MINUTES OF REGULAR MEETING OF THE
STATE BOARD OF HIGHER EDUCATION HELD
JANUARY 17, 1986

H. Flanagan, Resignation from Board

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ADJOURNMENT

Supplement A
STATE BOARD OF HIGHER EDUCATION
MINUTES OF REGULAR MEETING HELD IN ROOM 338,
SMITH CENTER, PORTLAND STATE UNIVERSITY
PORTLAND, OREGON

January 17, 1986

A regular meeting of the State Board of Higher Education was held in Room 338, Smith Center, Portland State University, Portland, Oregon.

ROLL CALL

The meeting was called to order at 10:30 a.m., January 17, 1986, by the President of the Board, Mr. Alvin R. Batiste, and on roll call the following answered present:

- Mr. Robert R. Adams
- Mr. John W. Alltucker
- Mr. Gene Chao
- Mr. Terrence A. Clark
- Mr. F. David Crowell
- Mr. Richard F. Hensley
- Mrs. Janet S. Nelson
- Mr. James C. Petersen
- Miss Mildred A. Schwab
- Mr. Alvin R. Batiste

Absent: Mrs. Flanagan was absent due to illness.

OTHERS PRESENT

Centralized Activities--Chancellor William E. Davis; Secretary Wilma L. Foster; W. T. Lemman, Executive Vice Chancellor; Lawrence C. Pierce, Vice Chancellor for Academic Affairs; John Owen, Vice Chancellor for OCATE; Roger Olsen, Director of OCATE; W. C. Neland, Associate Vice Chancellor, Facilities Division; Holly Zanville, Assistant Vice Chancellor, Academic Affairs; Kay Juran, Assistant Vice Chancellor, Public Affairs; R. S. Perry, Associate Vice Chancellor, Administration and Planning Services; Ross Hall, Controller; Peter Hughes, Audit Supervisor; Joe Sicotte, Associate Vice Chancellor, Personnel Services; Virginia Boushey, Assistant to Executive Vice Chancellor; Jerry Lidz, Assistant Attorney General; James Payne, Assistant in Student Services; Barbara Barrie, Personnel Officer; Wayne Kurlinski, Special Assistant to the Chancellor; Davis Quenzer, Associate Vice Chancellor, Fiscal Policies; James Lockwood, Assistant to Vice Chancellor, Academic Affairs; Debbie Cherry, Secretary, Public Affairs; Pat Wignes, Assistant Board Secretary.

Oregon State University--President John V. Byrne; T. D. Parsons, Vice President for Finance and Administration; Rob Phillips, Vice President, University Relations; George H. Keller, Vice President, Research and Graduate Studies; Jim Dunn, Executive Secretary, OSU Foundation; Carl Stoltenberg, Dean, College of Forestry; R. O. McMahon, President, Faculty Senate.
University of Oregon--Richard J. Hill, Provost; Paul S. Holbo, Vice Provost.

Oregon Health Sciences University--President Leonard Laster; J. T. McGill, Vice President; Steve Bauer, Assistant to the President.

Portland State University--President J. C. Blumel; Margaret J. Dobson, Vice President for Academic Affairs; Orcilia Forbes, Vice President for Student Services; J. K. Harris, Budget Director; Eugene Enneking, Representing Association of Oregon Faculties; Nancy Koroloff, Coordinator, Field Instruction.

Eastern Oregon State College--President David Gilbert; James Lundy, Dean of Administration; James Hottois, Dean of Academic Affairs.

Oregon Institute of Technology--President Larry Blake; William W. Smith, Dean, Academic Affairs; John H. Smith, Dean of Administration.

Southern Oregon State College--Ernest E. Ettlich, Dean of Academic Affairs.

Western Oregon State College--President Richard Meyers; Bill Cowart, Provost; Bill Neifert, Dean of Administration.

Others--Sherry Oeser, Executive Director, Oregon Student Lobby; Barbara Mitchell, Deputy Director, Oregon Educational Coordinating Commission; Charles A. Schaumburg, International Business Services; Alex Kirnak and Milton Mittelstedt, representing the estate of Edgar Hoener.

At the request of President Batiste, the Secretary read a portion of the letter addressed to Governor Atiyeh in which Mrs. Flanagan submitted her resignation from the Board due to illness.

Mr. Batiste appointed Mr. Petersen and Mr. Alltucker to the nominating committee to present a nominee for the vacancy on the Executive Committee resulting from Mrs. Flanagan's resignation. Mr. Petersen was appointed chairman of the committee. Other Board members may submit nominations to the committee.

Mr. Batiste then appointed Mr. Hensley as Chairman and Mrs. Nelson as Vice Chairman of the Committee on Instruction, Research and Public Service Programs, effective immediately.
MINUTES APPROVED

The Board dispensed with the reading of the minutes of the last regular meeting held on December 20, 1985, and approved them as previously distributed. The following voted in favor: Directors Adams, Altucker, Chao, Clark, Crowell, Hensley, Nelson, Petersen, Schwab, and Batiste. Those voting no: None.

CHANCELLOR'S REPORT

The Chancellor indicated that a very special gift had been received by Oregon State University from one of its prominent alumni. He invited President Byrne and Dean Carl Stoltenberg to describe the bequest.

President Byrne said that periodically an event occurs which recognizes the excellence that exists in the institutions. The College of Forestry at Oregon State University has been recognized nationally for its prominence and excellence. Recognition of excellence comes from individuals as well as from major groups. President Byrne then introduced Mr. Alex Kirnak who was representing the estate of Edgar P. Hoener, a former leader in the forestry industry.

Mr. Kirnak said Mr. Hoener was, from 1932 to 1951, Vice President and Business Manager of the Timberman magazine, an international lumber periodical founded by George M. Cornwall in 1899. Mr. Kirnak stated that Mr. Cornwall was active in civic and forest industry affairs and was particularly interested in the activities of, and gave support to, the forestry school at Oregon State University during his lifetime. When Mr. Cornwall died in 1959, Mr. Hoener became president and publisher of the magazine. Mr. Hoener married Dorothy Davidson and in his will, he established the Dorothy B. Hoener Memorial Fund in her memory for the benefit of forestry students at Oregon State University. Mr. Hoener died in November of 1985, and the bequest from the estate to Oregon State University will be in excess of $1 million. The income from the bequest is to be used for scholarships for deserving students in the School of Forestry; for work-study programs that might be arranged by the school, perhaps with industry manufacturing plants; and to cover expenses of travel seminars for forestry students in fields.

Mr. Kirnak said he was conveying the bequest to Dean Stoltenberg as an expression of the hopes of Mr. Hoener that the establishment of the bequest would enable many future forestry students to get the needed education to provide useful, productive lives in the forestry industry in Oregon and throughout the nation. In addition to the bequest, Mr. Kirnak presented a portrait of Dorothy Hoener.
Dean Stoltenberg said it was a delight and an honor to represent the College of Forestry in receiving the bequest and that it was accepted with considerable humility. The gift will make possible a forestry education for many students in the future and will improve the forestry education of all students through the improvements which will be possible as a result of this permanent endowment.

Dean Stoltenberg said it was important to recognize the value of a continuous commitment of leadership followed by strong and consistent support in providing the foundation for educational excellence throughout the system of public education. That excellence is achieved only when that consistent support is supplemented by private gifts and donations such as the one from Mr. Hoener.

The Chancellor expressed appreciation to the Oregon State University Foundation because the work, activities and interest of the foundation make these things possible. This is a working memorial which will be perpetuated throughout the life of the institution and will benefit many students.

The Chancellor said the Faculty Excellence Awards for research and scholarship and for teaching had been established in the last biennium and continued in the present biennium. He said the new awards were the third group of awards and the impact was very impressive. The program creates an appreciation of excellence and is a partial recognition of the contributions, not only of these faculty, but all of the faculty that are so honored. He indicated the Committee on Instruction had served as the selection committee for the awards and requested Mr. Hensley to present the recommendations to the Board. The awards were retroactive to the beginning of the fall semester on September 15, 1985.

Mr. Hensley said this had been his second opportunity to serve on the selection committee for the awards and he had been very impressed with the quality of the individuals. He said it was unfortunate that there had not been a sufficient number of awards to give one to each applicant because the quality was certainly evident.

