's name from record title in property of the Commission, reflecting the action of the Legislature that the Commission on Public Broadcasting is an independent agency and that the Board has no interest in or basis for maintaining in the Board's name record title to realty and realty interests now belonging to the Commission.

Board Discussion and Action

The Board approved the staff recommendation as presented, with the following voting in favor: Directors Anderson, Batiste, Carpenter, Flanagan, Ingalls, Perry, Weatherford, Wyss, and Harms. Those voting no: None. Director Petersen was absent from the meeting at this time.

Summary for Meeting Worksheets (10-81-18a; no 18b section)

In accordance with Board regulations, the following Board members represented the Board in approving candidates for degrees and diplomas for the graduating classes at the various institutions during the 1980-81 academic year and summer sessions:

- Oregon State University - Lester E. Anderson
- University of Oregon (including Summer, Fall, Winter, and Spring of 1980-81) - Edward C. Harms, Jr.
- University of Oregon Law School - Elizabeth Warner-Yasuda
- Portland State University (including Summer, Fall, Winter, and Spring of 1980-81) - Edward C. Harms, Jr.
- Western Oregon State College - Robert C. Ingalls
- Oregon Institute of Technology - David M. Lomnicki
- Eastern Oregon State College - James C. Petersen
- University of Oregon Health Sciences Center - David M. Lomnicki

Signed copies of the degree lists are on file in the Board's Office.

Board Discussion and Action

The Board confirmed the action of these Board members in approving candidates for degrees and diplomas. The following voted in favor: Directors Anderson, Batiste, Carpenter, Flanagan, Ingalls, Perry, Weatherford, Wyss, and Harms. Those voting no: None. Director Petersen was absent from the meeting at this time.
Mr. Harms stated that the Chancellor's Search Committee had requested some Board direction on two questions related to the search for the new Chancellor. The first matter was the residence of the Chancellor, both as to location by city and whether it would be in System-owned housing. The second request was for guidance in terms of the salary range for the position. He asked that the Board first discuss the location of the Chancellor's Office and whether it would remain in Eugene or should be moved somewhere else.

Mr. Anderson moved that the Board designate the present location in Eugene as the residence of the Chancellor and the location of the Chancellor's Office. He said he saw no reason to raise these issues when the Board was searching for a new Chancellor and any change might possibly compound the problem of selection.

Mr. Wyss said it was a very difficult time to be making a major change because of the cost involved but there had been ample evidence that there is developing an increasing problem of communication between the Board's Office and the Legislature. It has become more serious as the Legislature has been more heavily involved in attempting to make educational decisions. He said the gap has been filled partially by the fact that the Educational Coordinating Commission was available in Salem, but he personally believed that the Board would avoid some feelings of institutional rivalry and some of its political problems if it had a greater presence in Salem. Unfortunately, he said, this is not the time that it can be accomplished, but as the Legislature takes increasing control of educational matters, it will be necessary to face the situation of getting at least some staff to Salem or moving the whole System there. He said he would be in favor of moving in that direction.

Mr. Ingalls said he would prefer to move the office to Monmouth, which would serve the same purpose. However, he was concerned about the financial situation and suggested that it might be wise to consult with the Ways and Means Committee relative to the move. He noted that for at least the last 12 years the Legislature had expressed interest in moving the entire office to Salem.

The Board approved Mr. Anderson's motion to retain the present location of the Chancellor's Office in Eugene. The following voted in favor: Directors Anderson, Batiste, Carpenter, Flanagan, and Harms. Those voting no: Directors Ingalls and Wyss. Directors Perry and Weatherford abstained, and Director Petersen was absent from the meeting at this time.

With respect to providing housing for the Chancellor, it was indicated that the house presently occupied by the Chancellor must be occupied either by the Chancellor or the president of the University of Oregon. Otherwise it reverts to the estate.

The Board approved a motion that the present housing be furnished to the new Chancellor, with the following voting in favor: Directors Anderson, Batiste, Carpenter, Flanagan, Ingalls, Perry, Weatherford, Wyss, and Harms. Those voting no: None. Director Petersen was absent from the meeting at this time.

The Chancellor reported that the house would require no major renovation, only routine upkeep such as painting and restoration of the floors, carpets, and drapes.

Mr. Perry indicated that the committee expected to receive information from the Board's Office as to the existing salary situation for similar positions. On the basis of that information it should be possible to determine a range, which is all that is necessary at the present time. It was indicated that the data presently available would be for 1980-81. The 1981-82 statistics would not be ready for several weeks.

It was agreed that the information would be provided to the Search Committee; if the Committee then had any question about whether or not the State System would be competitive, it could discuss the situation with the Board.
Mr. Harms reported that he had received two communications requesting that the Center for the Moving Image not be included in the program reductions for Portland State University. The letters were from Melissa Marsland, Assistant Director, The Media Project, and Franklin D. Hood, President, Teknifilm, Inc., both of Portland.

Two other communications were received concerning the proposed budget cuts at Western Oregon State College. These letters were from James L. Thompson, Council member, City of Monmouth, and H. Dale Harp, Associate Professor of Elementary Education at Western Oregon State College. They expressed their concerns about proposed program reductions at that institution.

Staff Report to the Board

Upon the recommendation of officials of Oregon State University, the recently-completed Cultural and Conference Center was accepted from the Oregon State University Foundation as of September 30, 1981. Acknowledgement of the gift of this very attractive and functional facility had been made by Mr. Robert Ingalls, Vice President of the Board, at the formal dedication ceremonies in Corvallis on April 10, 1981. It was noted on that occasion that the planning, constructing and equipping of the complex was made possible through the generosity of thousands of friends of the institution who provided the resources (totalling more than $4.8 million) required for the project.

The building was designed by Architects Skidmore, Owings and Merrill of Portland, and was constructed by H. A. Andersen Company, general contractor, also of Portland. It has four principal components: a 1,200-seat auditorium, a 200-seat lecture/recital hall, a group of meeting rooms, and an administrative wing—all connected by a circulation spine which serves also as an art gallery. It also includes various service areas, such as dressing rooms, restrooms, food service catering area, mechanical rooms, etc. The structure contains a gross area of approximately 43,211 square feet. It is located on the campus on the east side of 26th Street near Western Avenue, and shares parking areas adjacent to Parker Stadium and Gill Coliseum. Exterior finishes include brick veneer, redwood siding and glass. As pointed out during ground-breaking ceremonies on July 18, 1979, energy conservation was one of the prime considerations in the design of the complex. The variable air volume chosen uses outside air to heat and cool the building. Heat from exhaust air is recovered and reused. Heavy concrete block walls, which heat and cool slowly, help to moderate inside temperature fluctuations. The thermostat settings chosen for the building have a relatively wide "dead band," (68-78 degrees). This means that heating and cooling systems are not activated while the interior temperature stays within this range.

The auditorium and the lecture/recital hall are among the most acoustically sensitive buildings in the Willamette Valley. They and the various meeting rooms are heavily scheduled by the institution's division of Continuing Education.

Title to the project site is vested with the Board except for a small parcel which was identified previously with the address 1914 S. W. Stadium Street. Under the provisions of an agreement executed under date of July 24, 1981, the Oregon State University Foundation will complete payments on a land sales contract applicable to this parcel and will deliver to the Board on or before September 1, 1987, a warranty deed for this property.

In submitting the recommendation for the acceptance of the Cultural and Conference Center from the Foundation, President MacVicar commented upon the pride which the campus community feels and acknowledges in the quality and usefulness that the new facility presents to Oregon State University.

Board Discussion and Action

The Board received the report as presented.
Meeting #480

October 23, 1981

Staff Report to the Board

Upon the recommendation of institutional officials, the work of the prime contractor for the modifications to handrails within Moreland Hall on the campus at Oregon State University was accepted on behalf of the Board as of September 25, 1981.

A revised semifinal project budget is shown below in comparison with the budget reported to the Board on August 7, 1981:

<table>
<thead>
<tr>
<th>Revised Budget 9/25/81</th>
<th>Original Budget 8/7/81</th>
<th>Increase or (Decrease)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct construction costs:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dale Ramsay Construction Co., Corvallis:</td>
<td>$ 6,190</td>
<td>$ 5,870</td>
</tr>
<tr>
<td>Construction supervision and miscellaneous costs</td>
<td>580</td>
<td>400</td>
</tr>
<tr>
<td>Contingencies</td>
<td>-</td>
<td>500</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 6,770</strong></td>
<td><strong>$ 6,770</strong></td>
</tr>
</tbody>
</table>

(1) Includes installing cove molding on the stairs riser from the basement to first floor and painting stair nosing in accordance with a single approved change order.

The work of the contract included replacing and modifying certain handrails at interior stairways. To bring them into conformance with safety standards and codes, existing handrails were raised, their placement was adjusted in relationship with the wall and the ends were returned to the wall. In other selected locations, handrails were provided where they were missing and are required by code. Tapered filler strips were installed wherever stair tread nosings projected in an unsafe manner over the risers.

Funds required for this work were charged against balances available from previous allocations for Safety Deficiency Corrections, Phases I and II, at Oregon State University as part of the programs authorized by Chapter 48, Oregon Laws 1975 and Chapter 560, Oregon Laws 1977.

RECAPITULATION UPON INSPECTION AND ACCEPTANCE

Project. - OSU Safety Deficiency Corrections, Phases I and II (Moreland Hall Handrail Modifications)

Architect - None (Physical Plant Department of OSU)

Board's priority - Part of No. 1 in 1975-1977 (Educational and General Plant) Part of No. 1 in 1977-1979 (Educational and General Plant)

Legislative authorization - Chapter 48, Oregon Laws 1975 and Chapter 560, Oregon Laws 1977

Estimated total project costs (for this portion only) $6,770
Estimated direct construction costs (for this portion only) $6,190

Financing plan:
General Fund appropriation $3,385
Article XI-G bond proceeds 3,385
**Total** $6,770

Board Discussion and Action

The Board received the report as presented.
Report of Bids and Contract Award for Handicapped Accessibility Improvements, UOHSC

Staff Report to the Board

Upon the recommendation of officials of the University of Oregon Health Sciences Center, the final drawings and specifications which had been prepared with the assistance of Ragland/Hagerman, AIA, Architects, Portland, successors to Architects Cook and Hagerman, were accepted on behalf of the Board and bids for the work were solicited. The quotations received on September 16, 1981, from four contractors ranged from a low of $117,260 to a high of $141,798. Inasmuch as the lowest bid was well within the direct construction cost allowance and resources were available for the work, a contract award was made and the following tentative budget was approved for the project:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct construction costs:</td>
<td></td>
</tr>
<tr>
<td>Cloyd R. Watt Construction Co., Portland</td>
<td>$117,260</td>
</tr>
<tr>
<td>Other work within Dental School Building to be accomplished separately</td>
<td>$12,000</td>
</tr>
<tr>
<td>Total</td>
<td>$129,260</td>
</tr>
<tr>
<td>Professional services fees (including design applicable to major portions of the work within the educational and general plant which had to be deferred following cancellation of General Fund authorization in 1980 Special Session)</td>
<td>$72,576</td>
</tr>
<tr>
<td>Construction supervision, miscellaneous expenses and Physical Plant costs</td>
<td>$12,564</td>
</tr>
<tr>
<td>Contingencies</td>
<td>$10,600</td>
</tr>
<tr>
<td>Total project costs</td>
<td>$225,000</td>
</tr>
</tbody>
</table>

The work of the contract includes the revision of restrooms within several campus buildings and the installation of an elevator and shower room modifications within the Student Activities Building. The work contemplated within the Dental School Building includes the installation of a ramp at the Sixth floor entrance opposite University Hospital South, restroom modifications and other minor revisions to improve the accessibility of facilities within that structure.

Most of the alterations for improved accessibility initially proposed within the educational and general plant buildings at the University of Oregon Health Sciences Center had to be deferred as a consequence of the action of the 1980 Special Session of the Legislature in cancelling the unencumbered balance of the General Fund appropriation for capital construction which was made by Chapter 511, Oregon Laws 1979. A request for re-authorization was presented to the Executive Department for legislative approval in 1981 but was not funded. (No General Fund money was appropriated to the Board for capital construction during 1981-1983.)

Of the total expenditure requirements of $225,000, the educational and general plant portion of $110,000 will be financed from a combination of state appropriations and Article XI-G bond proceeds, and the auxiliary enterprise portion of $115,000 will be provided from Article XI-F(1) bond proceeds and/or balances available from such resources as excess sinking fund reserves from commingled student building fees.

RECAPITULATION UPON RECEIPT OF BIDS AND CONTRACT AWARD

Project - UOHSC Accessibility for the Handicapped

Architects - Ragland/Hagerman, AIA, Portland

Board's priority - Part of No. 2 in 1979-1981 (Educational and General Plant and Auxiliary Enterprises)
Meeting #480

October 23, 1981

Legislative authorization - Chapter 560, Oregon Laws 1977 and Chapter 511, Oregon Laws 1979

Estimated total project costs (this portion only) $225,000

Estimated total direct construction costs (this portion only) 129,260

Scheduled completion - March 1982

Tentative financing plan:

General Fund appropriations:
- Chapter 560, OL 1977 $6,050
- Chapter 511, OL 1979 53,793 $59,843
- Article XI-G bond proceeds 50,157
- Total - Educational and general plant $110,000
- Article XI-F(l) bond proceeds and/or balances available for auxiliary enterprises 115,000
- Total $225,000

Board Discussion and Action

The Board received the report as presented.

