STATE BOARD OF HIGHER EDUCATION
MINUTES OF SPECIAL MEETING HELD BY
CONFERENCE TELEPHONE CONNECTION

April 6, 1982

Meeting #487

At the call of the President of the Board, a special meeting of the State Board of Higher Education was held by conference telephone connection.

ROLL CALL

The meeting was called to order at 1:30 P.M., Prevailing Pacific Time, April 6, 1982, by the President of the Board, Mr. Edward C. Harms, Jr., and on roll call, the following answered present:

Mr. Alvin Batiste
Mrs. Jane H. Carpenter
Mrs. Harriett J. Flanagan
Mr. Robert C. Ingalls
Mr. David M. Lomnicki

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

Absent: Mr. Lester E. Anderson and Mr. Loren L. Wyss were out of the state.

Centralized Activities--Secretary Wilma L. Foster; Vice Chancellor W. T. Lemman; Vice Chancellor J. I. Hunderup; Francetta Carroll, Assistant Board Secretary; Jan Lindsay, Administrative Assistant; Ross Hall, Controller; June Murphy, Supervisor of Investments and Plant Fund Accounting, Controller's Office; Karen McCumsey, Secretary to the Chancellor; Wayne Lowell, Manager, Accounting, Controller's Office.

Portland State University--James E. Todd, Vice President for Finance and Administration; William C. Neland, Director of Physical Plant.

Oregon Health Sciences University--J. T. McGill, Vice President for Finance and Administration.

Others--Richard D. Roberts of Ragen, Roberts, O'Scannlain, Robertson & Neill, Bond Counsel; Media Representatives--Mike Stahlberg, Diane Carman, and Dick Colby.

Acceptance of Bid for $11,710,000 State of Oregon, State Board of Higher Education Multi-Purpose Bonds, Series 1982 A, Article 3-F(1)

Staff Recommendation to the Board

The Vice Chancellor for Administration reported that at 10:30 a.m., Prevailing Pacific Time, on April 6, 1982, six sealed bids (three for the 30-year issue and three for the 20-year issue) were received, pursuant to an advertisement authorized by the Board of Higher Education at its special meeting on March 11, 1982, for the proposed sale of $11,710,000 State of Oregon, State Board of Higher Education Multi-Purpose Bonds, Series 1982 A. Present were Mr. Richard D. Roberts of Ragen, Roberts, O'Scannlain, Robertson & Neill, Bond Attorneys; and Mr. James C. Joseph, Manager, Municipal Bond Division, and Ms. Renee Wentela, Research Analyst, of the State Treasurer's Office. The bonds were to be sold at a price of not less than $98 for each $100 par value thereof. Bids received for the bonds were as follows:
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<table>
<thead>
<tr>
<th>Name of Bidder</th>
<th>Designated Maturities</th>
<th>Interest Rate</th>
<th>Total Coupon Interest Cost</th>
<th>Add Discount</th>
<th>Total Net Interest Cost</th>
<th>Effective Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oregon Bank, The Chase Manhattan Bank, N.A., and Associates</td>
<td>1984-2001</td>
<td>11.80%</td>
<td>$17,351,310.00  $233,987.75</td>
<td>$17,585,297.75</td>
<td>11.9591%</td>
<td></td>
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Following the reading of the bids, the Vice Chancellor for Administration indicated that the most favorable bid was that of Oregon Bank, The Chase Manhattan Bank, N.A., and Associates, with a total net interest cost of $25,355,271.85 and an effective interest rate of 12.3080 percent per annum for bonds on a 30-year maturity schedule. He also stated that the bonds were to be in denominations of $5,000.

It was proposed that the recommended bid be accepted by adoption of the following resolution:

RESOLUTION

BE IT RESOLVED that the ELEVEN MILLION SEVEN HUNDRED TEN THOUSAND DOLLARS ($11,710,000) STATE OF OREGON, STATE BOARD OF HIGHER EDUCATION MULTI-PURPOSE BONDS, SERIES 1982 A, sold to Oregon Bank, The Chase Manhattan Bank, N.A., and Associates, at $98, on the 6th day of April, 1982, be issued to bear date the fifteenth day of April, 1982; to bear interest at the rate of 12.10 percent per annum for the bonds of the issue maturing on April 15, 1984 to 1990, inclusive; and at the rate of 12.20 percent per annum for the bonds of the issue maturing on April 15, 1991 to 2011, inclusive; and
BE IT FURTHER RESOLVED that the bonds be issued to mature serially on the dates provided in the resolution of the Board for 30-year bonds duly adopted at its special meeting on March 11, 1982, and that both the principal of and interest upon the bonds be paid at the Fiscal Agency of the State of Oregon, in the City and State of New York; and

BE IT FURTHER RESOLVED that the said bonds and coupons annexed thereto be executed in the form prescribed for 30-year bonds in the resolution adopted by the Board at the March 11, 1982, meeting; and

BE IT FURTHER RESOLVED that the bonds be in denominations of $5,000, as provided in the resolution adopted by the Board at the March 11, 1982, meeting; and

BE IT FURTHER RESOLVED that the March 11, 1982, resolution of the Board authorizing the issuance of said bonds, and all acts performed by the Board in adopting the said resolution, and by the Secretary of the Board and the Vice Chancellor for Administration in connection with the issuance and sale of the said bonds, including the notice of bond sale and its publication in New York and Oregon on March 25, 1982, be and they hereby are fully approved, ratified, and confirmed.

BE IT FURTHER RESOLVED that functions of the Secretary of the Board in preparing and providing of transcript material, and other actions relating to the bond issue shall be performed by the Secretary of the Board; and correspondingly, functions of the Vice Chancellor for Administration shall be performed by the Vice Chancellor for Administration or by the Management Assistant.

Board Discussion and Action

On motion by Director Perry and second by Director Petersen, the Board approved the staff recommendation as presented and adopted the above resolution on roll call vote. The following voted in favor: Directors Batiste, Carpenter, Flanagan, Ingalls, Lomnicki, Perry, Petersen, Weatherford, and Harms. Those voting no: none.

Edward C. Harms, Jr., President
Wilma L. Foster, Secretary