Mr. Hensley thanked the institutions for their cooperation in submitting these outstanding candidates. He then announced the recipients of this year's awards. The following faculty members received the Faculty Excellence Awards:
FACULTY EXCELLENCE AWARDS FOR RESEARCH & SCHOLARSHIP

Carl Abbott, Professor, Urban Studies & Planning, PSU  
Sonia R. Anderson, Professor, Biochemistry & Biophysics, OSU  
George S. Bailey, Associate Professor, Food Service & Technology, OSU  
G. Thomas Bellamy, Associate Professor, Special Education and Rehabilitation, UO  
Lee S. Casperson, Professor, Electrical Engineering, PSU  
Rene Freyereisen, Associate Professor, Entomology & Agricultural Chemistry, OSU  
Peter Gilkey, Professor, Mathematics, UO  
Dennis E. Hruby, Assistant Professor, Microbiology, OSU  
E. Michael Van Buskirk, Professor, Ophthalmology, OHSU  
Charles F. Wilkinson, Professor, Law, UO

FACULTY EXCELLENCE AWARDS FOR TEACHING

Marcus J. Borg, Associate Professor, Religious Studies, OSU  
David L. Dyrud, Associate Professor, Communications, OIT  
Barbara Gains, Associate Professor, Adult Health & Illness Nursing, OHSU  
Richard Koch, Professor, Mathematics, UO  
Richard M. Moore, Professor, Civil Engineering Technology, OIT  
Lyle A. Schwarz, Professor, Theater & Speech, EOSC  
Betty La Duke Westigard, Professor, Art, SOSC

The Board approved the awards recommended by the selection committee. The following voted in favor: Directors Adams, Alltucker, Chao, Clark, Crowell, Hensley, Nelson, Petersen, Schwab, and Batiste. Those voting no: None.

Mr. Hensley commented that the intent of the committee was to consider the individuals and analyze their respective nominations without regard to the institutions. There was never any intent to divide the awards among the institutions, but only to evaluate the individual nominations.

Mrs. Nelson said this probably had been the most rewarding and instructive experience which she has had as a Board member. Reading the dossiers on these faculty members provided a sense of the essence of what really is excellent teaching or research.

The Chancellor indicated the funding for the awards would provide a $5,000 stipend for the research recognition and a $2,500 stipend for the outstanding teaching awards. Both are built into the permanent base.
Meeting #533

Search and Selection Process for Presidents

Board members were provided with the draft of a proposed policy on the procedure for the search and selection process for college and university presidents within the State System. The Chancellor said the topic had been discussed previously at the Board's retreat in September. The material presented to the Board was based on a report developed by the consultants employed at the time the search for the Chancellor was conducted. He reviewed briefly the provisions in the search and selection process.

The Chancellor recommended that the Board accept the report, review its contents, make suggestions for any specific revisions, and then consider the adoption as Board policy of the specific guidelines for the procedure.

Mr. Petersen commented that he did not anticipate the statement would be modified substantially because it had worked very successfully during the search for the Chancellor. He noted that the plan was a departure from the previous practice of having a large committee on each campus involved in the selection of a president. He said the proposed procedure would place the impetus on the Board in the selection process.

Miss Schwab commented that perhaps five Board members on the committee might be a larger number than was necessary since input from the Chancellor would be available in the selection of presidents.

OCATE Report

The Chancellor said that during the previous week there had been the first meeting of all of the members of the OCATE Commission plus the advisory group from the colleges. He said he had been extremely pleased with the unanimity which had characterized the planning sessions and the preparation of a document to be submitted to the Board for approval as a working document outlining the arrangements, partnerships, and expectations. He indicated that Mr. Chao would present the report and that Vice Chancellor Owen and Director Olsen were present to comment or respond to questions.

Mr. Chao said there had been several meetings of the Governor's Commission on technical education and concurred with the Chancellor's statement that there had been significant unanimity in the objectives. The discussions were centered around implementation issues. He said Mr. Earl Wantland should be recognized especially for his excellent leadership.
Mr. Chao said the Commission and the Advisory Committee had approved the document, "A Statement of Mission and Strategy Objectives, Oregon Center for Advanced Technology Education," dated January 9, 1986, for submission to the Special Committee on OCATE and ultimately to the Board. The document describes the mission and objectives for OCATE and appears as Supplement A to these minutes.

Mr. Chao said the Special Committee on OCATE had accepted the report and recommended that the Board also accept it. He then requested Dr. Owen to give a brief report on OCATE and review the mission statement and implementation plan.

Dr. Owen said the mission statement was short and was acceptable to the various constituencies comprising OCATE and they have had an opportunity to contribute to it. The emphasis in the document is on the role of OCATE as coordinator, facilitator, and promoter of cooperative educational ventures which will involve people, not only from the public and private institutions within the state, but from industry and people able to contribute to the program from outside Oregon. Dr. Owen then commented briefly on the mission. He indicated the anticipated income from lottery funds might be only half of what was projected.

Dr. Owen said he, too, wished to express appreciation to Mr. Wantland for his style of leadership in which a consensus was managed relatively painlessly and easily from various diverse points of view. The presidents were very helpful in reviewing the OCATE documents and providing information and comments. Dr. Owen said a second document distributed to the Board was the operational and implementation plan. It was intended primarily for the information of the Board and would be modified and changed regularly. He said this document was concerned with short-term and intermediate goals. A copy is on file in the Board's Office.

Mr. Batiste inquired whether the statement of mission and the strategic objectives had been approved by the advisory committee and the commission. Dr. Owen responded that the statement before the Board reflected some of the things pointed out at the meeting between the Commission and the Advisory Board.

Mr. Batiste said that in view of the fact this was a mission statement for which the Board has prime responsibility, he would refer the document to the Committee on Instruction unless there were objections or time constraints which would be violated.
Mr. Chao said he did not think there would be any objections although industrial representatives and the presidents were anxious to move ahead. The acceptance of the report would be adequate at the present time, and approval or further modification of the mission probably could be deferred until the next meeting.

Mr. Hensley said that it was important to indicate to the participants, particularly industry people, that the Board was accepting the report. Then the Instruction Committee could review it in more detail.

The Board accepted the report, with the following voting in favor: Directors Adams, Alltucker, Chao, Clark, Crowell, Hensley, Nelson, Petersen, Schwab, and Batiste. Those voting no: None.

The Board referred the report to the Committee on Instruction for review and further report to the Board. The following voted in favor: Directors Adams, Alltucker, Chao, Clark, Crowell, Hensley, Nelson, Petersen, Schwab, and Batiste. Those voting no: None.

Mr. Batiste said procedures established for the evaluation of the Chancellor had been adopted. He reviewed the procedures as set forth in the minutes of the November 1985 Board meeting.

Mr. Batiste said he would be available prior to February 15 to receive from anyone, by way of written communication, telephone conversations, or meetings, any comments related to the evaluation of the Chancellor. He said he would be sending a questionnaire to each Board member who had served with the Chancellor since July 1, 1982. These questionnaires are to be returned by February 1. Mr. Batiste said he would visit with the Chancellor in Eugene. The Executive Committee would then prepare the evaluative report.

Mr. Batiste said the Board would meet in in Executive Session on February 20 to discuss the evaluation. The Secretary of the Board will notify the Board and the media of the precise time and place of the Executive Session.

Oregon State University requests authorization to establish a Center for Advanced Materials Research. The goal of the center is to strengthen research and education in the properties, preparation, synthesis, and understanding of new materials. There will be special emphasis on materials that are of importance to Oregon's industries.
A particular objective will be to foster interdisciplinary research and teaching activities that will bring together scientists from various colleges of the University, industry, and from different institutions of the Oregon State System of Higher Education.

A description of the proposed center is contained in the document entitled, "Request by Oregon State University To Establish a Center for Advanced Materials Research," on pp.1-10. A copy of the document is on file in the Board's Office.

Oregon State University has a number of large and relatively long-established programs involved in materials research. This center will help tie these activities together and facilitate the further development of materials research at the institution. It will also continue the high degree of collaboration that exists between Oregon State University, the University of Oregon, the Oregon Graduate Center, and industry in the field of materials science.

The center requires no new state funds. Approximately $25,000 of institutional funds will be reallocated to cover administrative costs. The research activities of the institute will be supported from grants and contracts obtained by members of the center.

**Staff Recommendation to the Committee**

It was recommended that the Board approve Oregon State University's request to establish a Center for Advanced Materials Research effective Spring term 1986.