Staff Report to the Board

Upon the recommendation of institutional officials and Chilless Nielsen Architects, project architects, Portland, the work of the prime contractor for the removal of architectural barriers for improved accessibility for the handicapped within Lincoln Hall, Cramer Hall, University Services Building, Neuberger Hall, East Hall, DCE Building, Science I Building and Millar Library on the campus at Portland State University was accepted on behalf of the Board as of September 1, 1981, subject to the completion of punchlist items.

A revised semifinal project budget is shown below in comparison with the budget reported to the Board on May 23, 1980:

<table>
<thead>
<tr>
<th>Description</th>
<th>Revised Budget</th>
<th>Original Budget</th>
<th>Increase or Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct construction costs:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A. C. Schommer &amp; Sons, Portland</td>
<td>$338,243</td>
<td>$327,900</td>
<td>$10,343(1)</td>
</tr>
<tr>
<td>Professional services fees</td>
<td>33,824</td>
<td>32,790</td>
<td>1,034</td>
</tr>
<tr>
<td>Construction supervision and miscellaneous costs</td>
<td>44,833</td>
<td>23,420</td>
<td>21,413</td>
</tr>
<tr>
<td>Contingencies</td>
<td>-</td>
<td>32,790</td>
<td>(32,790)</td>
</tr>
<tr>
<td>Total</td>
<td>$416,900</td>
<td>$416,900</td>
<td>$ -</td>
</tr>
</tbody>
</table>

(1) Includes extending elevator penthouse to the east, increasing width of elevator door and revising roof support in elevator roof lobby of Neuberger Hall; installing exposed aggregate concrete ramp at south entrance, installing vinyl asbestos tile and rubber base on lobby floor and existing corridor west of elevator lobby, removing toilet partitions, and installing new ceiling tile in four toilet rooms to provide uniform appearance in University Services Building; providing handicap hardware for doors leading from vestibule to four restrooms in Cramer Hall; providing privacy lock in East Hall; installing deadbolt locks on doors in Cramer Hall and Science buildings; installing push and pull plates on two doors in Lincoln Hall; and other minor modifications all within six approved change orders.
The work of the contract included renovations to thirty-nine toilet rooms, the conversion of thirteen entrances to automatic entrances, the addition of one elevator (in Neuberger Hall), and miscellaneous guardrail and lighting modifications.

The expenditures for this project, plus architectural planning charges of $14,450 applicable to possible future modifications for improved access in other campus facilities, were charged against the General Fund appropriations and Article XI-G bond proceeds allocated from amounts authorized for these purposes by Chapter 560, Oregon Laws 1977 and Chapter 511, Oregon Laws 1979.

RECAPITULATION UPON INSPECTION AND ACCEPTANCE

Project - PSU Accessibility for the Handicapped (Lincoln Hall, Cramer Hall, University Services Building, Neuberger Hall, East Hall, DCE Building, Science Building I and Millar Library)

Architects - Chilless Nielsen Architects, Portland

Board's priority - Part of Accessibility Planning Authorization in 1977-1979 (Educational and General Plant)
Part of No. 2 (Accessibility) in 1979-1981 (Educational and General Plant)

Legislative authorization - Chapter 560, Oregon Laws 1977 and Chapter 511, Oregon Laws 1979

Estimated total project costs (this portion plus architectural planning costs of $14,450 for possible future modifications in other campus facilities) $431,350

Estimated total direct construction costs (this portion only) $338,243

Financing plan:
General Fund appropriations:
  Chapter 560, OL 1977  $  4,500
  Chapter 511, OL 1979  211,175  $215,675
Article XI-G bond proceeds:
  Chapter 560, OL 1977  $  20,036
  Chapter 511, OL 1979  195,639  215,675
Total $431,350

Board Discussion and Action

The Board received the report as presented.

Staff Report to the Board

Based upon the recommendations of officials of Oregon Institute of Technology, and in accordance with the provisions of AR 580-50-020, arrangements were made with Afseth, Jacobs & Schmitz, AIA, Medford, for professional services relating to the design and administration of the contract for the proposed Moehl Stadium Roof project on the campus in Klamath Falls. Authorization for this project was included in the Board's capital construction program approved by the 1981 Legislature with an expenditure limitation of $205,000. This amount includes a tentative direct construction cost estimate of $170,625.

Compensation for the professional services of the Architects and for reimbursement of expenses, including the charges of consultants, will be based upon time and materials not to exceed a maximum of 10% of the direct construction costs, but shall not be less than $16,500 for all planning phases.
Funds for the planning of this project are being provided from balances available for auxiliary enterprises.

**Board Discussion and Action**

The Board received the report as presented.

**Annual Reports of Gift, Grant, and Contract Income and Affiliated Organizations Income and Expenditures**

Each year, in accordance with OAR 580-41-005(4) and in response to previous Board requests, the Board's staff presents a two-year comparative report of income received from gifts, grants, and contracts; a two-year comparative report of the income and expenditures of the corporate affiliates which provide support for various institutional programs and functions; and a two-year net worth comparison by corporate affiliate. Although all of the income received from gift, grant, and contract activities pertains to funds which have been received by institutions and have been expended through institutional accounts, not all of the income received by the corporate affiliates was transferred to and expended through institutional accounts. For example, the affiliates have operating costs which are paid for directly by the affiliate. However, if an affiliate accepts grant or gift funds for research, instruction, public service, student scholarships, or any similar purpose which directly pertains to institutional faculty, staff, students, or facilities, the affiliate turns over the funds to the institution for administration through institutional accounts. Such gifts by the affiliate to the institution are included in a monthly report of gift, grant, and contract funds provided to the Board's staff. Those reports are the sources of the data provided in Table I.

To be certain that the Board is made aware of the direct support affiliates provide, the institutions are asked by the Board's staff to report annually the amount of money expended by the affiliates for all purposes as well as the amount spent specifically for institutional programs and functions. In most instances, the money spent for institutional purposes represents the amount transferred to the institution and expended through institutional accounts. The two-year summary of income and expenditures of corporate affiliates is provided in Table II.

**Gift, Grant, and Contract Income 1979-80 and 1980-81**

Total income from gift, grant, and contract sources during 1980-81 amounted to $108,549,872, an increase of 4% over 1979-80, as shown in Table I. The general slowdown in the economy appears to have affected the rate of growth of gifts and grants income because the 1979-80 report to the Board showed a 17% increase in income over 1978-79. Gifts and grants for extension and public service activities increased by 24%, for sponsored research by 13%, and for academic support by 8%. Decreased support occurred in maintenance and operation of physical plant (58%), institutional support (45%), student services (28%), and instruction and departmental research (8%).

**Affiliated Organizations Income and Expenditures 1979-80 and 1980-81**

Total income of all affiliated organizations for 1980-81, as presented in Table II, was $19,796,893, an increase of $3,866,565 or 24% over 1979-80. The increase in 1979-80 over 1978-79 was $6,003,679, or 60%. An institution-by-institution summary comparison of corporate affiliate financial activity for 1979-80 and 1980-81 is presented in Tables III through XII.

**Organizational, Staffing, and Operational Changes Within Affiliated Organizations**

Each year the various affiliates initiate organizational, staffing, and operational changes which are too numerous to include in this report. Worthy of mention, however, is the name change from University of Oregon Health Sciences Center Foundation to Overseers of the University of Oregon Health Sciences Center which was approved February 25, 1981, by the Corporation.
Division, Department of Commerce. The application for a name change was accompanied by the filing of revised articles of incorporation and by-laws. Efforts of the Overseers to obtain more visibility as a non-profit organization and to increase income which is used to support the activities of the Oregon Health Sciences University resulted in the receipt of three major gifts during the year. Total income of the affiliate increased $3,257,965 or 211% over 1979-80.

Net Worth Comparisons by Corporate Affiliate 1979-80 and 1980-81

Comparative balance sheets showing changes which have occurred in the assets, liabilities, and net worth of each corporate affiliate are presented in Tables XIII through XXII of this report. A comparison summary of changes in net worth occurring during the most recent fiscal year is presented below:

<table>
<thead>
<tr>
<th>Corporate Affiliate</th>
<th>Net Worth 1979-80</th>
<th>Net Worth 1980-81</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Oregon Foundation</td>
<td>$8,707,832</td>
<td>$10,492,830</td>
<td>21%</td>
</tr>
<tr>
<td>Oregon State University Foundation</td>
<td>14,450,911</td>
<td>15,040,325</td>
<td>4%</td>
</tr>
<tr>
<td>Oregon State University Agricultural</td>
<td>14,421</td>
<td>17,907</td>
<td>24%</td>
</tr>
<tr>
<td>Engineering Research Foundation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Oregon State University Agricultural</td>
<td>334,660</td>
<td>407,109</td>
<td>22%</td>
</tr>
<tr>
<td>Research Foundation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portland State University Foundation</td>
<td>543,545</td>
<td>668,474</td>
<td>23%</td>
</tr>
<tr>
<td>Western Oregon State College Development</td>
<td>93,762</td>
<td>108,024</td>
<td>15%</td>
</tr>
<tr>
<td>Fund</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Southern Oregon State College Foundation</td>
<td>265,487</td>
<td>393,988</td>
<td>48%</td>
</tr>
<tr>
<td>Eastern Oregon State College Foundation</td>
<td>191,216</td>
<td>189,038</td>
<td>(1%)</td>
</tr>
<tr>
<td>Oregon Institute of Technology Development</td>
<td>22,275</td>
<td>36,574</td>
<td>64%</td>
</tr>
<tr>
<td>Foundation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overseers of the University of</td>
<td>4,427,742</td>
<td>8,084,621</td>
<td>83%</td>
</tr>
<tr>
<td>Oregon Health Sciences Center</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Totals</td>
<td>$29,051,851</td>
<td>$35,438,890</td>
<td>22%</td>
</tr>
</tbody>
</table>

1 Revised from $16,593,811 reported to the Board on September 12, 1980, to reflect $2,142,900 expended for construction of the Foundation Center (Cultural and Conference Center) during 1979-80. An additional $2,246,896 was also expended during 1980-81.

2 Revised from $543,338 reported to the Board on September 12, 1980, following receipt by the corporate affiliate of audited financial statements.

3 Revised from $4,554,602 reported to the Board on September 12, 1980, following receipt by the corporate affiliate of audited financial statements.

Board Discussion and Action

The Board received the report as presented.
### Table I

**Oregon Department of Higher Education**

**Two-Year Summary Comparison**

**Gifts, Grants, and Contracts Income**

1979-80 and 1980-81
(July 1 Through June 30)

<table>
<thead>
<tr>
<th>Purpose of Income</th>
<th>Source of Income</th>
<th>1979-80</th>
<th>1980-81</th>
<th>Percentage Increase or (Decrease)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Instruction and Department Research</strong></td>
<td>Federal</td>
<td>$10,049,257</td>
<td>9,375,786</td>
<td>(673,471) (8%)</td>
</tr>
<tr>
<td>1979-80</td>
<td>Other</td>
<td>$3,047,434</td>
<td>2,623,702</td>
<td>$(423,732)</td>
</tr>
<tr>
<td>1980-81</td>
<td><strong>Total</strong></td>
<td>$13,096,691</td>
<td>$11,999,488</td>
<td>$(2057,203) (8%)</td>
</tr>
<tr>
<td><strong>Sponsored Research</strong></td>
<td>Federal</td>
<td>$48,516,678</td>
<td>55,158,065</td>
<td>$6,641,387 (13%)</td>
</tr>
<tr>
<td>1979-80</td>
<td>Other</td>
<td>$7,851,447</td>
<td>8,330,363</td>
<td>$478,916 (4%)</td>
</tr>
<tr>
<td>1980-81</td>
<td><strong>Total</strong></td>
<td>$56,368,125</td>
<td>$63,488,428</td>
<td>$7,120,303 (13%)</td>
</tr>
<tr>
<td><strong>Extension and Public Service</strong></td>
<td>Federal</td>
<td>$8,304,215</td>
<td>9,584,526</td>
<td>$1,280,311 (24%)</td>
</tr>
<tr>
<td>1979-80</td>
<td>Other</td>
<td>$5,923,157</td>
<td>8,095,283</td>
<td>$2,172,126 (24%)</td>
</tr>
<tr>
<td>1980-81</td>
<td><strong>Total</strong></td>
<td>$14,227,372</td>
<td>$17,679,809</td>
<td>$3,452,437 (24%)</td>
</tr>
<tr>
<td><strong>Academic Support</strong></td>
<td>Federal</td>
<td>$541,138</td>
<td>800,245</td>
<td>$259,107 (48%)</td>
</tr>
<tr>
<td>1979-80</td>
<td>Other</td>
<td>$709,953</td>
<td>551,678</td>
<td>$(158,275) (28%)</td>
</tr>
<tr>
<td>1980-81</td>
<td><strong>Total</strong></td>
<td>$1,251,091</td>
<td>$1,351,923</td>
<td>$(100,832) (8%)</td>
</tr>
<tr>
<td><strong>Student Services</strong></td>
<td>Federal</td>
<td>$16,585,781</td>
<td>11,120,139</td>
<td>$(5,465,642) (28%)</td>
</tr>
<tr>
<td>1979-80</td>
<td>Other</td>
<td>$2,337,667</td>
<td>2,567,408</td>
<td>$229,741 (9%)</td>
</tr>
<tr>
<td>1980-81</td>
<td><strong>Total</strong></td>
<td>$18,923,448</td>
<td>$13,687,547</td>
<td>$(5,235,901) (28%)</td>
</tr>
<tr>
<td><strong>Maintenance and Operation of Physical Plant</strong></td>
<td>Federal</td>
<td>$108,530</td>
<td>--</td>
<td>$(108,530) (58%)</td>
</tr>
<tr>
<td>1979-80</td>
<td>Other</td>
<td>$6,366</td>
<td>48,228</td>
<td>$(41,862) (66,668)</td>
</tr>
<tr>
<td>1980-81</td>
<td><strong>Total</strong></td>
<td>$114,896</td>
<td>$48,228</td>
<td>$(66,668) (58%)</td>
</tr>
<tr>
<td><strong>General Institutional Support</strong></td>
<td>Federal</td>
<td>$67,683</td>
<td>110,000</td>
<td>$42,317 (65%)</td>
</tr>
<tr>
<td>1979-80</td>
<td>Other</td>
<td>$467,934</td>
<td>184,449</td>
<td>$(283,485) (45%)</td>
</tr>
<tr>
<td>1980-81</td>
<td><strong>Total</strong></td>
<td>$535,617</td>
<td>$294,449</td>
<td>$(241,168) (45%)</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td>Federal</td>
<td>$84,173,282</td>
<td>86,148,761</td>
<td>$1,975,479 (4%)</td>
</tr>
<tr>
<td>1979-80</td>
<td>Other</td>
<td>$20,343,958</td>
<td>22,401,111</td>
<td>$2,057,153 (4%)</td>
</tr>
<tr>
<td>1980-81</td>
<td><strong>Total</strong></td>
<td>$104,517,240</td>
<td>$108,549,872</td>
<td>$4,032,632 (4%)</td>
</tr>
</tbody>
</table>

