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STATE BOARD OF HIGHER EDUCATION HELD
OCTOBER 16, 1987

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ADJOURNMENT
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., October 16, 1987, by the President of the Board, Mr. James C. Petersen, and on roll call the following answered present:

Mr. Robert R. Adams
Mr. John W. Alltucker
Miss Kasey K. Brooks
Mr. Gene Chao
Mr. Mark S. Dodson
Mr. Richard F. Hensley

Mr. Michael W. Hermens
Mrs. Janet S. Nelson
Mr. George E. Richardson, Jr.
Mrs. Arlene D. Schnitzer
Mr. James C. Petersen

OTHERS PRESENT

Centralized Activities—Chancellor William E. Davis; Secretary Wilma Foster; W. T. Lemman, Executive Vice Chancellor; Lawrence Pierce, Vice Chancellor, Academic Affairs; Wil Post, Vice Chancellor, Public Affairs; John Owen, Vice Chancellor, OCAPE; W. C. Neland, Associate Vice Chancellor, Facilities Division; James Casby, Assistant Attorney General; Davis Quenzner, Associate Vice Chancellor, Fiscal Policies; Roger Olsen, Director, OCAPE; Ron Anderson, Assistant Vice Chancellor, Personnel Administration; Virginia Boushey, Assistant to Executive Vice Chancellor; Kay Jurian, Assistant Vice Chancellor, Public Affairs; Melinda Grier, Compliance Officer; R. S. Perry, Associate Vice Chancellor, Administrative and Information Systems Division; Ray Hoops, Associate Vice Chancellor, Academic Affairs; Holly Zanville, Associate Vice Chancellor, Academic Affairs; Barbara Barrie, Personnel Officer; Jim Sellers, Director of Communications; Kimberly Carnegie, Public Affairs Assistant; Pat Wignes, Assistant Board Secretary.

Oregon State University—Graham Spanier, Vice President for Academic Affairs and Provost; Roy Arnold, Dean, College of Agricultural Sciences; Thayne Dutson, Director, Agricultural Experiment Station; Sally Malueg, President, Faculty Senate.

University of Oregon—President Paul Olum; Richard Hill, Provost; Dan Williams, Vice President, Administration; Alison Baker, Executive Assistant to the President.

Oregon Health Sciences University—Interim President David Witter; Bob Williams, Associate Hospital Director; Earl A. Zimmerman, Chairman, Department of Neurology.
Portland State University—President Natale Sicuro; Roger Edginton, Vice President, Finance and Administration; Frank Martino, Provost; Charles Stephens, Assistant to the President; Nancy O. Tang, Interinstitutional Faculty Senate President.

Eastern Oregon State College—President David Gilbert; James Lundy, Dean of Administration; James Hottois, Dean of Academic Affairs; Richard Stenard, Dean of Student Affairs.

Oregon Institute of Technology—Chris Eismann, Dean of Academic Affairs.

Southern Oregon State College—President Joseph Cox; Ronald Bolstad, Dean of Administration; Ernest Ettlich, Dean of Academic Affairs; Gary Prickett, Dean of Development and College Relations.

Western Oregon State College—President Richard Meyers; Bill Cowart, Provost; Kathy Faircloth, Dean of Students; Darryl Zehner, Director, Auxiliary Services; Peter Courtney, Assistant to the President; Judy Niesslein, Director of Public Information; Stephen Webb, Business Manager; Brian Boquist, Consultant.

Others—Bill Houston, Senior Administrator/Director, Good Samaritan Hospital and Medical Center; Bruce Binder, Health Systems Specialist, Veterans Administration Medical Center; Pam Edens, representative of the Alzheimer’s Disease Association; Harold W. Williams, Vice President, and Cynthia Hopson, Assistant to Vice President, Pen-Nor, Inc.; Bob Jenks and Cathy Duvall representatives of OSPIRG; Steve Forrey, Analyst, Legislative Fiscal Office; Sherry Oeser, Executive Director, Oregon Student Lobby.