**Discussion and Recommendation by the Committee**

Dr. Pierce presented the staff report and recommendation. He indicated that Dr. George Keller, Vice President for Research and Graduate Studies at Oregon State University, was present to respond to questions about the proposal.

Dr. Keller said the materials research area had received substantial support at the institution and through the Oregon State University Foundation. Faculty from eight departments and three academic units have been brought together informally, and the proposal before the Board would formalize this with a recognized center. The creation of the formal organization is important in terms of the outside perception, although the faculty has been developing this interdisciplinary activity for three years.
Mr. Clark inquired whether there was any integration of the program with the Oregon Health Sciences University. Dr. Keller responded that the medical and personal health aspects were concentrated in Portland. He said Oregon State University presently was trying to develop a stronger program with the University of Oregon because of the similarities between the programs and the types of things that were being done. Integration with the biomedical studies might occur at some future time depending on personal interest, the research thrust, and how they match.

Mr. Adams asked whether there was a difference between an institute and a center, or whether the terms were interchangeable.

Dr. Pierce said he would consider the terms interchangeable. The two programs are quite similar, and the purposes are similar. The purpose in each case is to bring people together who have somewhat different backgrounds, talents and expertise to work on a single kind of problem. The result is a critical mass of researchers to improve the competitiveness of the institution in its ability to get grants and contracts and to compete successfully in this field of research. It was indicated that either a center or an institute requires approval by the Board.

Mr. Batiste said it would be helpful to clarify the distinction between a center and an institute.

President Byrne said originally the distinction was that centers usually involved the facility and the institute was an organizational activity, although a center also had some organizational elements. The definitions have been eroded to some extent and have become somewhat interchangeable. In the past, a center usually implied that there was some facility designated as a focal point as well.

Mr. Hensley inquired concerning the designation, salary, and the funding allocation for the director of the center. Dr. Keller explained that funds for the .25 FTE of the director would come from returned overhead charges formulated by the research programs. The center director will not be a permanent assignment, but it will not rotate necessarily among the departments. The .25 FTE support for the director is a common pattern at the institution with the exception of the Marine Science Center, which has a full-time director, and one other cooperative institute for which the federal government provided support for an additional .25 FTE of the director.
Mr. Hensley asked Dr. Keller how he viewed the proposed program as affecting business, industry, and economics in Oregon.

Dr. Keller said the whole special area of materials science has been increasing annually so that there has been increased involvement with industry. That relates to economic development, if the assumption is made that as industry increases, economic development increases. The center is geared to dealing with issues that have high relevance. Therefore, there should be an impact.

Mr. Charles Schaumburg, a specialist in business recruiting working as an international business consultant with Japan and other Asian countries, said there was a definite relationship between this field and the location of major international businesses in the Pacific Northwest.

In response to a question concerning patent rights for any new materials which might be developed, it was stated that the Board policy would be followed.

The Committee recommended that the Board approve the staff recommendation as presented.

Board Discussion and Action

Mr. Adams presented the report and recommendation of the Committee. Dr. Keller and Mr. Hensley then summarized comments made during the Committee discussion with reference to the activities and organization of the center and the funding for the center.

Mr. Adams commented that the supporting material included a list of some 43 staff members who were associated currently with this research program.

Mr. Alltucker requested a brief explanation of the difference in focus between the effort at Oregon State University and the one at the University of Oregon, including any cooperative efforts between them.

Dr. Keller said the focus at Oregon State University was more toward the composite areas in both electrical engineering computer science and forestry and forest products. The most active faculty members are in electrical computer engineering, forest products, physics, and chemistry. Physics and chemistry are the basic areas that bring the program together, because those
fields are involved in some of the basic studies that relate to both sides of the issues studied. He said he believed the program at the University of Oregon was more basic, fundamental research. There has been particular cooperation in electrical computer engineering.

Dr. Hill, provost and Vice President for Academic Affairs at the University of Oregon, said Dr. Keller had described the situation very accurately and the University of Oregon was very supportive of the establishment of the center at Oregon State University.

Dr. Owen said he had worked very closely with the director of the program at the University of Oregon. The University of Oregon's research concentrates on the basic and physical principles of the devices. The Oregon State University program is interested not only in the physical principles, but also in the circuit application and growth and characterization of devices. He said there is very close cooperation.

Mr. Alltucker said Board members were often asked by the general public and the media about the efforts to avoid duplication. In the Committee discussion, it was very clear that when an institution or individual is engaged in basic research learning more about the fundamental elements, that data can be taken by someone else to find a practical use for the information. On the other hand, a person involved in applied research inevitably becomes concerned with basic research, so both aspects work together. In this instance, Oregon State University and the University of Oregon are working cooperatively between basic research and the practical uses for new information.

The Board approved the staff recommendation as presented, with the following voting in favor: Directors Adams, Alltucker, Chao, Clark, Crowell, Hensley, Nelson, Petersen, Schwab, and Batiste. Those voting no: None.

Staff Report to the Committee

It has been requested that the Board be given an opportunity to re-examine its policy on fees for specific courses while some institutions have suggested adding course fees in certain circumstances.

History

Course fees have been prohibited under Oregon's tuition policies as far back as Board files can be readily examined. Over 30 years ago a statement limiting fines and special fees was developed.
That statement was continued in the annual fee book until 1977-78 when a revised policy statement was drafted. The 1977-78 course fee policy continues as a guide for current practice.

Prior to 1977-78 special fees were strictly limited. Special fees were allowed for facilities and services utilized for golf, swimming, horseback riding, skiing, etc., if the activity was conducted using private property or institutional property which was maintained as an Auxiliary Activity. If the activity was conducted with the use of property normally owned and operated by an educational department and served a direct educational purpose, it was the policy to refrain from making special charges to students. One exception, the special charge to students in courses using music property, was cited as a practice consistent with that of most educational institutions. It is noteworthy that the policy stated that, "Generally, fines and special charges in excess of the cost of repairing damage to institutional property shall accrue to the benefit of the Board's unrestricted funds as miscellaneous income." This feature of the policy created little incentive for institutions to initiate special fees since there was no direct financial benefit.

An interinstitutional study led to development of a changed special fee policy for the 1977-78 fiscal year. That effort resulted in modifications which have been retained in current practices. In presenting that change for Board review it was stated that establishment of a limited policy would provide institutions with needed flexibility while at the same time reaffirming the Board's policy that the instruction fee (tuition) is the major source of student fee income to be used in the instruction process. Current policy permits a lab or course fee for institutional sale to students of equipment, materials, or services required as a part of course instruction only if:

1. The equipment or material
   a. is retained as the personal property of the student at conclusion of the course and
   b. is not readily available for purchase through the bookstore or other external source.

2. The service is essentially the equivalent of textbooks as a tool of instruction (such as a charge for film rental in a course in cinematic art or travel to field sites for certain courses).
In addition the policy states:

Approval will not be given for laboratory or course fees that constitute a charge for the use of institution-owned equipment, for specimens, for reagents, or for other materials and supplies that are consumed in the instruction process, except for certain non-required physical education courses that involve the use of non-state-owned facilities or expensive equipment.

There is little to be found in Board's files to describe the educational objectives or philosophy on which tuition and fee policies are based. There are, however, several principles and relationships which are evident in the Board's tuition policies. Some of the more significant are:

1. System-wide as well as the lowest attainable tuition rates has maintained or enhanced the educational opportunity for all who may benefit and encouraged the freedom of choice of institution or curriculum selection by students.

2. Tuition rates are set to allow the maximum flexibility for the student in course selection. Thus, tuition is the same for students taking between 12 and 21 credit hours.

3. Board control of tuition has been retained through annual review and approval of rates. Delegation of responsibility for setting fees, including course fees, tends to diminish the control which the Board can exercise. Some Board members, in past tuition policy discussions, have taken the position that tuition is a statutory responsibility of the Board, not appropriate for delegation to its staff or institutions.

4. Tuition setting influences exercised by the Legislature inevitably affect tuition rates. In past practice tuition was determined as a percentage of the cost of instruction. Also tuition freezes have been funded by the Legislature to reduce the share of cost borne by students. It appears that the funding of a freeze in 1986-87 would preclude initiation of course fees during the 1985-1987 biennium. If future course fees are allowed, any future freeze on tuition would probably require a similar freeze on course fees.