October 23, 1981

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Meeting #480

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### Table II

**Two-Year Summary Comparison of Income and Expenditures of Corporate Affiliates 1980 and 1981**

<table>
<thead>
<tr>
<th></th>
<th>Previous Fiscal Year</th>
<th>Current Fiscal Year</th>
<th>Percentage Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Income of Affiliates</td>
<td>$15,930,328</td>
<td>$19,796,893</td>
<td>24%</td>
</tr>
<tr>
<td>Total Expenditures of Affiliates</td>
<td>$10,348,868</td>
<td>$13,499,984</td>
<td>30%</td>
</tr>
<tr>
<td>Total Expenditures for Institutions</td>
<td>$6,926,846</td>
<td>$8,929,637</td>
<td>29%</td>
</tr>
<tr>
<td>Percentage Expenditures of Total Income for Institutions</td>
<td>44%</td>
<td>45%</td>
<td></td>
</tr>
</tbody>
</table>

#### Expenditures for Institutions

<table>
<thead>
<tr>
<th>Category</th>
<th>Previous Fiscal Year</th>
<th>Current Fiscal Year</th>
<th>Percentage Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instruction and Research</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Endowed Chairs</td>
<td>$45,457</td>
<td>$69,551</td>
<td></td>
</tr>
<tr>
<td>Graduate Assistants and Fellows</td>
<td>98,598</td>
<td>100,138</td>
<td></td>
</tr>
<tr>
<td>Instruction and Research Programs</td>
<td>1,195,708</td>
<td>1,808,202</td>
<td></td>
</tr>
<tr>
<td>Faculty Travel and Moving Expenses</td>
<td>287,292</td>
<td>452,147</td>
<td></td>
</tr>
<tr>
<td>Faculty Recruiting and Related Expenses</td>
<td>33,661</td>
<td>46,399</td>
<td></td>
</tr>
<tr>
<td>Instruction and Research Facilities and Equipment</td>
<td>351,934</td>
<td>298,655</td>
<td></td>
</tr>
<tr>
<td>Miscellaneous Furniture and Equipment</td>
<td>72,073</td>
<td>14,568</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$2,084,723</td>
<td>$2,789,660</td>
<td></td>
</tr>
<tr>
<td>Academic Support</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Library—Instructional Materials and Supplies</td>
<td>$9,832</td>
<td>$14,426</td>
<td></td>
</tr>
<tr>
<td>Art and Rare Book Acquisitions</td>
<td>3,323</td>
<td>9,949</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$13,155</td>
<td>$24,375</td>
<td></td>
</tr>
<tr>
<td>Capital Outlay</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Related Instruction, Athletic/Recreation and Meeting Facilities</td>
<td>$2,434,233</td>
<td>$2,621,470</td>
<td></td>
</tr>
<tr>
<td>General Institutional Support</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shared Wages and Salaries</td>
<td>$352,282</td>
<td>$371,338</td>
<td></td>
</tr>
<tr>
<td>College and University Relations</td>
<td>313,567</td>
<td>306,075</td>
<td></td>
</tr>
<tr>
<td>Operating Supplies and Miscellaneous Expenses</td>
<td>170,923</td>
<td>325,165</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$836,772</td>
<td>$1,002,578</td>
<td></td>
</tr>
<tr>
<td>Student Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Academic Scholarships</td>
<td>$.198,179</td>
<td>$286,802</td>
<td></td>
</tr>
<tr>
<td>Financial Need Scholarships</td>
<td>461,846</td>
<td>535,709</td>
<td></td>
</tr>
<tr>
<td>Athletic Aid and Support</td>
<td>827,544</td>
<td>1,341,297</td>
<td></td>
</tr>
<tr>
<td>Student Loans and Wages</td>
<td>70,394</td>
<td>327,746</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$1,557,963</td>
<td>$2,491,554</td>
<td></td>
</tr>
<tr>
<td>Total Expenditures for Institutions</td>
<td>$6,926,846</td>
<td>$9,929,637</td>
<td>29%</td>
</tr>
</tbody>
</table>
### Table III

**Funds Allocated By Corporate Affiliate**

**University of Oregon Foundation**

**Fiscal Year Beginning 7/1/80 and Ending 6/30/81**

<table>
<thead>
<tr>
<th></th>
<th>1979-80</th>
<th>1980-81</th>
<th>Percentage Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Income of Affiliate</strong></td>
<td>$3,910,288</td>
<td>$4,586,466</td>
<td>17%</td>
</tr>
<tr>
<td><strong>Total Expenditures of Affiliate</strong></td>
<td>$1,840,054</td>
<td>$2,731,491</td>
<td>48%</td>
</tr>
<tr>
<td><strong>Total Expenditures for Institution</strong></td>
<td>$1,534,401</td>
<td>$2,296,870</td>
<td>50%</td>
</tr>
</tbody>
</table>

**Percentage Expenditures of Total Income for Institution**

- **Instruction and Research**
  - Endowed Chairs: $2,455 \rightarrow $16,763
  - Graduate Assistants and Fellows: $20,724 \rightarrow $40,562
  - Instruction and Research Programs: $70,847 \rightarrow $208,437
  - Faculty Travel and Moving Expenses: $105,471 \rightarrow $214,372
  - Faculty Recruiting and Related Expenses: $27,730 \rightarrow $40,952
  - Instruction and Research Facilities and Equipment: $163,179 \rightarrow $97,731
  - Miscellaneous Furniture and Equipment: $69,631 \rightarrow $10,246

  **Total**: $460,037 \rightarrow $629,063

**Academic Support**

- Library—Instructional Materials and Supplies: $8,496 \rightarrow $4,248
- Art and Rare Book Acquisitions: $3,323 \rightarrow $248

  **Total**: $11,819 \rightarrow $4,496

**Capital Outlay**

- Related Instruction, Athletic/Recreation Facilities: $141,731 \rightarrow $270,382

**General Institutional Support**

- Shared Wages and Salaries: $174,388 \rightarrow $159,755
- Operating Supplies and Miscellaneous Expenses: $7,025 \rightarrow $5,218

  **Total**: $181,413 \rightarrow $164,973

**Student Services**

- Academic Scholarships: $79,252 \rightarrow $157,209
- Financial Need Scholarships: $64,916 \rightarrow $112,818
- Athletic Aid and Support: $540,166 \rightarrow $687,122
- Student Loans and Wages: $55,067 \rightarrow $270,807

  **Total**: $739,401 \rightarrow $1,227,956

**Total Expenditures for Institution**: $1,534,401 \rightarrow $2,296,870 \rightarrow 50%
### Table IV

**Funds Allocated By Corporate Affiliate**

**Oregon State University Foundation**

**Fiscal Year Beginning 7/1/80 and Ending 6/30/81**

<table>
<thead>
<tr>
<th></th>
<th>1979-80</th>
<th>1980-81</th>
<th>Percentage Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Income of Affiliate</td>
<td>$8,329,258</td>
<td>$8,364,128</td>
<td>.4%</td>
</tr>
<tr>
<td>Total Expenditures of Affiliate</td>
<td>$6,474,854</td>
<td>$8,077,679</td>
<td>25%</td>
</tr>
<tr>
<td>Total Expenditures for Institution</td>
<td>$3,585,880</td>
<td>$4,123,782</td>
<td>15%</td>
</tr>
<tr>
<td>Percentage Expenditures of Total Income for Institution</td>
<td>43%</td>
<td>49%</td>
<td></td>
</tr>
</tbody>
</table>

#### Expenditures for Institution

**Instruction and Research**

<table>
<thead>
<tr>
<th></th>
<th>1979-80</th>
<th>1980-81</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Endowed Chairs</td>
<td>$43,002</td>
<td>$52,788</td>
<td>22%</td>
</tr>
<tr>
<td>Graduate Assistants and Fellows</td>
<td>71,791</td>
<td>54,285</td>
<td>-25%</td>
</tr>
<tr>
<td>Instruction and Research Programs</td>
<td>198,750</td>
<td>231,943</td>
<td>16%</td>
</tr>
<tr>
<td>Faculty Travel and Moving Expenses</td>
<td>58,783</td>
<td>82,681</td>
<td>41%</td>
</tr>
<tr>
<td>Faculty Recruiting and Related Expenses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Instruction and Research Facilities and Equipment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Miscellaneous Furniture and Equipment Total</td>
<td>$372,326</td>
<td>$421,697</td>
<td>13%</td>
</tr>
</tbody>
</table>

**Academic Support**

<table>
<thead>
<tr>
<th></th>
<th>1979-80</th>
<th>1980-81</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Library--Instructional Materials and Supplies</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Art and Rare Book Acquisitions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Capital Outlay**

<table>
<thead>
<tr>
<th></th>
<th>1979-80</th>
<th>1980-81</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Related Instruction, Athletic/Recreation Facilities</td>
<td>$2,150,031</td>
<td>$2,258,671</td>
<td>5%</td>
</tr>
</tbody>
</table>

**General Institutional Support**

<table>
<thead>
<tr>
<th></th>
<th>1979-80</th>
<th>1980-81</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shared Wages and Salaries</td>
<td>$325,828</td>
<td>$356,489</td>
<td>10%</td>
</tr>
<tr>
<td>College and University Relations</td>
<td>85,000</td>
<td>93,000</td>
<td>9%</td>
</tr>
<tr>
<td>Operating Supplies and Miscellaneous Expenses Total</td>
<td>$410,828</td>
<td>$449,489</td>
<td>10%</td>
</tr>
</tbody>
</table>

**Student Services**

<table>
<thead>
<tr>
<th></th>
<th>1979-80</th>
<th>1980-81</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Academic Scholarships</td>
<td>$93,228</td>
<td>$98,475</td>
<td>6%</td>
</tr>
<tr>
<td>Financial Need Scholarships</td>
<td>364,051</td>
<td>393,170</td>
<td>8%</td>
</tr>
<tr>
<td>Athletic Aid and Support</td>
<td>194,441</td>
<td>501,338</td>
<td>159%</td>
</tr>
<tr>
<td>Student Loans and Wages</td>
<td>975</td>
<td>942</td>
<td>-3%</td>
</tr>
<tr>
<td>Total</td>
<td>$652,695</td>
<td>$993,925</td>
<td>55%</td>
</tr>
</tbody>
</table>

Total Expenditures for Institution | $3,585,880 | $4,123,782 | 15%
Table V
Funds Allocated By Corporate Affiliate
Oregon State University Agricultural Engineering Research Foundation
Fiscal Year Beginning 7/1/80 and Ending 6/30/81

<table>
<thead>
<tr>
<th></th>
<th>1979-80</th>
<th>1980-81</th>
<th>Percentage Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Income of Affiliate</td>
<td>$13,225</td>
<td>$15,512</td>
<td>17%</td>
</tr>
<tr>
<td>Total Expenditures of Affiliate</td>
<td>$10,574</td>
<td>$11,755</td>
<td>11%</td>
</tr>
<tr>
<td>Total Expenditures for Institution</td>
<td>$9,800</td>
<td>$11,000</td>
<td>12%</td>
</tr>
<tr>
<td>Percentage Expenditures of Total Income for Institution</td>
<td>74%</td>
<td>71%</td>
<td></td>
</tr>
</tbody>
</table>

Expenditures for Institution

**Instruction and Research**
- Endowed Chairs
- Graduate Assistants and Fellows
- Instruction and Research Programs $9,800 $11,000
- Faculty Travel and Moving Expenses
- Faculty Recruiting and Related Expenses
- Instruction and Research Facilities and Equipment
- Miscellaneous Furniture and Equipment
- Total $9,800 $11,000

**Academic Support**
- Library--Instructional Materials and Supplies
- Art and Rare Book Acquisitions
- Total

**Capital Outlay**
- Related Instruction, Athletic/Recreation Facilities

**General Institutional Support**
- Shared Wages and Salaries
- College and University Relations
- Operating Supplies and Miscellaneous Expenses
- Total

**Student Services**
- Academic Scholarships
- Financial Need Scholarships
- Athletic Aid and Support
- Student Loans and Wages
- Total

Total Expenditures for Institution $9,800 $11,000 12%
Table VI

Funds Allocated By Corporate Affiliate

Oregon State University Agricultural Research Foundation

Fiscal Year Beginning 7/1/80 and Ending 6/30/81

<table>
<thead>
<tr>
<th></th>
<th>1979-80</th>
<th>1980-81</th>
<th>Percentage Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Income of Affiliate</td>
<td>$1,270,662</td>
<td>$1,088,573</td>
<td>(14%)</td>
</tr>
<tr>
<td>Total Expenditures of Affiliate</td>
<td>$488,553</td>
<td>$748,371</td>
<td>53%</td>
</tr>
<tr>
<td>Total Expenditures for Institution</td>
<td>$488,553</td>
<td>$748,371</td>
<td>53%</td>
</tr>
<tr>
<td>Percentage Expenditures of Total Income for Institution</td>
<td>38%</td>
<td>69%</td>
<td>53%</td>
</tr>
</tbody>
</table>

Expenditures for Institution

**Instruction and Research**

- Endowed Chairs
- Graduate Assistants and Fellows
- Instruction and Research Programs: $186,981 $291,238
- Faculty Travel and Moving Expenses: 96,557 107,000
- Faculty Recruiting and Related Expenses
- Instruction and Research Facilities and Equipment: 65,045 62,776
- Miscellaneous Furniture and Equipment

Total: $348,583 $461,014

**Academic Support**

- Library--Instructional Materials and Supplies
- Art and Rare Book Acquisitions

Total

**Capital Outlay**

- Related Instruction, Athletic/Recreation Facilities

**General Institutional Support**

- Shared Wages and Salaries
- College and University Relations
- Operating Supplies and Miscellaneous Expenses: $139,970 $287,357
- Total: $139,970 $287,357

**Student Services**

- Academic Scholarships
- Financial Need Scholarships
- Athletic Aid and Support
- Student Loans and Wages

Total

Total Expenditures for Institution: $488,553 $748,371 53%
Table VII
Funds Allocated By Corporate Affiliate
Portland State University Foundation
Fiscal Year Beginning 7/1/80 and Ending 6/30/81

<table>
<thead>
<tr>
<th></th>
<th>1979-80</th>
<th>1980-81</th>
<th>Percentage Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Income of Affiliate</td>
<td>$418,496</td>
<td>$529,513</td>
<td>27%</td>
</tr>
<tr>
<td>Total Expenditures of Affiliate</td>
<td>$337,332</td>
<td>$435,815</td>
<td>29%</td>
</tr>
<tr>
<td>Total Expenditures for Institution</td>
<td>$276,435</td>
<td>$351,886</td>
<td>27%</td>
</tr>
<tr>
<td>Percentage Expenditures of Total Income for Institution</td>
<td>66%</td>
<td>67%</td>
<td>1%</td>
</tr>
</tbody>
</table>

Expenditures for Institution

Instruction and Research
- Endowed Chairs
- Graduate Assistants and Fellows: $6,083, $5,291
- Instruction and Research Programs: 18,236, 38,957
- Faculty Travel and Moving Expenses: 20,347, 39,259
- Faculty Recruiting and Related Expenses: 5,166, 3,418
- Instruction and Research Facilities and Equipment: 36,053, 22,229
- Miscellaneous Furniture and Equipment: 2,442, 4,322
- Total: $88,327, $113,476

Academic Support
- Library—Instructional Materials and Supplies: $8,660
- Art and Rare Book Acquisitions: $1,000
- Total: $9,660

Capital Outlay
- Related Instruction, Athletic/Recreation Facilities

General Institutional Support
- Shared Wages and Salaries: $26,454, $14,849
- College and University Relations: 30,258, 28,794
- Operating Supplies and Miscellaneous Expenses: $14,660, $16,622
- Total: 71,372, 60,265

Student Services
- Academic Scholarships: $32,679, $29,721
- Athletic Aid and Support: 84,057, 138,764
- Student Loans and Wages: $116,736, $168,485
- Total: $276,435, $351,886

Total Expenditures for Institution: $276,435, $351,886, 27%
### Table VIII

**Funds Allocated By Corporate Affiliate**

**Western Oregon State College Development Fund**

**Fiscal Year Beginning 1/1/80 and Ending 12/31/80**

<table>
<thead>
<tr>
<th></th>
<th>1979</th>
<th>1980</th>
<th>Percentage Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Income of Affiliate</td>
<td>$59,253</td>
<td>$71,800</td>
<td>21%</td>
</tr>
<tr>
<td>Total Expenditures of Affiliate</td>
<td>$1,968</td>
<td>$76,625</td>
<td>N.A.</td>
</tr>
<tr>
<td>Total Expenditures for Institution</td>
<td>$200</td>
<td>$68,493</td>
<td>N.A.</td>
</tr>
<tr>
<td>Percentage Expenditures of Total Income for Institution</td>
<td>.3%</td>
<td>95%</td>
<td></td>
</tr>
</tbody>
</table>

#### Expenditures for Institution

**Instruction and Research**
- **Endowed Chairs**
- **Graduate Assistants and Fellows**
- **Instruction and Research Programs**
- **Faculty Travel and Moving Expenses** $200
- **Faculty Recruiting and Related Expenses**
- **Instruction and Research Facilities and Equipment**
- **Miscellaneous Furniture and Equipment** Total $200

**Academic Support**
- **Library--Instructional Materials and Supplies**
- **Art and Rare Book Acquisitions**
- **Total**

**Capital Outlay**
- **Related Instruction, Athletic/Recreation Facilities** $66,843

**General Institutional Support**
- **Shared Wages and Salaries**
- **College and University Relations**
- **Operating Supplies and Miscellaneous Expenses** $1,450
- **Total** $1,450

**Student Services**
- **Academic Scholarships**
- **Financial Need Scholarships** $200
- **Athletic Aid and Support**
- **Student Loans and Wages**
- **Total** $200

**Total Expenditures for Institution** $200 $68,493 N.A.
### Table IX

**Funds Allocated By Corporate Affiliate**

*Southern Oregon State College Foundation*

**Fiscal Year Beginning 1/1/80 and Ending 12/31/80**

<table>
<thead>
<tr>
<th></th>
<th>1979</th>
<th>1980</th>
<th>Percentage Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Income of Affiliate</td>
<td>$207,104</td>
<td>$239,498</td>
<td>16%</td>
</tr>
<tr>
<td>Total Expenditures of Affiliate</td>
<td>$100,214</td>
<td>$165,728</td>
<td>65%</td>
</tr>
<tr>
<td>Total Expenditures for Institution</td>
<td>$100,214</td>
<td>$163,862</td>
<td>64%</td>
</tr>
<tr>
<td>Percentage Expenditures of Total Income for Institution</td>
<td>48%</td>
<td>68%</td>
<td></td>
</tr>
</tbody>
</table>

**Expenditures for Institution**

#### Instruction and Research

- Endowed Chairs
- Graduate Assistants and Fellows
- Instruction and Research Programs
  - 1979: $857
  - 1980: $53,234
- Faculty Travel and Moving Expenses
  - 1979: $6,134
  - 1980: $8,635
- Faculty Recruiting and Related Expenses
  - 1979: $416
- Instruction and Research Facilities and Equipment
  - 1979: $29,879
  - 1980: $770
- Miscellaneous Furniture and Equipment
  - 1979: $36,870
  - 1980: $63,055

#### Academic Support

- Library--Instructional Materials and Supplies
  - 1979: $536
  - 1980: $1,518
- Art and Rare Book Acquisitions
  - 1979: $8,701
  - 1980: $10,219
- Total
  - 1979: $536
  - 1980: $10,219

#### Capital Outlay

- Related Instruction, Athletic/Recreation Facilities
  - 1979: $23,822
  - 1980: $708

#### General Institutional Support

- Shared Wages and Salaries
  - College and University Relations
    - 1979: $14,203
    - 1980: $16,698
  - Operating Supplies and Miscellaneous Expenses
    - 1979: $7,031
    - 1980: $8,122
- Total
  - 1979: $21,234
  - 1980: $24,820

#### Student Services

- Academic Scholarships
  - 1979: $3,400
  - 1980: $9,063
- Financial Need Scholarships
- Athletic Aid and Support
- Student Loans and Wages
  - 1979: $14,352
  - 1980: $55,997
- Total
  - 1979: $17,752
  - 1980: $65,060

**Total Expenditures for Institution**

- 1979: $100,214
- 1980: $163,862
- 64%

* Student Aid--Band European Concert Tour.
### Funds Allocated By Corporate Affiliate

**Eastern Oregon State College Foundation**

**Fiscal Year Beginning 1/1/80 and Ending 12/31/80**

<table>
<thead>
<tr>
<th></th>
<th>1979</th>
<th>1980</th>
<th>Percentage Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Income of Affiliate</strong></td>
<td>$44,465</td>
<td>$57,627</td>
<td>30%</td>
</tr>
<tr>
<td><strong>Total Expenditures of Affiliate</strong></td>
<td>$29,268</td>
<td>$39,570</td>
<td>35%</td>
</tr>
<tr>
<td><strong>Total Expenditures for Institution</strong></td>
<td>$27,125</td>
<td>$39,150</td>
<td>44%</td>
</tr>
<tr>
<td><strong>Percentage Expenditures of Total Income for Institution</strong></td>
<td>61%</td>
<td>68%</td>
<td></td>
</tr>
</tbody>
</table>

**Expenditures for Institution**

### Instruction and Research
- **Endowed Chairs**: 
  - Graduate Assistants and Fellows
- **Instruction and Research Programs**: $1,037, $2,320
- **Faculty Travel and Moving Expenses**: 
  - **Faculty Recruiting and Related Expenses**: 
    - **Instruction and Research Facilities and Equipment**: $1,111
- **Miscellaneous Furniture and Equipment**: Total $2,148

### Academic Support
- **Library—Instructional Materials and Supplies**: $800
- **Art and Rare Book Acquisitions**: Total $800

### Capital Outlay
- **Related Instruction, Athletic/Recreation Facilities**: $5,534

### General Institutional Support
- **Shared Wages and Salaries**: 
  - College and University Relations $6,159*, $5,328
- **Operating Supplies and Miscellaneous Expenses**: $2,100
- **Total**: $8,259

### Student Services
- **Academic Scholarships**: $7,038, $6,310
- **Financial Need Scholarships**: $8,880
- **Athletic Aid and Support**: $14,073
- **Student Loans and Wages**: Total $15,918
- **Total**: $27,125

### Total Expenditures for Institution
- $27,125

* Includes $3,463 for pre-college counseling.
Table XI
Funds Allocated By Corporate Affiliate
Oregon Institute of Technology Development Foundation
Fiscal Year Beginning 1/1/80 and Ending 12/31/80

<table>
<thead>
<tr>
<th></th>
<th>1979</th>
<th>1980</th>
<th>Percentage Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Income of Affiliate</td>
<td>$131,321</td>
<td>$39,555</td>
<td>(70%)</td>
</tr>
<tr>
<td>Total Expenditures of Affiliate</td>
<td>$123,810</td>
<td>$25,256</td>
<td>(80%)</td>
</tr>
<tr>
<td>Total Expenditures for Institution</td>
<td>$123,810</td>
<td>$25,256</td>
<td>(80%)</td>
</tr>
<tr>
<td>Percentage Expenditures of Total Income for Institution</td>
<td>94%</td>
<td>64%</td>
<td></td>
</tr>
</tbody>
</table>

Expenditures for Institution

**Instruction and Research**
- Endowed Chairs
- Graduate Assistants and Fellows
- Instruction and Research Programs
- Faculty Travel and Moving Expenses
- Faculty Recruiting and Related Expenses
  - 1979: $765
  - 1980: $1,613
- Instruction and Research Facilities and Equipment
- Miscellaneous Furniture and Equipment
  - 1979: $765
  - 1980: $1,613

**Academic Support**
- Library—Instructional Materials and Supplies
- Art and Rare Book Acquisitions
- Total

**Capital Outlay**
- Related Instruction, Athletic/Recreation Facilities
  - 1979: $118,649
  - 1980: $19,332

**General Institutional Support**
- Shared Wages and Salaries
  - 1979: $3,559
  - 1980: $2,500
- College and University Relations
- Operating Supplies and Miscellaneous Expenses
  - 1979: $137
  - 1980: $811
- Total
  - 1979: $3,696
  - 1980: $3,311

**Student Services**
- Academic Scholarships
  - 1979: $700
  - 1980: $1,000
- Financial Need Scholarships
- Athletic Aid and Support
- Student Loans and Wages
- Total
  - 1979: $700
  - 1980: $1,000

Total Expenditures for Institution
- 1979: $123,810
- 1980: $25,256
- Percentage Increase: (80%)
### Table XII

**Funds Allocated By Corporate Affiliate**

Overseers of the University of Oregon Health Sciences Center

**Fiscal Year Beginning 7/1/80 and Ending 6/30/81**

<table>
<thead>
<tr>
<th></th>
<th>1979-80</th>
<th>1980-81</th>
<th>Percentage Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Income of Affiliate</td>
<td>$1,546,256</td>
<td>$4,804,221</td>
<td>211%</td>
</tr>
<tr>
<td>Total Expenditures of Affiliate</td>
<td>$942,241</td>
<td>$1,187,694</td>
<td>26%</td>
</tr>
<tr>
<td>Total Expenditures for Institution</td>
<td>$780,428</td>
<td>$1,100,967</td>
<td>41%</td>
</tr>
<tr>
<td>Percentage Expenditures of Total Income for Institution</td>
<td>51%</td>
<td>23%</td>
<td></td>
</tr>
</tbody>
</table>