5. Interinstitutional fee relationships have been maintained by the Board, ranging from the uniform rates of the 1960's to current university/college differentials, including a rate structure at EOSC directed toward enrollment stabilization. Course fees cause those relationships to be less precise since mandatory course fees represent additional and to some extent hidden tuition charges.
Other Institution Practices

Institutional practices differ. A telephone/telex survey of institutions provided the following:

**University of Idaho**

For credit courses, special fees are allowed only when a tangible benefit is gained by the student (example: make up kit, portfolio in art, supplies provided by department at cost lower than bookstore). Special course fees are allowed upon approval of the vice president of administration in unique courses such as travel for field trips or video tape courses.

Computer courses are provided from the institution's budget. No special charges are made for computer equipment; students pay for optional extra computer use after using a per student allowance deemed sufficient to meet course requirements.

**University of Wyoming**

Lab and course fees are administered under a recently established policy patterned after Oregon's current policy. Lab and special course fees are subject to approval by the Board of Trustees.

**Missouri**

Course fees for engineering courses only, $12 per credit hour at Columbia, $20 per credit hour at Rolla. Both are expected to be abandoned soon; music, PE, etc., course fees abandoned several years ago as nuisances.

**Purdue**

The only special fees are in the areas of aviation technology flying instruction, PE courses such as horsemanship, and other courses where there is a rental or usage charge.

**University of Virginia**

No special fees.

**Michigan State University**

No course related fees. There is a registration fee in addition to tuition but all other fees are incorporated within the tuition amount.
Ohio State University

The only fee other than instructional and general fees for any program is a $25 fee charged for first year law students for the Bar Association.

Texas

No special fees.

Washington

There are a number of course related fees ranging from special lab fees to music fees. A computer fee is under discussion for engineering students. A committee is now reviewing the various fees and how they are established.

Wisconsin

There is a specific policy against special course fees. In general, the policy prohibits charging special course fees for activities which are required for successful completion of a course, even though the activities may represent special or extraordinary costs. Only limited exceptions are permitted for required activities, such as transportation costs for a required field trip of extended duration and considerable distance where significant personal benefits other than traditional course content also accrue to the student. On the other hand, fees for activities which represent student-exercised options are to be paid by the student. In either case, students must be forewarned of the fees prior to registration.

University of Maryland

Special course fees apply to noncredit remedial courses.

Pittsburgh

Special fees consist of:

Music equipment fee, majors or non-majors introductory course $20
Applied music fee, basic piano $30
Applied music fee, major instrument $150
Chemistry Lab--general $10 to $15
Chemistry Lab--advanced $20 to $30
PE Equipment fee--$25
Pharmacy lab fee--$20
Health related professions lab fee--$10
Each fee is per term and some are contingent upon the particular course for which the student is enrolled.

**Iowa State**

Beginning Fall 1985, students enrolled in course which require use of a significant amount of computer time are being charged $5-30 per course to a maximum of $60 per semester. In Fall 1986, engineering majors will be charged a fee of $100 per semester but will not be charged the computer fee.

**Minnesota**

No course fees except a few PE usage fees.

**Penn State**

Course fees are limited to individual instruction courses in music--$60 for one credit; $100 for 2 or 3 credit courses.

In addition, Fall 1985 started a per semester surcharge at the student level to all undergraduate students with 5th semester standing or above and graduate students in all engineering and earth and mineral science programs.

**North Carolina**

Course fees are used, primarily for computer use, but also in fields such as social work, public health and law.

**Nebraska**

Some special fees are assessed for high cost courses. A review process requires approval by the Vice Chancellor for Academic Affairs with an annual review by the Board of Regents.

**Iowa**

There is currently no written policy, but one may emerge from a current study to identify fees, the income generated and how the dollars are used. Fees include private music lessons, locker or equipment fees, stable charges for horseback riding and, for some courses, fees to cover costs of materials.

**Illinois**

The only special fee in the course catalog is for flight training.
Kansas

No course fees.

Summary of Other State Institution Practices

Course fees practices vary. Several institutions among those surveyed have some course fees. Some institutions have limited course fee policies similar to those in Oregon's current policy; some have no course fees or direct prohibitions against course fees.

Oregon Institution Positions

Each of the universities was requested to prepare a paper outlining the institutional position on the use of course fees. Excerpts from their reports follow.

Oregon State University

Oregon State University supports a tuition policy which establishes tuition levels by institution rather than by major field of study. However, there are instances where individual course fees are justified because of the cost of providing specialized materials or equipment or because of the faculty-intensive nature of the instruction. Instruction of the desired quality would not be offered if such courses compete for scarce resources on an even basis with other less expensive courses. We would encourage the Board to reexamine course fee policies and allow fees to be levied for courses which do incur extraordinary personnel, services, and supplies, or equipment costs which cannot be reasonably met from existing budgets.

Portland State University

This responds to your inquiry relative to our position on laboratory and course fees.

We have, as you know, consistently subscribed to the philosophy enunciated in the Academic Year Fee Books. In general this has been our position for at least nine years, albeit that we can identify certain lab fees charged at two other OSSHE institutions which we have been advised were "grandfathered in" when the current policy was adopted. Unfortunately this creates a disproportionate resource situation wherein labs at one institution may be able to provide supplies and equipment to students at a level above that of another institution.
You question whether we would support lab fees specifically for instructional computing needs, an item proposed by U of O at an earlier Board meeting. Although we still subscribe to the basic policy espoused in the Fee Book, the significant increase in computing interest by students in all areas suggests that we would support an additional fee for the use of computing resources. Again, I think the policy on this should be an exception. With the extraordinary expense involved in the support of instructional computing, I don't believe we should totally socialize these costs with tuition.

University of Oregon

It has been and remains the view of the University of Oregon that the State should fund fully all activities that are required of students for successful completion of approved academic courses and programs, even though extra or special costs are involved. The alternative to such a policy would be to charge students according to the cost of the program they are pursuing. This would price some programs beyond the reach of students with limited financial resources, unless special aid was also provided.

While the policy of full state support for regular classes at public institutions seems to be both wise and the norm, it is clear that such will not be the case in the Oregon State System of Higher Education. The University of Oregon therefore has been forced to establish a long list of special fees. It can be said at least that the University has carefully followed OSSHE regulations and keeps careful track of the fees, in contrast to several of the AAU institutions about which we have provided information. But the many special fees create substantial problems of record-keeping, refunds, and student discontent; and, in the instance of the Law School, have created budgetary problems when the fees have been used to support classified or academic positions--a situation that is now being corrected.

At the same time, it is apparent that the costs of some programs have exceeded our resources. This is particularly the case with instruction that involves the use of microcomputers or word-processing equipment and various instructional studios. The costs involved are for maintenance of equipment, software, paper, replacement of equipment that is worn out or broken, and supervision of the laboratories. Experience has demonstrated that lab supervision, necessary to protect against theft, to distribute appropriate software, and to assist the users is the largest expense.
The policy that we recommend is that authority be granted to the individual institutions to charge special fees in selected areas—not an overall general fee that would absorb the many small individual fees that now exist.

Pros and Cons of Course Fees

Control mechanisms used by the Board in setting tuition, expenditure controls and educational policy development tend to be weakened as course fee limitations are relaxed. Benefits occur at the institution, principally in the flexibility provided by the additional course fee resources.

Course fees are generally identified with resource issues. Instructional departments seek to establish course fees when resources are not adequate to provide desired program levels; institutions seek course fees when new or rapid instructional developments add to deficiencies in allocable resources. Use of the course fee has the advantage of providing resources to offer a more adequate response to instructional needs. They do, however, shift the additional cost directly to students, and selectively to students who enroll in courses subject to the fee.

Since the case for course fees is usually based on the high cost of a course offering, uniform tuition rates versus variable high cost program assessments is the real educational policy issue before the Board. A course fee argument based on the high cost of a course is perhaps inconsistent under the current Oregon fee structure. Existing courses and disciplines have a great range of costs not reflected in current tuition charged to students. Selective course fees cannot be justified by cost when a broad range of costs has been submerged in a policy designed to maintain uniform tuition rates.

Proliferation of course fees is of concern. The need for additional resources is not difficult to demonstrate in any department. Thus administration of course fees becomes increasingly more difficult as each new fee is approved, both from the standpoint of refusing new requests and the complexities introduced into the allocation process. Too often the course fee becomes an easier alternative than to submit legitimate resource needs to Boards and State Legislatures for funding. One example, reported during telephone discussion of other state practices, reported the case of about 10 years ago when an Indiana institution had course fees so prevalent that even English courses required them. That situation was corrected by legislative action to replace fees with appropriations and initiate a policy limiting course fees.
Financial aid programs will not be responsive to specific course fees. Awards are made before course selection is known so that a course fee cannot be included in the total need of a student. Secondly, if the increase could be included in awards, the number of students assisted would be reduced since there is a finite resource available for student aid. The result of these conditions is that course fee costs will be borne, as a direct cost, by students enrolled in assessed courses.