**Expenditures for Institution**

### Instruction and Research
- Endowed Chairs
- Graduate Assistants and Fellows
- Instruction and Research Programs $709,200 $ 971,073
- Faculty Travel and Moving Expenses
- Faculty Recruiting and Related Expenses
- Instruction and Research Facilities and Equipment $56,667 115,149
- Miscellaneous Furniture and Equipment
  - Total $765,867 $1,086,222

### Academic Support
- Library--Instructional Materials and Supplies
- Art and Rare Book Acquisitions
  - Total

### Capital Outlay
- Related Instruction, Athletic/Recreation Facilities

### General Institutional Support
- Shared Wages and Salaries
- College and University Relations
- Operating Supplies and Miscellaneous Expenses
  - Total

### Student Services
- Academic Scholarships $14,561 $14,745
- Financial Need Scholarships
- Athletic Aid and Support
- Student Loans and Wages
  - Total $14,561 $14,745

**Total Expenditures for Institution** $780,428 $1,100,967 41%
Table XIII
Balance Sheet

University of Oregon Foundation
Fiscal Year Beginning 7/1/80 and Ending 6/30/81

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>Beginning of Year</th>
<th>End of Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Cash, checking accounts</td>
<td>$45,275</td>
<td>$71,876</td>
</tr>
<tr>
<td>2. Savings accounts, time deposits</td>
<td>1,371,391</td>
<td>2,156,017</td>
</tr>
<tr>
<td>3. Notes and accounts receivable--net</td>
<td>22,615</td>
<td>18,736</td>
</tr>
<tr>
<td>4. Pledges receivable--net</td>
<td>829</td>
<td>305</td>
</tr>
<tr>
<td>5. Inventories</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. U. S. government obligations</td>
<td></td>
<td>33,660</td>
</tr>
<tr>
<td>7. State and municipal bonds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Investments in nongovernmental bonds</td>
<td>1,757,361</td>
<td>1,590,753</td>
</tr>
<tr>
<td>9. Investments in corporate stocks--cost</td>
<td>3,040,182</td>
<td>4,124,108</td>
</tr>
<tr>
<td>10. Mortgage loans</td>
<td>320,104</td>
<td>327,624</td>
</tr>
<tr>
<td>11. Other investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. Capital assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Depreciable (and depletable) assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less: Reserve for depreciation (and depletion)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b) Land</td>
<td>2,068,143</td>
<td>2,116,538</td>
</tr>
<tr>
<td>13. Other assets</td>
<td>134,928</td>
<td>135,255</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td><strong>$8,761,028</strong></td>
<td><strong>$10,574,872</strong></td>
</tr>
</tbody>
</table>

LIABILITIES AND NET WORTH

<table>
<thead>
<tr>
<th>LIABILITY</th>
<th>Beginning of Year</th>
<th>End of Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>15. Accounts payable</td>
<td>$29,559</td>
<td>$59,506</td>
</tr>
<tr>
<td>16. Contributions, gifts, grants payable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17. Notes payable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18. Mortgages payable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>19. Other liabilities</td>
<td>23,637</td>
<td>22,536</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td><strong>$53,196</strong></td>
<td><strong>$82,042</strong></td>
</tr>
</tbody>
</table>

NET WORTH

<table>
<thead>
<tr>
<th>NET WORTH</th>
<th>Beginning of Year</th>
<th>End of Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>21. Capital stock or principal fund</td>
<td>$8,707,832</td>
<td>$10,492,830</td>
</tr>
<tr>
<td>22. Other capital and reserves</td>
<td></td>
<td></td>
</tr>
<tr>
<td>23. Accumulated income or earned surplus</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL NET WORTH</strong></td>
<td><strong>$8,707,832</strong></td>
<td><strong>$10,492,830</strong></td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES AND NET WORTH</strong></td>
<td><strong>$8,761,028</strong></td>
<td><strong>$10,574,872</strong></td>
</tr>
</tbody>
</table>
**Table XIV**  
**Balance Sheet**

*Oregon State University Foundation*  
**Fiscal Year Beginning 7/1/80 and Ending 6/30/81**

<table>
<thead>
<tr>
<th>Assets</th>
<th>Beginning of Year</th>
<th>End of Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Cash, checking accounts</td>
<td>$4,298,345</td>
<td>$4,418,735</td>
</tr>
<tr>
<td>2. Savings accounts, time deposits</td>
<td>77,830</td>
<td>136,703</td>
</tr>
<tr>
<td>3. Notes and accounts receivable—net</td>
<td>1,507,672</td>
<td>1,921,132</td>
</tr>
<tr>
<td>4. Pledges receivable—net</td>
<td>3,538,459</td>
<td>3,782,218</td>
</tr>
<tr>
<td>5. Inventories</td>
<td>2,061,622</td>
<td>2,546,508</td>
</tr>
<tr>
<td>6. U.S. government obligations</td>
<td>1,866,509</td>
<td>3,970,131</td>
</tr>
<tr>
<td>7. State and municipal bonds</td>
<td>2,990,151</td>
<td>316,995</td>
</tr>
<tr>
<td>8. Investments in nongovernmental bonds</td>
<td>766,027</td>
<td>1,112,074</td>
</tr>
<tr>
<td>9. Investments in corporate stocks—cost</td>
<td>1,151,396</td>
<td>3,730,180</td>
</tr>
<tr>
<td>10. Mortgage loans</td>
<td>$14,450,911</td>
<td>$15,040,325</td>
</tr>
<tr>
<td>11. Other investments</td>
<td>$18,179,259</td>
<td>$19,921,901</td>
</tr>
</tbody>
</table>

**Liabilities and Net Worth**

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>Beginning of Year</th>
<th>End of Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>15. Accounts payable</td>
<td>$481,557</td>
<td>$1,151,396</td>
</tr>
<tr>
<td>16. Contributions, gifts, grants payable</td>
<td>3,246,791</td>
<td>3,730,180</td>
</tr>
<tr>
<td>17. Notes payable</td>
<td>$18,179,259</td>
<td>$19,921,901</td>
</tr>
</tbody>
</table>

**Net Worth**

<table>
<thead>
<tr>
<th>Net Worth</th>
<th>Beginning of Year</th>
<th>End of Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>21. Capital stock or principal fund</td>
<td>$14,450,911</td>
<td>$15,040,325</td>
</tr>
<tr>
<td>22. Other capital and reserves</td>
<td>$14,450,911</td>
<td>$15,040,325</td>
</tr>
<tr>
<td>23. Accumulated income or earned surplus</td>
<td>$18,179,259</td>
<td>$19,921,901</td>
</tr>
</tbody>
</table>

**October 23, 1981**
Table XV  
Balance Sheet  

Oregon State University Agricultural Engineering Research Foundation  
Fiscal Year Beginning 7/1/80 and Ending 6/30/81  

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>Beginning of Year</th>
<th>End of Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Cash, checking accounts</td>
<td>$ 105</td>
<td>$ 101</td>
</tr>
<tr>
<td>2. Savings accounts, time deposits</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Notes and accounts receivable--net</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Pledges receivable--net</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Inventories</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. U. S. government obligations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. State and municipal bonds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Investments in nongovernmental bonds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Investments in corporate stocks--cost</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Mortgage loans</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. Other investments</td>
<td>13,422</td>
<td>17,183</td>
</tr>
<tr>
<td>12. Capital assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Depreciable (and depletable) assets</td>
<td>894</td>
<td>623</td>
</tr>
<tr>
<td>Less: Reserve for depreciation (and depletion)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b) Land</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>14. TOTAL ASSETS</td>
<td>$14,421</td>
<td>$17,907</td>
</tr>
</tbody>
</table>

| LIABILITIES AND NET WORTH                                           |                   |             |
| 15. Accounts payable                                                |                   |             |
| 16. Contributions, gifts, grants payable                            |                   |             |
| 17. Notes payable                                                   |                   |             |
| 18. Mortgages payable                                               |                   |             |
| 19. Other liabilities                                               |                   |             |
| 20. TOTAL LIABILITIES                                               |                   |             |

| NET WORTH                                                            |                   |             |
| 21. Capital stock or principal fund                                  |                   |             |
| 22. Other capital and reserves                                      |                   |             |
| Accumulated income or earned surplus                                 | $14,421           | $17,907     |
| 24. TOTAL NET WORTH                                                 | $14,421           | $17,907     |
| 25. TOTAL LIABILITIES AND NET WORTH                                  | $14,421           | $17,907     |
## Table XVI
### Oregon State University Agricultural Research Foundation
#### Fiscal Year Beginning 7/1/80 and Ending 6/30/81

<table>
<thead>
<tr>
<th>Description</th>
<th>Beginning of Year</th>
<th>End of Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Cash, checking accounts</td>
<td>$157,138</td>
<td>$221,513</td>
</tr>
<tr>
<td>2. Savings accounts, time deposits</td>
<td>632,468</td>
<td>1,008,171</td>
</tr>
<tr>
<td>3. Notes and accounts receivable--net</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Pledges receivable--net</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Inventories</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. U. S. government obligations</td>
<td>850,000</td>
<td>750,000</td>
</tr>
<tr>
<td>7. State and municipal bonds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Investments in nongovernmental bonds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Investments in corporate stocks--cost</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Mortgage loans</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. Other investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. Capital assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Depreciable (and depletable) assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less: Reserve for depreciation (and depletion)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b) Land</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13. Other assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>14. TOTAL ASSETS</td>
<td>$1,639,606</td>
<td>$1,979,684</td>
</tr>
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</table>

### LIABILITIES AND NET WORTH

<table>
<thead>
<tr>
<th>Description</th>
<th>Beginning of Year</th>
<th>End of Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>15. Accounts payable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16. Contributions, gifts, grants payable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17. Notes payable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18. Mortgages payable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>19. Other liabilities</td>
<td>$1,304,946</td>
<td>$1,572,575</td>
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<tr>
<td>20. TOTAL LIABILITIES</td>
<td>$1,304,946</td>
<td>$1,572,575</td>
</tr>
</tbody>
</table>

### NET WORTH

<table>
<thead>
<tr>
<th>Description</th>
<th>Beginning of Year</th>
<th>End of Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>21. Capital stock or principal fund</td>
<td></td>
<td></td>
</tr>
<tr>
<td>22. Other capital and reserves</td>
<td></td>
<td></td>
</tr>
<tr>
<td>23. Accumulated income or earned surplus</td>
<td>$334,660</td>
<td>$407,109</td>
</tr>
<tr>
<td>24. TOTAL NET WORTH</td>
<td>$334,660</td>
<td>$407,109</td>
</tr>
<tr>
<td>25. TOTAL LIABILITIES AND NET WORTH</td>
<td>$1,639,606</td>
<td>$1,979,684</td>
</tr>
</tbody>
</table>

615
**Portland State University Foundation**  
**Fiscal Year Beginning 7/1/80 and Ending 6/30/81**

### ASSETS

<table>
<thead>
<tr>
<th>Description</th>
<th>Beginning of Year</th>
<th>End of Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Cash, checking accounts</td>
<td>$19,075</td>
<td>$29,371</td>
</tr>
<tr>
<td>2. Savings accounts, time deposits</td>
<td>847</td>
<td>892</td>
</tr>
<tr>
<td>3. Notes and accounts receivable—net</td>
<td>67,975</td>
<td>65,768</td>
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<tr>
<td>4. Pledges receivable—net</td>
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<td></td>
</tr>
<tr>
<td>5. Inventories</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. U.S. government obligations</td>
<td>239,685</td>
<td>169,764</td>
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<tr>
<td>7. State and municipal bonds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Investments in nongovernmental bonds</td>
<td>245,765</td>
<td>459,465</td>
</tr>
<tr>
<td>9. Investments in corporate stocks—cost</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Mortgage loans</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. Other investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. Capital assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Depreciable (and depleteable) assets</td>
<td>22,581</td>
<td></td>
</tr>
<tr>
<td>Less: Reserve for depreciation (and depletion)</td>
<td>(1,505)</td>
<td></td>
</tr>
<tr>
<td>(b) Land</td>
<td>27,800</td>
<td>27,800</td>
</tr>
<tr>
<td>13. Other assets</td>
<td>805</td>
<td>2,383</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td><strong>$622,528</strong></td>
<td><strong>$755,443</strong></td>
</tr>
</tbody>
</table>

### LIABILITIES AND NET WORTH

<table>
<thead>
<tr>
<th>Description</th>
<th>Beginning of Year</th>
<th>End of Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>15. Accounts payable</td>
<td>$59,127</td>
<td>$69,110</td>
</tr>
<tr>
<td>16. Contributions, gifts, grants payable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17. Notes payable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18. Mortgages payable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>19. Other liabilities</td>
<td>19,856</td>
<td>17,859</td>
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<tr>
<td>20. <strong>TOTAL LIABILITIES</strong></td>
<td><strong>$78,983</strong></td>
<td><strong>$86,969</strong></td>
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</table>

### NET WORTH

<table>
<thead>
<tr>
<th>Description</th>
<th>Beginning of Year</th>
<th>End of Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>21. Fund balances</td>
<td>$540,712</td>
<td>$668,474</td>
</tr>
<tr>
<td>22. Other capital and reserves</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accumulated income or earned surplus</td>
<td>2,833</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL NET WORTH</strong></td>
<td><strong>$543,545</strong></td>
<td><strong>$668,474</strong></td>
</tr>
<tr>
<td>25. <strong>TOTAL LIABILITIES AND NET WORTH</strong></td>
<td><strong>$622,528</strong></td>
<td><strong>$755,443</strong></td>
</tr>
</tbody>
</table>
# Table XVIII

**Balance Sheet**

**Western Oregon State College Development Fund**

**Fiscal Year Beginning 1/1/80 and Ending 12/31/80**

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>Beginning of Year</th>
<th>End of Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Cash, checking accounts</td>
<td>$8,128</td>
<td>$10,726</td>
</tr>
<tr>
<td>2. Savings accounts, time deposits</td>
<td>31,903</td>
<td>16,267</td>
</tr>
<tr>
<td>3. Notes and accounts receivable--net</td>
<td>12,605</td>
<td></td>
</tr>
<tr>
<td>4. Pledges receivable--net</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Inventories</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. U. S. government obligations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. State and municipal bonds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Investments in nongovernmental bonds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Investments in corporate stocks--cost</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Mortgage loans</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. Other investments</td>
<td>41,125</td>
<td>51,944</td>
</tr>
<tr>
<td>12. Capital assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Depreciable (and depletable) assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less: Reserve for depreciation (and depletion)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b) Land</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13. Other assets</td>
<td>1</td>
<td>19,087</td>
</tr>
<tr>
<td>14. TOTAL ASSETS</td>
<td>$93,762</td>
<td>$108,024</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES AND NET WORTH</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>15. Accounts payable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16. Contributions, gifts, grants payable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17. Notes payable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18. Mortgages payable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>19. Other liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20. TOTAL LIABILITIES</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NET WORTH</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>21. Capital stock or principal fund</td>
<td></td>
<td></td>
</tr>
<tr>
<td>22. Other capital and reserves</td>
<td>$34,218</td>
<td>$60,689</td>
</tr>
<tr>
<td>23. Accumulated income or earned surplus</td>
<td>59,544</td>
<td>47,335</td>
</tr>
<tr>
<td>24. TOTAL NET WORTH</td>
<td>$93,762</td>
<td>$108,024</td>
</tr>
<tr>
<td>25. TOTAL LIABILITIES AND NET WORTH</td>
<td>$93,762</td>
<td>$108,024</td>
</tr>
</tbody>
</table>
Table XIX

Southern Oregon State College Foundation
Fiscal Year Beginning 1/1/80 and Ending 12/31/80

<table>
<thead>
<tr>
<th>Assets</th>
<th>Beginning of Year</th>
<th>End of Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Cash, checking accounts</td>
<td>$9,295</td>
<td>$4,658</td>
</tr>
<tr>
<td>2. Savings accounts, time deposits</td>
<td>96,768</td>
<td>145,451</td>
</tr>
<tr>
<td>3. Notes and accounts receivable—net</td>
<td>11,428</td>
<td>647</td>
</tr>
<tr>
<td>4. Pledges receivable—net</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Inventories</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. U. S. government obligations</td>
<td>79,971</td>
<td>110,181</td>
</tr>
<tr>
<td>7. State and municipal bonds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Investments in nongovernmental bonds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Investments in corporate stocks—cost</td>
<td>69,244</td>
<td>97,411</td>
</tr>
<tr>
<td>10. Mortgage loans</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. Other investments</td>
<td>10,364</td>
<td>10,504</td>
</tr>
<tr>
<td>12. Capital assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Depreciable (and depletable) assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less: Reserve for depreciation (and depletion)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b) Land</td>
<td>43,000</td>
<td>27,290</td>
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<tr>
<td>13. Other assets</td>
<td>250,800</td>
<td>237,805</td>
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<tr>
<td></td>
<td><strong>TOTAL ASSETS</strong></td>
<td><strong>$570,870</strong></td>
</tr>
</tbody>
</table>

| Liabilities and Net Worth | | |
| 15. Accounts payable | | |
| 16. Contributions, gifts, grants payable | $305,383 | $239,959 |
| 17. Notes payable | | |
| 18. Mortgages payable | | |
| 19. Other liabilities | | |
| | **TOTAL LIABILITIES** | **$305,383** | **$239,959** |

<p>| Net Worth | | |
| 21. Capital stock or principal fund | $265,487 | $393,988 |
| 22. Other capital and reserves | | |
| | Accumulated income or earned surplus | | |
| | <strong>TOTAL NET WORTH</strong> | <strong>$265,487</strong> | <strong>$393,988</strong> |
| | <strong>TOTAL LIABILITIES AND NET WORTH</strong> | <strong>$570,870</strong> | <strong>$633,947</strong> |</p>
<table>
<thead>
<tr>
<th>Description</th>
<th>Beginning of Year</th>
<th>End of Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Cash, checking accounts</td>
<td>$2,699</td>
<td>$2,265</td>
</tr>
<tr>
<td>2. Savings accounts, time deposits</td>
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<td>39,042</td>
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<td>3. Notes and accounts receivable—net</td>
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<td></td>
</tr>
<tr>
<td>4. Pledges receivable—net</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Inventories</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. U. S. government obligations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. State and municipal bonds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Investments in nongovernmental bonds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Investments in corporate stocks—cost</td>
<td>12,825</td>
<td>12,825</td>
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<td>10. Mortgage loans</td>
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<td></td>
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<tr>
<td>11. Other investments</td>
<td>161,624</td>
<td>174,469</td>
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<td>12. Capital assets:</td>
<td></td>
<td></td>
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<tr>
<td>(a) Depreciable (and depletable) assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less: Reserve for depreciation (and depletion)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b) Land</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13. Other assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>14. TOTAL ASSETS</td>
<td>$210,544</td>
<td>$228,601</td>
</tr>
<tr>
<td>LIABILITIES AND NET WORTH</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15. Accounts payable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16. Contributions, gifts, grants payable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17. Notes payable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18. Mortgages payable</td>
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<td></td>
</tr>
<tr>
<td>19. Other liabilities</td>
<td>$19,328</td>
<td>$39,563</td>
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<tr>
<td>20. TOTAL LIABILITIES</td>
<td>$19,328</td>
<td>$39,563</td>
</tr>
<tr>
<td>NET WORTH</td>
<td></td>
<td></td>
</tr>
<tr>
<td>21. Capital stock or principal fund</td>
<td>$191,216</td>
<td>$189,038</td>
</tr>
<tr>
<td>22. Other capital and reserves</td>
<td></td>
<td></td>
</tr>
<tr>
<td>23. Accumulated income or earned surplus</td>
<td></td>
<td></td>
</tr>
<tr>
<td>24. TOTAL NET WORTH</td>
<td>$191,216</td>
<td>$189,038</td>
</tr>
<tr>
<td>25. TOTAL LIABILITIES AND NET WORTH</td>
<td>$210,544</td>
<td>$228,601</td>
</tr>
</tbody>
</table>
### ASSETS

1. Cash, checking accounts $8,759 $4,123
2. Savings accounts, time deposits 13,221 32,156
3. Notes and accounts receivable—net 295 295
4. Pledges receivable—net 295 295
5. Inventories 295 295
6. U. S. government obligations 295 295
7. State and municipal bonds 295 295
8. Investments in nongovernmental bonds 295 295
9. Investments in corporate stocks—cost 295 295
10. Mortgage loans 295 295
11. Other investments 295 295
12. Capital assets:
   (a) Depreciable (and depletable) assets
   Less: Reserve for depreciation (and depletion)
   (b) Land 295 295
13. Other assets 295 295

**TOTAL ASSETS** $22,275 $36,574

### LIABILITIES AND NET WORTH

15. Accounts payable 295 295
16. Contributions, gifts, grants payable 295 295
17. Notes payable 295 295
18. Mortgages payable 295 295
19. Other liabilities 295 295
20. **TOTAL LIABILITIES** 295 295

**NET WORTH**

21. Capital stock or principal fund 295 295
22. Other capital and reserves
   Accumulated income or earned surplus $22,275 $36,574

**TOTAL NET WORTH** $22,275 $36,574

25. **TOTAL LIABILITIES AND NET WORTH** $22,275 $36,574
### Overseers of the University of Oregon Health Sciences Center

**Fiscal Year Beginning 7/1/80 and Ending 6/30/81**

#### ASSETS

<table>
<thead>
<tr>
<th>Item</th>
<th>Beginning of Year</th>
<th>End of Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Cash, checking accounts</td>
<td>$12,908</td>
<td>$1,312</td>
</tr>
<tr>
<td>2. Savings accounts, time deposits</td>
<td>219,784</td>
<td>462,876</td>
</tr>
<tr>
<td>3. Notes and accounts receivable--net</td>
<td>61,283</td>
<td>60,000</td>
</tr>
<tr>
<td>4. Pledges receivable--net</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Inventories</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. U. S. government obligations</td>
<td>864,856</td>
<td>774,428</td>
</tr>
<tr>
<td>7. State and municipal bonds</td>
<td></td>
<td></td>
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<tr>
<td>8. Investments in nongovernmental bonds</td>
<td>2,631,847</td>
<td>4,477,860</td>
</tr>
<tr>
<td>9. Investments in corporate stocks--cost</td>
<td>632,046</td>
<td>2,273,359</td>
</tr>
<tr>
<td>10. Mortgage loans</td>
<td>102,189</td>
<td>76,245</td>
</tr>
<tr>
<td>11. Other investments</td>
<td>10,081</td>
<td>2</td>
</tr>
<tr>
<td>12. Capital assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Depreciable (and depletable) assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b) Land</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13. Other assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>14. <strong>TOTAL ASSETS</strong></td>
<td><strong>$4,534,994</strong></td>
<td><strong>$8,126,082</strong></td>
</tr>
</tbody>
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#### LIABILITIES AND NET WORTH

<table>
<thead>
<tr>
<th>Item</th>
<th>Beginning of Year</th>
<th>End of Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>15. Accounts payable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16. Contributions, gifts, grants payable</td>
<td></td>
<td></td>
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<tr>
<td>17. Notes payable</td>
<td></td>
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<tr>
<td>18. Mortgages payable</td>
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<tr>
<td>19. Other liabilities</td>
<td>$107,252</td>
<td>$41,461</td>
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<tr>
<td>20. <strong>TOTAL LIABILITIES</strong></td>
<td><strong>$107,252</strong></td>
<td><strong>$41,461</strong></td>
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#### NET WORTH

<table>
<thead>
<tr>
<th>Item</th>
<th>Beginning of Year</th>
<th>End of Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>21. Capital stock or principal fund</td>
<td><strong>$4,427,742</strong></td>
<td><strong>$8,084,621</strong></td>
</tr>
<tr>
<td>22. Other capital and reserves</td>
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<td></td>
</tr>
<tr>
<td>23. Accumulated income or earned surplus</td>
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<td></td>
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<tr>
<td>24. <strong>TOTAL NET WORTH</strong></td>
<td><strong>$4,427,742</strong></td>
<td><strong>$8,084,621</strong></td>
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<tr>
<td>25. <strong>TOTAL LIABILITIES AND NET WORTH</strong></td>
<td><strong>$4,534,994</strong></td>
<td><strong>$8,126,082</strong></td>
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Staff Reports  
The staff reports provided to the Board for the October meeting (Items 10-81-16b through 10-81-30b) are on file in the Board’s Office and will be bound with the permanent minutes as pages 623 to 634.

ADJOURNMENT  
The Board meeting was adjourned at 4:01 P.M.

Edward C. Harms, President  
Oregon State Board of Higher Education  

Wilma L. Foster, Secretary  
Oregon State Board of Higher Education  

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As noted in a report to the Board on July 24, 1981, the professional services agreement with Architect Philip Thompson for the Smith Memorial Center Remodel project was supplemented to reflect the change in organization as a professional corporation with the name Thompson & O'Doherty and to provide for the design and contract administration of work within Phase III.

As contemplated by the program and by the schematic design, the major elements of work within this phase are expected to include the remodeling of the Viking Fjord and Nordicland dining facilities to enhance their accessibility and utility, the remodeling of the Box Office/Parking/Information Center near the main entry from S.W. Broadway to create a larger, more visible area for these functions, the renovation of the ballroom and adjoining Room 338 for the improvement of the acoustics and lighting, including the installation of a new acoustical partition between the rooms and the carpeting of Room 338, the consolidation of the fire alarm system and a direct connection to the Portland Fire Bureau's central alarm system, various minor improvements within the student organization areas on the fourth floor, and the installation of new hot water distribution systems are contemplated, such as the installation of new hot water piping in a more efficient configuration on two floors, the abandonment of corroded pipes on a number of floors, and the installation of steam generating capacity within the Smith Memorial Center to allow central steam boilers to be shut down during the warm months when the only demand is for hot water.

The Architects have examined ways by which the utilization of the Viking Fjord and Nordicland dining facilities could be enhanced. The recommendations would create some separation of spaces in each facility and, because these rooms are adjacent to and independently accessible from the south entrance from Harrison Street, it may be possible to provide the opportunity for limited food service during periods when other portions of the building are secured. Some of the modifications proposed in these areas may be identified as one or more bid alternates as the planning proceeds in order to assess more accurately the costs thereof and determine the feasibility of including them within the final project.

Of the estimated total project cost of $660,000, the amount tentatively budgeted for direct construction costs is being limited to $315,500 in order to provide approximately $186,000 for furnishings and equipment, including the proposed improvements in the bowling alley.