The improved budget allocations provided by the 1985 Legislature, combined with the funding of a tuition freeze in 1985-86, diminishes the impact of earlier arguments based on inability to provide a minimal level of instructional quality. This is not to say that funding levels are adequate; it does indicate that the urgency of the problem experienced earlier has been alleviated.

Staff Recommendation to the Committee

The staff recommended that the Board reaffirm its policy which generally prohibits course fees. The use of course fees is inconsistent with the uniform tuition policy which, in Oregon, has provided educational opportunity and freedom of choice. While other states' practices vary, our survey reflects a majority which prefers to limit or prohibit course fees. Other than the flexibility and added resources the course fee provides to an institution it is difficult to identify advantages to offset the disadvantages described in this document. The staff believes that the strengths of the existing policy justify its reaffirmation.

Discussion and Recommendation by the Committee

Mr. Petersen indicated that during the tuition freeze, it had been proposed that there was a need for additional laboratory courses, particularly in the computer science areas where technology costs exceeded the resources. The Board did not agree to raise or allow course fees at the time this proposal was made because the Board was under a mandate from the Legislature not to increase tuition. It was believed course fees would be viewed as a violation of that mandate and would not be received well by the Legislature. Subsequently, it was suggested again that the Board discuss and review the course fee policy.

Mr. Davis Quenzer presented the staff report. He said a special course fee becomes mandatory when the student registers for that course and it is no different than the mandatory tuition for registration. This differs from a program where there are fees for physical education courses that a student does not have to take or for special services which are provided. These
special course fees would become mandatory fees and would have to be reviewed each year by the Board because the Board establishes all mandatory fees.

Dr. Paul Holbo, Vice Provost for Academic Affairs at the University of Oregon, said he had assisted the Board's staff in reviewing fee policy but he disagreed with the recommendation in the report. He reviewed the previous request in 1984 for authority to impose course fees because of the extraordinary expenses in computer instruction. These costs have mounted greatly since 1984 as computer instruction has expanded. Dr. Holbo said he was pleased to note similar statements indicating the need for fees from the other two universities. This unanimity should arrest the Board's attention. The need is a very serious matter.

Dr. Holbo stated that the University would prefer not to request permission to charge fees, and he advocated full support for the costs of regular instruction. He noted that fees tend to persist. With respect to the persistence and proliferation of fees, Dr. Holbo said the University would pledge to sunset the fees as soon as the state provided the cost of instruction for regular courses. The Board itself could specify such sunsetting.

He then challenged the argument that uniform tuition schedules should be maintained, arguing that the State System presently did not have entirely uniform tuition schedules. He cited examples. With respect to the statement that the fees would affect financial aid, he stated that the proposed fees would be very modest and would reflect the additional costs. He said the Associated Students of the University of Oregon advocated the adoption of such fees in order to make sure that the necessary instruction was provided.

Dr. Holbo said the 1985 Legislature had done good things for higher education but did not restore any of the budget cuts suffered in recent years. There was no elimination of the problem presented to the Board, and the institutions have been forced to reallocate other instructional fees to assist in computer instruction.

Dr. Holbo then referred to language in the report implying that the issue was to provide the minimal level of instructional quality. He said he was not aware that the Board had ever set such a low goal for the institutions but rather wanted the institutions to provide needed top-quality education. The University has been responding to the computer revolution, and responding well, he said.
Dr. Holbo then described the computer laboratories and said microcomputer instruction represented a different kind of financing issue because of the extent and intensity of use. It costs $296 per machine for operation of the machine, maintenance, supplies, and laboratory assistants.

In response to a question from Mr. Crowell concerning the proposed fee charges, Dr. Holbo suggested a range of $5 to $20, depending on the variations in the amount of use per class. Mr. Crowell then asked how the charge would affect access for students who were unable to afford the extra cost.

Dr. Holbo asked whether equal educational access meant that the institution should not expand microcomputer courses or other programs because it was still necessary to hire staff in other fields. Funds are being taken from one instruction purpose for another. Students, after considerable deliberation, concluded the course fee was appropriate.

Mr. Petersen commented that the demand existed but the issue was an institutional management issue with respect to how the institution expends the funds provided to the institution for instruction. He said he would have to be convinced that course fees were not an easy solution rather than making the hard decisions as to what areas were going to be supported and which were not in terms of student demand. He said it was very easy to add course fees but sometimes it was necessary to make the difficult decisions based on the reallocation of the existing resources.

Dr. Holbo said the course fee was not viewed as an easy way out. It is disagreeable and out of tune with the other universities in the American Association of Universities. The institution has been making the hard decisions and will continue to do that if the fee is not permitted. This would mean the microcomputer instruction and other computer instruction would not be provided to the degree desired or some other instruction would not be provided.

Mr. Chao asked whether there was any broader sense of where students stood on the issue of course fees.

Ms. Sherry Oeser reported that the board of the Oregon Student Lobby had discussed the matter at length after the topic appeared on the agenda for the Board of Higher Education. She said the Oregon Student Lobby was sympathetic to the problems the universities have in allocating insufficient resources. The board of the Oregon Student Lobby voted unanimously to oppose increases in course fees or having course fees. The Oregon Student Lobby would suggest to the Board that it request at
the next Legislative Session either a restoration of previous budget cuts or specific allocations for instructional computing. She indicated the Oregon Student Lobby could support such a request very strongly.

Mr. Chao said there were fees already. He proposed that the Board review those fees and perhaps eliminate them rather than using them as a justification for other fees.

Mr. Alltucker stated that he was not swayed by the argument that the course fees would make the budgetary process more complex or would make it more difficult for administrators to make hard decisions on the allocation of funds. He said the issue was whether it was in the best interests of the State of Oregon to provide equal access to all disciplines for all people, regardless of cost. The discussion of the Committee and the Board should center on the concept that access should not be denied to any student so that a student can choose either an expensive or inexpensive education without regard to economic ability to pay.

Dr. T. D. Parsons, Vice President for Administration at Oregon State University, said the Board's previous decision that there should not be differential tuition by major was a very sound position and personally he would be very disappointed if the Board took any action that would not prevent proliferation of course fees in the future because that also was a sound position. He said the point is that situations arise in which the Board should make exceptions to that policy and computing is one of those areas in which this should happen. It was recognized several years ago that computer instruction was essential for all students. This becomes a massive problem that is not solved by reallocation because it is simply too large. The Board recognized the problem with the approval of a program improvement package which was submitted to the last Legislature but was not funded. This is now the fourth year the institutions have faced the problem, and it should be the occasion for a special fee to be established only until the program improvement package is funded.

Mr. Alltucker said he would have no hesitation in telling the Legislature that computer instruction was a fundamental cost of providing a high quality education and that he was confident he could defend that statement and get funding. Dr. Parsons said the institutions were unable to wait until the money was appropriated. The fee is needed now in order to solve the problem until it can be replaced with other funds.
Mr. Chao questioned whether this was a course fee issue or really an issue of the institutions being able to address problems common to all students. He also said students should know what it costs to make copies and printouts in terms of supplies.

In response to a question, Dr. Parsons said he would want to raise $200,000-$300,000 per year for the costs of supplies, maintenance costs on equipment, and staffing the laboratories.

Miss Schwab expressed support for the staff recommendation. She said a fee usually is not rescinded once it is established.

Mr. Petersen said the testimony from the Oregon Student Lobby was very appropriate. There is a problem, and the Board should seek legislative support financially in the instruction budgets to carry on these necessary functions. This would respond to Mr. Alltucker's point of maintaining equal access.

Mr. Lemman stated that the testimony from the institutions, as he understood it, would indicate course fees of $6-$7 per term.

Mr. Alltucker said that when compared to the total cost to the state of owning and operating Oregon State University, the $300,000 needed for computer instruction was almost an insignificant amount. The decision depends on whether the Committee and the Board believe that it is in the best interests of the state to provide equal access to all disciplines. He said every student should have access to computer instruction and understand computers. He said he was sufficiently concerned that if by putting the request in the budgetary process it would delay any results for four years, he would favor going to the Emergency Board. If the Committee and the Board support the established policy of equal access to all disciplines, regardless of cost, the Emergency Board should be advised that the situation is changing rapidly, that computer instruction has not been in the budget previously, and there should be some allocation to assist the institutions.

The Committee approved an amendment by Mr. Chao to the staff recommendation stating that at a convenient, but not too distant, time, the staff review other exceptions to the fee policy and endeavor to minimize the number of exceptions. Mr. Lemman said a convenient time might be at the time of the instructional fee policy presentation.

The Committee then approved a second amendment by Mr. Alltucker to instruct the staff to assess the budgetary impact of providing this instruction and the continuing need over a five-year period.

Mr. Lemman suggested presenting the budgetary impact to the Board when the 1986-87 operating budget was presented.
Mr. Crowell asked why the colleges had not been requested to submit information and opinions on the course fees. Mr. Quenzer said the colleges essentially had not been supportive of course fees.

The Committee then approved the staff recommendation with the addition of the amendments by Mr. Chao and Mr. Alltucker.

Board Discussion and Action

Mr. Crowell presented the Committee report and recommendation. He said the concerns of the Committee were that equitable educational access should be maintained and that individual course fees tend to proliferate. The institutions need to make the difficult decisions on internal allocations. The Committee recognized and fundamentally supported the implementation of computers into the educational process so that students across all academic areas would have access to them.

Mr. Crowell said the Committee recommended that the Board approve the staff recommendation as amended to request the staff to review all course fees within the State System and try to minimize them and to request that the staff assess the budgetary impact of the need for course fees specifically in computer courses over a five-year period. The Board would then consider that information and determine whether a request for funds should be made to the Emergency Board or the next Legislative Session. The Committee agreed that the information would be presented at the time the 1986-87 annual budget was brought to the Board for review.

Mr. Alltucker said if the Board chose to maintain its past policy of equal access regardless of economic status, the course fees that now exist, and computer fees in particular, really belong in the budgetary process. He said some of the institutions had pointed out that the budgetary process might take too long because the computer programs were costing substantial amounts of money every year. For this reason, the Committee requested the data on costs with the thought that a request might be made to the Emergency Board.

Mr. Petersen said the Oregon Student Lobby had testified in opposition to the course fees but there had been an indication of support for them on the part of the Associated Students of the University of Oregon. Mr. Lemman added the student support was for course fees for computer science courses.

Mr. Petersen commented that the Oregon Student Lobby had worked hard to get the tuition freeze in the second year of the
biennium and, in his opinion, it would be an act of good faith for the Board to approve a recommendation not to increase course fees at this point.

Mr. Adams said the policy evidently was generally to prohibit course fees. He said he would assume each institution could make exceptions on occasion.

Mr. Petersen said this was not correct because the Board had absolute control over course fees and the Board has not wanted them to proliferate. He indicated there were some fees now and the text of the report explained that the reason for those fees frequently involved a product used by the student, such as clay in a ceramics class. Mr. Lemman said that the exceptions to the general statement were included in the Board's written policy.

The Board approved the committee recommendation as presented, with the following voting in favor: Directors Adams, Alltucker, Chao, Clark, Crowell, Hensley, Nelson, Petersen, Schwab, and Batiste. Those voting no: None.

Staff Report to the Committee

Salaries for house staff (interns and residents) at University Hospital traditionally have been set in consultation with the Portland Council of Teaching Hospitals, using other western teaching hospitals as comparators. Adjustments range from 4.0% to 7.9% and averaging 4.7% are proposed for 1986-87 based upon the following considerations:

1. No adjustment was made in 1985-86; an adjustment of 3.0% was made in 1984-85. The proposed adjustments for 1986-87 result in a total of 7.8% for a three-year period.

2. The Portland Council of Teaching Hospitals, encompassing all of the hospitals participating in the University-affiliated residency programs, has recommended the salaries shown below for 1986-87. There was considerable sentiment that rates be adjusted January 1, 1986, to ensure competitiveness in the recruitment of residents; but, at the University's urging, the group did agree to wait until July 1, 1986.
3. The Oregon Health Sciences University schedule is behind that of all other western teaching hospitals, except one. Comparator statistics follow for 1985-86:

<table>
<thead>
<tr>
<th>Training Level</th>
<th>OHSU</th>
<th>All Western Amount</th>
<th>Variance</th>
<th>All Western Except California Amount</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Postgraduate 1</td>
<td>$18,770</td>
<td>$20,055</td>
<td>6.8%</td>
<td>$19,934</td>
<td>6.2%</td>
</tr>
<tr>
<td>2</td>
<td>20,646</td>
<td>23,252</td>
<td>12.6%</td>
<td>21,392</td>
<td>3.6%</td>
</tr>
<tr>
<td>3</td>
<td>21,886</td>
<td>25,070</td>
<td>14.5%</td>
<td>22,674</td>
<td>3.6%</td>
</tr>
<tr>
<td>4</td>
<td>23,199</td>
<td>26,879</td>
<td>15.9%</td>
<td>23,995</td>
<td>3.4%</td>
</tr>
<tr>
<td>5</td>
<td>24,591</td>
<td>28,586</td>
<td>16.2%</td>
<td>25,334</td>
<td>3.0%</td>
</tr>
<tr>
<td>6</td>
<td>26,066</td>
<td>30,087</td>
<td>15.4%</td>
<td>26,745</td>
<td>2.6%</td>
</tr>
</tbody>
</table>

4. There is a need to adjust first year salaries more than those of succeeding years; consequently, it is proposed that the new salary schedule have 6% differentials between each year, rather than the current 10% between years 1 and 2.

The proposed rates and a comparison with those in effect over the last three years is displayed in the table that follows:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Postgraduate 1</td>
<td>$18,223</td>
<td>$18,770</td>
<td>$18,770</td>
<td>$20,257</td>
<td>7.9%</td>
</tr>
<tr>
<td>2</td>
<td>20,045</td>
<td>20,646</td>
<td>20,646</td>
<td>21,472</td>
<td>4.0%</td>
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<tr>
<td>3</td>
<td>21,249</td>
<td>21,886</td>
<td>21,886</td>
<td>22,761</td>
<td>4.0%</td>
</tr>
<tr>
<td>4</td>
<td>22,523</td>
<td>23,199</td>
<td>23,199</td>
<td>24,127</td>
<td>4.0%</td>
</tr>
<tr>
<td>5</td>
<td>23,875</td>
<td>24,591</td>
<td>24,591</td>
<td>25,575</td>
<td>4.0%</td>
</tr>
<tr>
<td>6</td>
<td>25,307</td>
<td>26,066</td>
<td>26,066</td>
<td>27,109</td>
<td>4.0%</td>
</tr>
<tr>
<td>Weighted Adjustments</td>
<td></td>
<td></td>
<td></td>
<td>+3.0%</td>
<td>0%</td>
</tr>
</tbody>
</table>

**Staff Recommendation to the Committee**

It was recommended that University house staff salaries for 1986-87 be adjusted as proposed and displayed in the table above.

**Discussion and Recommendation by the Committee**

Mr. Crowell requested an explanation of why there was a larger increase in the first year.
Dr. McGill said an increase of 7.9% was proposed for the first year and 4% for the other years to assist recruiting during the first year when most of the recruitment occurs. It will also modify the salary structure so that there will be the same percentage increase every year. He said he did not know why there had been a 10% spread between the salaries in the first two years but it had been in existence for some time.

The Committee recommended that the Board approve the staff recommendation as presented.

Board Discussion and Action

Mr. Petersen presented the Committee report and recommendation and summarized the information in the staff report.

Mr. Clark indicated that the salary did make a difference in the first year. He said he had just been accepted to a residency program at the Oregon Health Sciences University and would abstain from voting due to a conflict of interest in voting for his own salary. Students do look at salaries when they select a graduate program, particularly when other things are equal.

The Board approved the Committee recommendation as presented, with the following voting in favor: Directors Adams, Alltucker, Chao, Crowell, Hensley, Nelson, Petersen, Schwab, and Batiste. Those voting no: None. Director Clark abstained from voting due to a conflict of interest.