RECAPITULATION UPON COMPLETION OF SCHEMATIC DESIGN PHASE OF PLANNING

Project - PSU Smith Memorial Center Remodel Phase III
Architects - Thompson & O'Doherty, P.C., Portland
Board's priority - No. 15 in 1981-1983 (Auxiliary Enterprises)
Legislative authorization - Chapter 539, Oregon Laws 1981

Estimated total project costs $660,000
Estimated direct construction costs $315,500

Tentative schedule:
  Bidding - April 1982
  Completion - October 1982

Tentative financing plan:
  Article XI-F(1) bond borrowings and/or balances available for auxiliary enterprises $660,000
When Ada Matthews died in 1967, she left her entire estate to the Board to be used for the creation of a loan fund for Klamath County residents attending the institution now known as Oregon Institute of Technology. She did not know that when her father, William W. Erb, died in 1907, this strip of land just outside the city limits of Ashland passed to her and her mother, Laura Erb. Laura Erb died circa 1941 without knowing of that property.

Because the strip of land is "landlocked," persons with property abutting the strip of land will be notified by mail of the invitation to bid. The State of Oregon does not own any of the abutting property. The property cannot be used by Oregon Institute of Technology or Southern Oregon State College for instructional purposes and is of value only to persons owning land abutting the property.

In accordance with applicable Oregon statutes, an appraisal is being obtained. Clearance to sell has been granted by the Department of General Services, and a relinquishment of the state's mineral and geothermal rights is being requested of the Division of State Lands. Chapter 569, Oregon Laws 1979, requires state agencies to give local units of government first priority after other state agencies to purchase real property or surplus supplies to be sold by the state. Therefore, institution officials are inquiring of local government units of their possible interest in purchasing the property.

Many on-campus part-time and full-time non-matriculated students who are participants in on-campus educational programs either sponsored by the institution or operated by educational organizations under contract or lease with the institution are not currently eligible to obtain student health service. Typically, these persons are enrolled in workshops, sport camps, 4-H programs, boys and girls state, foreign language institutes, and similar educational endeavors. A significant number of these programs are offered during the slack summer months when the health service staff can accommodate the traffic which the proposed modification of OAR 580-11-005 would generate. Since implementation of the proposed amendment would not require increased staffing, it would be cost beneficial to both students and the health service. The proposed amendments would also clarify the fact that on-campus health service is provided for student use.

Charges to full-time and part-time non-matriculated students who would become eligible would be identical to the fees adopted by the Board for full-time and part-time matriculated students. Institutions would adopt rules locally covering prorated charges to participants in less than full-term programs.

Both institution officials and directors of health service join the Board's staff in recommending the modification of the policy governing eligibility for student health service.
Council no longer necessary. The Advisory Council's role as the Board's representative authority in relation to University Hospital is transferred to the president of the University. The president would then report directly to the State Board on a regular basis to keep it abreast of the activities of the Hospital. An administrative arrangement of this nature is expected to simplify the operational activities that must be undertaken to meet the requirements of the Joint Commission on Accreditation of Hospitals and the Medicare and Medicaid reimbursement requirements, and is expected to yield the good results identified elsewhere—it has been adopted in a number of academic health centers in other states.

Other changes of a housekeeping nature are proposed, including changing the name of the institution to give effect to the statutory change. A brief description of the amendment in each section follows.

580-30-005
Amendment broadens language to include explicitly all aspects of health care. The change recognizes the role of dental and nursing care.

580-30-010
Amendment repeals the section and thus abolishes Health Sciences Center Advisory Council.

580-30-011
The Board of Higher Education is designated as the governing body of the Hospital. The president of the Health Sciences Center is specified as the designee of the Board for purposes of meeting reimbursement and accreditation standards. Reporting requirements of president to the Board are specified.

580-30-015
Obsolete and meaningless language regarding "committal system" is deleted. Language is broadened to include all licensed practitioners in health care.

The amendment recognizes the role of persons other than physicians in providing health care.

580-30-020
Obsolete language is deleted.

580-30-025
Language is changed to reflect current terminology.

Responsibility of patients for payment is clarified, making explicit the current practice.

Section (4) retains the requirement that patient selection be on the basis of the needs of the educational program, and not the ability to pay.

580-30-030, 580-30-031, 580-30-035
Language of existing sections 580-30-030 and 580-30-035 is repealed and simplified language is substituted in 580-30-031.

580-40-015
Language is changed to reflect current terminology.

Reference to detailed components of hospital rates is deleted; broader terminology is substituted.
IMD 5.005

This Internal Management Directive is new and proposes to direct the president to act on behalf of the Board (as governing body) to establish written objectives of the Hospital; to establish and implement specified policies and procedures; and to represent the governing body on the Joint Conference Committee of the Hospital.

Staff Report to the Board (10-81-28b)

The Oregon State University proposal for extending its BA/BS in Liberal Studies degree program to the Central Oregon region is filed in the Board's Office and is available upon request.

The proposal has been carefully worked out by administrators and faculties of Oregon State University and Central Oregon Community College over a period of several years to meet the major educational need expressed by place-bound adults interested in advanced-level education in the Central Oregon region, and their employers, as revealed in a series of studies. Copies of the studies are filed at Oregon State University. Summaries of the studies are included in the Oregon State University proposal referred to above.

Under this proposal Central Oregon Community College will provide classroom and other instructional space, counseling and advising services, and library support. Oregon State University will be responsible for the instructional program, will train on-site advisers, maintain final control of student advising, approve all student programs, and monitor student progress in completion of approved programs.

The liberal studies degree, which requires advanced work in two or more departments focused around an interdisciplinary "theme" or area of interest, is particularly suitable for the adult student who has acquired from one place or another a substantial amount of college coursework, but who has not completed a baccalaureate degree program. Lower-division coursework completed will usually fall into the broad areas of knowledge (humanities, arts, sciences) required to meet general education requirements. Specialized or advanced coursework can often be used as one of the areas of the upper-division major. External degree programs offered by institutions of higher education for a general adult student clientele most typically follow the liberal/general studies degree pattern. For example, the external degree program of Eastern Oregon State College is an off-campus, individualized study adaptation of Eastern Oregon State College's general studies degree.

The liberal studies degree will not satisfy needs of adult students who wish to prepare for employment in fields such as elementary education or who wish specialized work which will qualify them for admission to graduate or professional study in science or science-related fields.

However, students enrolled in the Oregon State University Central Oregon program who are interested in the area of business, and who have completed substantial lower-division coursework in business at Central Oregon Community College or other accredited collegiate program, may complete a 45-credit hour minor in this field composed of selected lower-division coursework completed in a community college or elsewhere and upper-division work offered by Oregon State University in Central Oregon.

Residency Requirements. The University is adopting comprehensive guidelines for the conduct of Oregon State University credit courses and academic programs delivered away from the Corvallis campus. Under these guidelines, students enrolled in the BA/BS in liberal studies program in Central Oregon will be required to complete a residency requirement consisting of a minimum of 45 term hours of coursework taught by members of the regular faculty of Oregon State University (or 45 of the last 60 hours when authorized by petition to the Academic Requirements Committee). A minimum of 18 of the 45 hours must be in upper-division courses in the student's major field(s).
In all other respects, the program will be identical to the campus program. Students intending to pursue the degree program must be admitted to Oregon State University as baccalaureate degree students no later than the second term of their involvement in the program's coursework; tuition fees will be charged at rates commonly in effect at Oregon State University; degree requirements will be precisely those applying to OSU's campus BA/BS in liberal studies degree program; and the instructional program will be the responsibility of the faculty and administration of the University's College of Liberal Arts and its director of liberal studies.

OSU's Obligation to Continue Program. All courses will be scheduled during the evening hours or weekends to accommodate the part-time student clientele. Students will be advised that the number of courses scheduled each term and the maintenance of a schedule leading to graduation will be dependent on enrollment of sufficient numbers of students to provide tuition and fee income covering Oregon State University's instructional and administrative costs. There will be no full-time or day-time schedule. All students entering the program will be required to sign a statement acknowledging the self-support character of the program and the University's right to terminate it should the self-support requirement not be met.

Resources to Offer Program. Listed below are various resource components of the Oregon State University liberal studies degree and how they are to be provided in the Central Oregon setting.

1. Student Advising and Information Services.

   Central Oregon Community College will be responsible for providing space and personnel to fulfill day-to-day requirements for student advising and information services.

2. Courses.

   Coursework delivered on-site in Central Oregon will be drawn from curricula currently offered in the College of Liberal Arts at Oregon State University plus a few courses from the School of Business selected to meet specific student and employment needs.

3. Faculty.

   All instructional staff will hold appointments as regular or adjunct Oregon State University faculty.

4. Library.

   Central Oregon Community College is committed to the development of library holdings adequate to the support of coursework offered in the proposed program. Requirements for the holdings will be based on standard lists now commonly in use in Oregon in the development of liberal arts collections. When necessary in support of specific courses, duplicate copies of relevant titles housed in the Oregon State University library will be deposited temporarily in the Central Oregon Community College library and returned to Oregon State University upon completion of the course.

5. Facilities and Equipment.

   It is expected that the majority of the classes offered in support of the Central Oregon program will be scheduled in instructional space at Central Oregon Community College during early evening hours. However, some courses may be scheduled in other locations in Bend or in neighboring communities.

The Memorandum of Understanding providing for a coordinated progression of programs in business and public administration in Salem, signed by Presidents Arthur Binnie of Chemeketa Community College, Jerry E. Hudson of Willamette University, and Gerald Leinwand of Western Oregon State College, was developed...
to meet major postsecondary educational needs of residents of the Salem metropolitan area, as identified in a survey conducted in 1980 by members of the Board's staff in cooperation with Western Oregon State College and the Survey Research Center of Oregon State University. In this survey, 29.8% of the adult respondents indicating an interest in enrolling for postsecondary studies listed business and public administration as their areas of primary interest. Copies of the Memorandum and supporting Administrative and Advisory Guidelines are filed in the Board's Office and are available upon request.

Should the requested authorization be granted by the Board, students enrolled in the Chemeketa-Western-Willamette coordinated programs will be able to complete the following programs of study through part-time enrollment without leaving the Salem area:

- An associate in arts degree program in business administration at Chemeketa Community College.
- An integrated upper-division program major in interdisciplinary studies combining courses in business administration and economics or political science leading to the BA/BS in interdisciplinary studies at Western Oregon State College.
- A master's degree program in business and public administration at Willamette University's Atkinson Graduate School of Administration.

Both the Chemeketa and the Willamette programs are presently offered in Salem on schedules serving the needs of part-time employed adult students. The Western Oregon State College program is available on the Monmouth campus.

The request to the Board is for authorization for Western Oregon State College to offer its portion of the coordinated programs as self-support evening classes in Salem. (Students who prefer to complete the program in the campus program could continue to do so.)

Quality Controls. Western Oregon State College is in the process of adopting comprehensive guidelines for the conduct of credit courses and academic programs delivered away from the Monmouth campus similar to those being adopted by Oregon State University. These guidelines will implement policies for off-campus instruction being considered by the Board. Under these guidelines, degree requirements for the BA/BS in interdisciplinary studies offered in Salem will be identical with the requirements for campus students, with the specific exception that the residency requirement will be stated as 45 term hours of coursework taught by members of the regular faculty of Western Oregon State College, rather than 45 of the last 60 credit hours toward the degree completed on campus.

WOSC's Obligation To Continue the Program. All students entering the program will be required to sign a statement acknowledging the self-support character of the program and the College's right to terminate the Salem schedule should the self-support requirement not be met.

Resources To Offer Program. Listed below are various resource components of the proposed upper-division integrated major in interdisciplinary studies in Salem and how they will be provided:

1. **Student Advising and Information Services.**

   All students will be assigned advisers from the regular Western Oregon College instructional staff. Information and registration services will be provided as a part of the services of Western Oregon's Salem office.
2. Courses.

Coursework delivered on-site at the Salem facility will be drawn from courses currently authorized for Western Oregon State College in support of its upper-division business administration minor and baccalaureate degree programs in economics and political science. Regular classes will be supplemented with seminars, practices, and independent study designed to meet the specialized needs of an employed, adult student clientele.

3. Faculty.

It is expected that most of the courses offered in the Salem evening program will be taught by regular members of the College faculty. Adjunct faculty teaching in the Salem program will be subject to the same appointment criteria and review procedures as regular faculty.

4. Library.

An important part of the Chemeketa-Western-Willamette agreement is provision for a development of cooperative means of sharing of library, faculty, and other instructional assets. As a part of the implementation of the agreement, students enrolled in the Salem programs will have access to the Willamette, Chemeketa, Western, and State libraries.

5. Facilities and Equipment.

Classes will be scheduled in Western's Salem facility.

Staff Report to the Board (10-81-22b)

The complete proposal prepared by Southern Oregon State College is filed in the Board's Office. Copies will be provided on request. Included in the proposal are statements concerning the course of study, the relationship of the proposed program to other programs in the institution and state, admission requirements, resources needed to offer the program, and the budgetary impact of the proposed program.

Objectives of the Program. The program is designed to achieve two major purposes:

1. To equip regular classroom teachers with the concepts and skills that will enable them to provide for the learning of mildly handicapped children in their classrooms.

2. To prepare educational specialists at the basic entry level who can serve mildly handicapped children in special resource rooms and clinical settings as well as work in regular classrooms with combinations of regular and handicapped students. Such specialists can also serve as supportive personnel for teachers in regular classrooms.

Nature of the Program. To achieve the first objective, the program provides for the infusion of the general elementary and secondary curriculum with the concepts and methodologies appropriate to dealing with the handicapped learner.

The Southern Oregon State College department of education is in the second year of a three-year Dean's Grant from the U. S. Department of Education which is providing $57,000 a year for the specific purpose of improving the preparation of classroom teachers in providing effective instruction to handicapped learners. In 1980-81, the elementary program was revised to reflect this emphasis and is now being tested on a pilot basis. A similar process for incorporating the development of mainstreaming competencies into the secondary curriculum is underway fall, 1981-82.
The second prong of the proposed Southern Oregon State College program is designed to enable individuals who desire preparation to work with the handicapped beyond that incorporated in their regular program of preparation, on an elective basis, to qualify for the basic handicapped learner endorsement.