Staff report to the Board

In accordance with provisions of ORS 526.225, the Board of Higher Education approved the establishment on June 13, 1961, of two advisory committees at Oregon State University: the Forest Products Research Advisory Committee and the Forest Management Research Advisory Committee. These committees were subsequently merged into the Forest Research Laboratory Advisory Committee at the July 25, 1971, Board meeting. The 1975 Legislature revised provisions for the Forest Research Laboratory Committee to add three members representing the "public-at-large." Appointments to these positions were made at the Board meeting on August 26, 1975, and appointments and reappointments have occurred periodically since that time.
Staff Recommendation to the Board

It was recommended that the following new appointments be made to the Forest Research Laboratory Advisory Committee:

- Lew Krauss, Vice President, Rough & Ready Lumber Company, P.O. Box 519, Cave Junction, OR 97523, appointment for a three-year term expiring June 30, 1989.

Appointment of these individuals will provide for a continuing balance of public members and of forest industry members by industry groups, company size, geographic location, and product orientation. Both of the individuals have expressed a willingness to serve if appointed by the Board.

Board Discussion and Action

The Board approved the staff recommendation as presented, with the following voting in favor: Directors Adams, Alltucker, Chao, Clark, Crowell, Hensley, Nelson, Petersen, Schwab, and Batiste. Those voting no: None.

Staff Report to the Board

A summary of activities within the Office of Administration's Facilities Division is presented below:

Contracts for Professional Consulting Services
- John Herrick, Eugene, will provide necessary structural engineering services at a cost not to exceed $3,000. Financing will be funded through the Athletic Department.
- Elcon Associates, Inc., Beaverton, will provide necessary electrical engineering services at a cost not to exceed $10,000. Financing will be provided from Board's Reserve for Plant Rehabilitation and Minor Capital Outlay (Deferred Maintenance).
- Geotechnical Resources, Inc., Portland, will provide necessary geotechnical consulting services at a cost not to exceed $28,000. Financing will be provided through a federal grant awarded by the U.S. Department of Energy and State Lottery proceeds.
Award of Construction Contract

Shattuck Hall Computer Center, PSU

On December 2, 1985, Colamette Construction Company was awarded a contract for this project in the amount of $347,760. The project description remains essentially the same as that outlined within the September 20, 1985, Board minutes. The estimated total project costs remain at $425,000. Financing is being provided from excess parking reserves, Capital Outlay and funds available to the institution.

Electrical and Computer Engineering Building and Related Alterations, OSU

On November 27, 1985, Blumenstein, Dean Construction, Inc. was awarded a contract for Snell Hall Third Floor Remodel project in the amount of $87,401. The project description remains essentially the same as that outlined within the September 20, 1985, Board minutes and October 11, 1985, Emergency Board minutes. The estimated total project costs remain at $1,600,000. Financing will be through State Lottery proceeds.

Board Discussion and Action

The Board accepted the report as presented.

Martin Luther King Day

The Chancellor said that in response to the memorial resolution distributed by Governor Atiyeh to state agencies and the Governor's personal telephone call, the universities were delegated the responsibility of arranging appropriate ceremonies celebrating Martin Luther King Day. Activities have been generated on each campus.

The Chancellor said the observance on the campuses, in terms of conducting classes, would follow Board policy that in the case of the designated holidays for the birthdays of presidents and other dignitaries, classes would be offered at the discretion of the institution in order not to interrupt the academic schedule. For example, classes meeting every Monday would be disrupted if there were three Monday holidays in a term. Martin Luther King Day will be a holiday for classified employees and those who must work will be compensated at time and a half in addition to their regular salary, or they would receive comparable time off at the same rate.

ITEMS FROM BOARD MEMBERS

Mrs. Nelson reported that the Joint Committee on Teacher Education had met early in January. The committee appointed a representative to the interim legislative committee on education, whose major focus during the next several months will be on teacher education. The committee will be sponsoring the completion of Oregon's first study of the reserve pool of people who maintain a current certificate to teach but are not employed in the public schools. She said the Board's staff is taking a leading role in analyzing the data for the agencies and the interim legislative committee.
Meeting #533

January 17, 1986

The report on the common points of agreement related to improvement in teacher education has been updated, and it will be relayed to the interim legislative committee. A further report will come to the Board in February.

Mr. Batiste then appointed Mrs. Nelson as the permanent representative from the Board to the Joint Boards Committee on Teacher Education.

Contract Awards

Mr. Petersen referred to comments in the previous month's Board minutes concerning a project where the consultants had made an error in their estimates which required a substantial budget adjustment. He was assured by other Board members that the question of further employment of consultants who had made poor estimates had been discussed. It is Board policy not to continue making contract awards to consultants who make serious estimating errors.

Mission Statement, PSU

Mr. Chao reported that the committee reviewing the mission of Portland State University was making excellent progress and had met regularly. Testimony has been received from business and educational leaders and there will be opportunity for further comment.

Joint Planning Meeting

Mr. Alltucker said a joint planning meeting had been scheduled for February 1, 1986, and requested Dr. Pierce to explain the plans for the session.

Dr. Pierce said staff had been meeting with the Academic Council and had begun to assemble materials for the State System's Strategic Plan for the next six years. This document will be used as the basis for submitting a plan to the Oregon Educational Coordinating Commission later in the spring. A day-long meeting has been scheduled on Saturday, February 1, with the members of the Board's committee on planning. The members of the technical committee that has been meeting with the Educational Coordinating Commission have been invited to be present for part of the meeting to provide their perspective of how the planning is progressing in the other segments and at the Coordinating Commission.

Dr. Pierce said the purpose of the meeting was to get ideas from Board members about the process and the content of the plan before the first draft was prepared. It will come to be Board for review on several occasions after the February 1 meeting.

Visitation Format Committee

Mr. Petersen said the visitation format committee would meet following the Board meeting to discuss the format for the visitation at the Oregon Health Sciences University next month.
Mr. Hensley said the Committee on Instruction had considered two other items not mentioned in the earlier report of the Committee action. The first was a minor adjustment in the social science entrance requirements so that the social science requirement would specify one unit in U.S. history, one in global studies, and one unit in an elective. The strong recommendation was made that the elective be in government. The change would not require Board approval but it would permit nonresident students, and Oregon students in school districts which do not have that course, to meet the social science requirement.

Mr. Hensley said the Committee also reviewed the general education requirements within the State System. The Board will be kept informed of developments. Additional information was provided with respect to the impact on funding related to some of the general education programs along with a summary of national reports on the task force on education requirements.

Mr. Chao indicated that with regard to visitations by the OCATE Committee, which is also the committee on the centers of excellence, a visitation report would be coming from the institutions as a follow-up to the funding for centers of excellence at the three universities.

Vice President Petersen announced that the next Board meeting would be held on February 21, 1986, at Oregon Health Sciences University. It will be preceded by a visitation on the previous day. The Board will meet in Executive Session on February 20 to receive the report on the evaluation of the Chancellor.

The Board meeting was adjourned at 12:00 Noon.
SUPPLEMENT A

A Statement of Mission

and

Strategic Objectives

OREGON CENTER FOR ADVANCED TECHNOLOGY EDUCATION

January 9, 1986
STATEMENT OF MISSION

The Oregon Center for Advanced Technology Education (OCATE) will act as a facilitator, coordinator and promoter of cooperative, world-class, graduate-level, advanced technology education. OCATE will bring together the best faculty from Oregon's public and private higher education institutions, leading industrial researchers, and out-of-state experts to provide state-of-the-art technological and business education to the advanced technology industries in Oregon.

* The Education and Research Needs of Advanced Technology Industries

Advanced technology industries are driven by innovation and new scientific developments. Oregon's technology-based firms must have continuous and planned exposure to the best of new ideas and concepts so that they can remain current and competitive in the national and international market. To do otherwise is permanently to relegate Oregon's fastest growing business segment to second-class status in the world marketplace, and severely hinder Oregon's future economic development and diversification. In 1985 state leaders recognized that a coordinating agency was necessary to bring together resources and provide the quality and type of programs critical to industry users. To fill this need, the Oregon Legislature created the Oregon Center for Advanced Technology Education (OCATE) to function as a facilitator, promoter and program development agency. The Governor's Commission on Technical Education was formed as an advisory body to oversee policy and program development. Members were drawn from top leadership ranks of the major advanced technology firms located throughout the state of Oregon.