A total of 28 hours is required for the endorsement program: 18 hours in required course work in special education, and 10 hours of practica and student teaching. All prospective elementary and secondary teachers completing their preparation at Southern Oregon State College will be required to take one or two courses in the education of the handicapped, and will have the option of taking some additional courses to deepen their understandings and improve their skills in dealing with handicapped children. Students wishing to complete the entire endorsement program, however, either concurrently with their undergraduate teacher certificate program or in postgraduate studies, will need to meet admission requirements to the program, including an undergraduate GPA of 2.8 and personal interview. Advancement to candidacy for the endorsement will be based on a review of the student's work and qualifications in the quarter before his/her final field experience.

Resources to Offer the Program.

Faculty. The current education-psychology staff at Southern Oregon State College includes six professional staff members with skills and training in special education and related fields needed to support the program. It is also planned to use well qualified special education personnel from the schools and education service districts in the region as adjunct professors in the program.

Southern Oregon State College is planning to bring a new full-time faculty member highly-qualified in the handicapped learner area who will serve as director of the special education program, evaluate curriculum revisions designed to improve mainstreaming skills, teach special education methods courses, and supervise practica.

Library. Approximately $7,000 of the funds made available through the Dean's Grant have been allocated for the acquisition of library and other resource materials in special education. These materials have been placed in a Special Education Resource Center located in the Education Building. The grant has also provided staff time for development and coordination of the resource center (.40 FTE in 1980-81 and .25 FTE in 1981-82).

Funds from the department's regular library allocation will be used to maintain and improve the special education collection, as the need arises.

Estimated Enrollments. As indicated previously, the program will serve all Southern Oregon State College prospective teachers preparing for basic elementary or secondary certification. It is expected that each year 15-20 students will complete the full endorsement program concurrently with their basic elementary or secondary program, even though they do not plan to become specialists. (Completion of the additional course work in the education of the handicapped learner, culminating in the basic endorsement, is highly advantageous to the graduate in getting a teaching position. It also provides the candidate the option, if he/she chooses, to take a position as a special classroom or resource room teacher.)

Approximately 20 graduate students are expected to seek the endorsement each year, probably through evening class and summer enrollment.

Budgetary Impact. One new faculty member highly qualified in the field of special education will be employed. This position has been assured, either as a new position or as a replacement for a faculty member who is retiring.
On May 23, 1980, the Board was advised that WEGROUP, P.C., Architects, Portland, were commissioned to provide professional assistance in the design and contract administration of proposed alterations on the fourth floor of University Hospital South to provide accommodations for Surgical Pathology. Inasmuch as this work was not undertaken during 1979-1981, largely because the preliminary cost estimate from the architects was considerably higher than the initial (tentative) budget figure, officials of the University of Oregon Health Sciences Center have proposed now that it be included within the "omnibus package" of Hospital and Clinic Rehabilitation and Alterations Projects authorized as Priority No. 5 in the listing of capital construction items for auxiliary enterprises during 1981-1983. An expenditure limitation of $5,480,000 was approved in Chapter 539, Oregon Laws 1981, for items of this nature including $4,235,000 for alterations which are expected to be financed from self-liquidating bond borrowing: under the provisions of Article XI-F(1) of the Oregon Constitution. The debt service on the bonds would be provided principally from patient fee income.

Surgical Pathology currently is located on the first floor of the Basic Science Building. Inasmuch as this department provides diagnostic services for many of the patient care programs at the hospital, especially surgical services, and serves as a training center for sixteen resident physicians, significant problems are encountered in providing timely surgical pathology services to the hospital, especially in emergencies, because of the remote location. Diagnostic services are impacted adversely by the inefficient transporting of specimens necessitated by the distance of about one-quarter mile between the Basic Science Building and the University Hospital South.

Institutional officials have indicated that the best alternative to solve this problem would be to relocate Surgical Pathology to the fourth floor of the University Hospital South, closer to operating procedures. This relocation corrects the problems associated with routine and emergency consultation services during the course of surgeries, is consistent with the hospital's long-range goals, and is most cost-effective in comparison to other alternatives considered. The space could be made available by vacating a portion of the sleeping quarters designed for the house staff on call.

It would be remodeled to provide an accession room, gross room, flammable storage room, an Histology Laboratory area, a Cytology area, and office space for medical staff, residents, and administrative support personnel. The office spaces would also be used for microscopic slide analysis, educational conferences, staff conferences and storage of bound volumes of surgical pathology reports and slides. New laboratory casework, fume hoods, and sinks are contemplated by the work and related modifications would be made to existing plumbing, heating, ventilating and electrical systems.

Of the estimated total costs of $395,000 for this work, the amount budgeted for direct construction is $305,000. Other items included within the total project cost are professional services fees, construction inspection and administration, a contingency reserve, and one percent of the direct construction costs for works of art. All of the expenditures are expected to be funded from self-liquidating bonds to be issued under the provisions of Article XI-F(1) of the Oregon Constitution and/or balances available for auxiliary enterprises as authorized by Chapter 539, Oregon Laws 1981. Pending the sale of bonds for this and other projects, the expenditures for planning are being provided from patient fee income.

RECAPITULATION UPON COMPLETION OF SCHEMATIC DESIGN PHASE OF PLANNING

Project - UOHSC Hospital and Clinic Rehabilitation & Alterations
(University Hospital South Fourth Floor Surgical Pathology Alterations)

Architects - WEGROUP, P.C., Portland
Design and Financing Plan for Hospital and Clinic Rehabilitation and Alterations Projects (Incinerator with Heat Recovery), UOHSC

Board's priority - Part of No. 5 in 1981-1983 (Auxiliary Enterprises)

Legislative authorization - Chapter 539, Oregon Laws 1981

Estimated total project costs (this portion only) $395,000

Estimated direct construction costs (this portion only) $305,000

Estimated area to be remodeled - 2,565 square feet

Tentative schedule:
- Bidding - March 1982
- Completion - October 1982

Tentative financing plan:
- Article XI-F(1) bond borrowings and/or balances available for auxiliary enterprises $395,000

Staff Report to the Board (10-81-30b)

Pursuant to authorization which the Board granted on October 26, 1979, a number of grant applications for the planning and constructing or effecting of energy conservation measures at State System institutions were submitted to the Oregon Department of Energy for review, ranking and filing with the U. S. Department of Energy following appropriate concurrence by the State Emergency Board. One of these applications, which received the endorsement of the Emergency Board on February 1, 1980, was for the installation of a refuse incinerator to produce steam at the University of Oregon Health Sciences Center. Based upon a hastily-compiled feasibility study by Keith Kruchek Consulting Engineers, Inc. (now identified as KEI/KRUCHEK ENGINEERS, INC.), it was estimated that the total project cost would be approximately $345,000. The request for federal participation of fifty percent was approved by the U. S. Department of Energy as part of the first cycle of the program authorized by the National Energy Conservation and Policy Act of 1978 and on April 25, 1980, the Emergency Board released for expenditure the state matching funds which had been appropriated by Chapter 511, Oregon Laws 1979, for energy conservation projects.

As reported to the Board on October 24, 1980, arrangements were made with the consulting engineers for the design and contract administration of this and one other energy conservation project at the University of Oregon Health Sciences Center. (This other work related to the installation of a heat recovery system to reclaim heat from the laundry and dishwasher to preheat laundry water at University Hospital South. It is now in progress and the estimated expenditure requirements for it are well within the earlier estimate.)

Early in the design of the refuse incinerator, it became apparent that some rather significant revisions would be required. For one thing, the Executive Department recommended that no state tax funds be included for capital construction in the Governor's budget for 1981-1983, so the prospect of coordinating the incinerator project with the proposed major addition to the south campus utility plant at the University of Oregon Health Sciences Center became remote. Whereas it had been contemplated that the incinerator would be mounted on an open pad for later enclosure, it became necessary to design a complete building enclosure as an integral part of the energy project. In response to the recommendation of soils engineers, the location was changed slightly to take advantage of more stable ground slightly northwest of the earlier proposed site, but still very close to the boiler plant. Even so, the foundation and retaining wall requirements are much greater than had been budgeted.

Other changes included a revised estimate of the quantity of waste material to be incinerated, including the addition of low-level radiation waste which had not been considered initially because of then-current regulations of jurisdictional agencies. At the present time, radioactive waste is massed
and stored on the campus for shipment to a licensed disposal site at Hanford, Washington. This involves considerable inconvenience and expense, and institutional officials have advised that after December 1982, Hanford will not accept the organic solvent portions of the waste. Contained shipment of other radioactive waste to Hanford is subject to restriction due to site capacity and State of Washington legislative action. The new incinerator now proposed for installation at the University of Oregon Health Sciences Center would burn all low-level radiation material.

The original concept of energy conservation remains valid and urgent. The steam produced from the gas-fired incineration process would be fed into the campus steam distribution system, thereby reducing other fuel requirements. There are other energy-related benefits of the project, such as the elimination of a major portion of the costs of transporting waste to a municipal landfill. Simultaneously, air quality would be improved by eliminating emission problems which have been encountered in the use of the existing small incinerator within University Hospital North. (The alternative of replacing this unit with a larger one was examined and discarded because of cost and because of problems relating to the delivery and pile-up of waste in that location and the proximity of its emissions to patient care activities.)

The proposal is to install a waste heat incinerator on the south campus adjacent to the new utility plant. Hospital-generated trash would be transported to the incinerator in 1 1/2 yard containers by hospital personnel. Stack discharge emissions would be reduced and would, therefore, meet current air quality standards. Giving effect to the cost of the equipment unit which has been bid through the State Purchasing Division of the Department of General Services, and to the features of the structure which are impacted by the final selection of this equipment, it is estimated that the total expenditure requirements will be approximately $665,000. Of this amount, $345,000 already has been authorized for expenditure ($172,500 from the federal energy grant and $172,500 from the General Fund appropriation made to the Emergency Board in 1979-1981). Because of the benefits which the project would provide to the hospital and clinics, institutional officials have proposed that the remaining $320,000, or as much thereof as may be required, be financed from self-liquidating bond borrowings under the provisions of Article XI-F(1) of the Oregon Constitution. This portion of the expenditure requirements would be charged against the 1981-1983 legislative authorization of $4,235,000 of bonding for Hospital and Clinic Rehabilitation and Alterations Projects if the concurrence of the Board and the Emergency Board is granted. Debt service requirements would be met from patient fee revenues over the 30-year period of bond amortization. The estimated impact thereof on patient charges has been calculated by the staff of the hospital to be approximately $0.31 per patient day, or less than 0.04% of the current daily charges.

**Sale of Property to University Park, Inc., OSU**

In the course of ascertaining that University Park, Inc., held clear title to the apartment development adjacent to a portion of the Agricultural Experiment Station's Hill Farm, surveyors with Timberland-McCullough, Inc., Albany, discovered an inconsistency between a previously accepted boundary and a controlling deed description. The inconsistency apparently stems from a 1940 survey by the Benton County Surveyor used to establish the location of Witham Hill Drive which abuts portions of both properties. The 1940 survey recognized three existing but unrecorded stone monuments that appear to have been set at the intersection of existing fence lines rather than fitting boundaries described by deeds. Further, the Witham Hill Drive boundary established in 1940 was used in the property survey prior to commencing construction of the University Park apartments.

With the assistance of the Board's attorney and counsel for University Park, Inc., it has been ascertained that the mutual boundary is controlled by a deed description recorded on October 12, 1900, in Benton County Deed Records. As a result, approximately 0.47 acres of the Hill Farm (in an irregular-shaped parcel measuring about 12 feet by 1,123 feet by 30 feet by 1,125 feet) have been included within the fenced-in area developed by University Park, Inc.
Inasmuch as this portion of the Hill Farm land has not been used by Oregon State University for farming, nor is there apparent any particular advantage to do so, and inasmuch as the fence and other improvements within the University Park development were located in good faith, it was suggested that an offer be tendered to the Board by University Park, Inc., to purchase this parcel at the fair market price. Based upon an appraisal of the property, Estate Builders Inc. of Corvallis, acting for University Park, Inc., has made an offer of $1,014 to purchase the 0.47 acres of land. Oregon State University officials have received and are holding a certified check for this amount and will deposit it upon execution of the bargain and sale deed drafted by the Board's attorney.

Staff Report to the Board (10-81-17b)

As noted in the docket of the September 11, 1981, meeting of the Board, in connection with the proposed repeal of Division 32 of the Board's Administrative Rules relating to educational broadcasting, the 1981 Legislature enacted Senate Bill 599 transferring this function from the jurisdiction of the Board to the Oregon Commission on Public Broadcasting.

To avoid any ambiguity in reference to the agency responsible for the control and management of real property which was acquired in the name of the State of Oregon for the benefit of educational broadcasting, it is suggested that the title to such property be reflected in the name of the Commission. Two parcels of land are involved—one on Healy Heights in Portland which contains approximately 1.141 acres used as the site of the tower and antenna for KOAP-TV, and another at 2828 S. W. Front Avenue which contains approximately 0.589 acres improved with the office and studio building purchased on January 4, 1978, pursuant to legislative authorization in 1977.

Similarly, it is proposed that whatever interest the Board may have had in lease agreements and easements for the benefit of Oregon Educational and Public Broadcasting Service, such as those involving properties used as microwave translator sites, be reflected in the name of the Oregon Commission on Public Broadcasting.