* A Vision for the Future

The vision of the Governor's Commission on Technical Education is a bold one, built on principles of quality, service, innovation, and responsiveness to key industry needs. This vision calls for an unprecedented degree of commitment and cooperation among the parties that helped create and which will assist OCATE to fulfill its mission. The best of Oregon's research minds from industry, and from state and private higher education institutions, will work together to produce and instruct programs. This consortium of state expertise will be supplemented by visiting researchers and faculty from around the world. OCATE, acting in its facilitating and coordinating roles, will create the environment in which industry and education can come together in a planned, systematic, and quality-controlled manner. The generation of new research-based
ideas can fuel state and industry competitiveness.

Of necessity, degree programs sponsored by OCATE will be on an advanced level, aimed at those pursuing masters and doctoral degrees. In addition, non-credit seminars and other programs will be developed for those wishing access to cutting edge information programs but not requiring classes as part of a formalized degree program.

In addition to the cooperation of public and private educators, this effort will require the cooperative interaction of Oregon industry representatives and state political leaders. OCATE will be the vehicle for drawing these diverse groups together in a unified mission of providing high quality, research-based programs on the graduate level.

OCATE will initially use existing instructional facilities, both public and private, in Washington County, and will attempt to leverage educational resources to their maximum potential, avoid duplication of program offerings, and deliver the quality and type of programs needed for the solid development of advanced technology companies.

* Benefits *

High technology industry and its employees, the higher education system, both public and private, and the State of Oregon and the forces of economic development all benefit from the development of programs in Washington County.

Quite obviously, high technology companies and their employees will benefit from exposure to the best minds and ideas available. This helps in recruitment of new engineers and technicians and the retention and retraining of the existing workforce. It helps industry remain competitive in an increasingly competitive world.

Higher education will benefit from the interaction of the faculty with some of the brightest and most advanced students that can be found in the state. The opportunity exists for the development of lasting relationships between the companies and individual institutions. From these, increased support for individual faculty research, opportunities for increased joint research and sharing of industrial laboratories by faculty and graduate students, and the possibility of industry support for faculty chairs, student scholarships, and equipment donations should occur. It also offers participating OCATE institutions the opportunity to assist in the development of new and exciting delivery systems for program offerings including two-way, interactive televideo and computer systems throughout the state.

It offers for the State of Oregon, for a relatively small investment of financial resources, the opportunity to leverage its valuable but limited higher education resources in a program that will have long-term benefits to the
state's economic development goals. Those benefits include keeping Oregon's existing advanced technology community strong and helping to attract new high technology companies to the area because of the high quality educational programs designed specifically for such companies. Through the development of a state-wide televideo link, other communities, advanced technology companies and higher education institutions in our state, including community colleges, also could benefit from Ocate offerings. In short, Ocate can offer substantial incentives for all its constituencies.

* Program Selection and Initial Offerings

As the Commission has envisioned Ocate, its primary purpose will be to pull together the resources and develop both degree and non-degree programs that meet the following criteria:

* world-class quality
* research based
* graduate level (i.e., masters and doctoral)
* cutting edge knowledge in relation to both advanced technology and business management

Programs initially will be aimed at the high technology community in Washington County, but eventually will be designed for advanced technology business communities existing in other areas of the state.

First year course offerings will be limited to highly focused areas such as:

Electronic materials and devices
Integrated circuits
Computer science and engineering
Digital signal processing
Artificial intelligence
Computer operating systems

OCATE will serve as the screening and coordinating mechanism for programs to assure that programs will be of the highest quality possible and will be designed with industry's needs in mind. Program development will cover three areas.

The graduate-level degree programs will be the major focus of development work. However, Ocate will not award degrees. That will be the responsibility of the participating institutions. To obtain a graduate degree, either masters or doctoral, the student must be admitted to a participating institution's graduate program and will receive the appropriate degree from that institution.

Secondly, Ocate will schedule a limited number of business and management courses and will develop
conferences, seminars, and workshops aimed at technology transfer and research development.

Lastly, OCATE will seek grants and coordinate with industry and participating institutions those research programs that have high economic development potential.

A program development committee, as yet unformed, will develop the coordinated program offerings for degree requirements agreeable to participating institutions. The committee will be comprised of representatives from industry and education and will be chaired by the Vice Chancellor of OCATE. Curriculum content shall remain the purview of the presenting school. However, course content should also be consistent with agreed upon course topics developed by industry and education representatives on the program development committee. High priority shall be given, where possible, to developing special topic programs, short courses, and workshops in response to critical industry needs.

* Faculty Resources and Selection

There exist a number of sources for faculty of the quality needed to teaching in OCATE program offerings. Numerous institutions within the State System of Higher Education have on their faculties truly outstanding researchers and professors. The same is true of Oregon’s private institutions of higher learning. However, this broad range of expertise does not reach the critical mass necessary to offer comprehensive range of courses required by a dynamic industry. Other resources exist, however, that can be tapped to supplement this existing resource. Considerable expertise exists within local Oregon industry. In addition, outstanding faculty members from other higher education institutions and from private industry outside the state can be secured as visiting scholars to supplement programs. Each of these visiting and adjunct faculty will be attached to a specific institution of higher education, will be expected to participate in OCATE courses, and will be selected based upon their established reputations. Appointments will be made by the specific institution in consultation with OCATE.

OCATE will be the coordinating agency that packages this broad mix of resources into a comprehensive and locally delivered program. OCATE will contract for all faculty, either from education or industry. Only the best available instructors will be used. Not only must OCATE’s contracted faculty be excellent state-of-the-art researchers, they also must be excellent communicators in the classroom able to impart their research-based knowledge to others.

* Criteria for OCATE Programs

All programs must meet the following criteria in order to gain OCATE sponsorship:
1. The programs must meet the specialized needs of high technology companies and their employees. The instructors must be recognized leaders in research and teaching in advanced technology areas.

2. Only the best instructors shall be used. Not only must OCATE's on-loan faculty be excellent current researchers, they also must be excellent communicators, able to impart their knowledge to others.

3. Participating schools' course offerings for the degree program will be screened prior to sponsorship by OCATE to (a) avoid program duplication and (b) assure that criteria 1. and 2. are satisfied.

4. Non-degree programs must meet the same selection criteria to gain sponsorship.

* Additional Guiding Principles

Other guiding principles for OCATE are:

Programs should further the unique cooperative partnership being developed by OCATE among the State System of Higher Education, private universities, and industry.

OCATE's programs should serve as one of the critical foundations for long-term high technology-based economic development for Oregon. These programs should attract outstanding researchers to teach, consult and do research here.

Programs developed by OCATE should be sent to other state locations via a two-way interactive televideo system which should be high on the priorities for future State funding. This system is necessary to foster economic development throughout Oregon. Such a system linking the state's public and private institutions of higher education, industry, and community colleges is vital for a vigorous outreach program of which OCATE courses might be only a minor, but important part. The use of modern communication techniques is seen to offer very attractive alternatives for OCATE course delivery, and OCATE is already assisting in planning such a coordinated delivery system.

Visiting researchers/scholars and adjunct faculty should be encouraged to interact not only with students in the classroom, but with other OCATE faculty, with faculty at participating institution sites, and with industry researchers at company facilities.

Participating institutions of higher education should be encouraged to use OCATE in the best possible sense of that word. They should view OCATE as: a new and beneficial source for program development; a way to develop additional industrial contacts and research possibilities; a way to supplement faculty recruitment and campus visiting scholar resources; and a way to strengthen an institution's image in the minds of publics currently served or potentially served in the future.
The creation of OCATE offers an increased possibility for state-wide cooperative efforts between business and higher education. Because of OCATE's limited budget the initial focus will be on advanced technological courses in electrical and electronic engineering, in computer science and engineering, and closely related disciplines. There will also be support of executive management programs aimed at high technology industries. Although OCATE will concentrate its efforts in Washington County, the expansion of OCATE course offerings to the advanced technology community throughout Oregon will be encouraged.

Many opportunities will exist to present a wide range of undergraduate, technological, and extension-type courses through the Lintner Center which will compliment and support OCATE's efforts. Together, OCATE and the Lintner Center will offer numerous avenues for those institutions wishing to participate in these important endeavors. For example, the Oregon Institute of Technology upper division programs leading to the baccalaureate degree various engineering technology areas should be a valuable addition to the Lintner Center course offerings.

Various ways of providing additional financial support for OCATE including federal, state, and local assistance in addition to that provided by private foundations and industry will be examined. By working together, cooperatively under the aegis of OCATE, it will be possible to make a significant contribution towards the renaissance of economic development so vital to the future of the State of Oregon.