MINUTES APPROVED

The Board dispensed with the reading of the minutes of the last regular meeting held on September 11, 1987, and the special meeting held on September 29, 1987, and approved them as previously distributed. The following voted in favor: Directors Adams, Alltucker, Brooks, Chao, Dodson, Hensley, Hermens, Richardson, Schnitzer, and Petersen. Those voting no: None. Director Nelson was absent from the meeting at this time.

CHANCELLOR’S REPORT

The Chancellor said President Laster was attending his final meeting as president of the Oregon Health Sciences University. He indicated he had prepared the following resolution in recognition of President Laster’s years of service in Oregon:

HONORING

LEONARD LASTER

OCTOBER 16, 1987

Dr. Leonard Laster earned his place as dean of the eight State System presidents, not only by his longevity of service, but also through his powerful leadership, his clear vision of the institution’s future, and his demanding pursuit of excellence.
Upon arriving on the campus of the Oregon Health Sciences University in 1978, President Laster worked with brilliance, energy, and enthusiasm that ignited both excitement and sparks.

Under President Laster's uncommon leadership, the Oregon Health Sciences University improved instruction in dentistry, medicine and nursing; worked for and won widespread public and political support; and successfully pushed the emergence of the institution as a first-rate research, clinical and teaching center.

President Laster's legacy embraces more than $200 million in construction on Marquam Hill, including an innovative biomedical research facility and a planned prototype 21st century medical medical library, as well as an enduring spirit that will remain long after he has left the campus.

Now, therefore, the Oregon State Board of Higher Education expresses its deepest gratitude to Dr. Leonard Laster for his dedicated and imaginative service to the Oregon Health Sciences University and to the State System of Higher Education. We extend our heartiest best wishes for his work at the University of Massachusetts with the assurance that we will forget neither him nor his accomplishments in Oregon.

The Board adopted the above resolution, with the following voting in favor: Directors Adams, Alltucker, Brooks, Chao, Dodson, Hensley, Herrmens, Richardson, Schnitzer, and Petersen. Those voting no: None. Director Nelson was absent from the meeting at this time.

Mr. Petersen said he wholeheartedly endorsed the resolution and offered his personal thanks to President Laster for his very steadfast and tenacious support of the Oregon Health Sciences University. He commented that having been a patient there and having received a kidney transplant in the hospital he could speak firsthand of the vision and dedication President Laster had given to members of the staff in their work with the many residents of Oregon who pass through the Oregon Health Sciences University.

President Laster thanked the Board and the Chancellor for eight great years and all of the things that had been accomplished by cooperative efforts. He said these were interesting times in education and in medicine and would require all of the Board's thinking, humanity, and compassion.

He urged the Board to carve time from the many pressures it faces in order to look at how things are done and in doing so to give adequate credence to what the presidents think. While there has been access to the Board, there sometimes has not been an opportunity for the collective wisdom of the presidents to emerge.
In closing, President Laster thanked the Board for having helped and made it possible to see a resurgence of a superb health sciences university and an entire State System that is on the march.

Mr. Petersen said he had noticed during his tenure on the Board the requests from the Oregon Health Sciences University had increased in frequency. He said the capstone perhaps to the career of President Laster at the Oregon Health Sciences University was the proposal for the Alzheimer's Disease Center of Oregon. The proposal was before the Board for consideration at the October meeting and was discussed prior to the completion of the report of the Chancellor so that President Laster could be present. The report and discussion of the proposal appears at the conclusion of the Chancellor's report.

Accreditation Report

The Chancellor indicated the State System institutions are members of the Northwest accrediting association (Northwest Association of Schools and Colleges). They are subject to ten-year general accreditation by the association. An important part of the accreditation process is a comprehensive self-evaluation. This report by the institution principally and appropriately is focused on instruction, research, curricular and academic staff. There also are significant sections regarding institutional mission, governance, and finance. These sections necessarily relate to the Board and the Chancellor's Office.

The Chancellor recommended that the Board adopt a policy statement requesting each institution to submit a copy of the draft of its self-evaluation document to the Chancellor's Office for review and comment. He said this proposal had been discussed in the academic, administrative, and presidents' councils and all were supportive.

In response to questions concerning the intent of the proposed policy statement, the Chancellor said the reports would only be reviewed for accuracy in regard to the budgetary statements and the missions of the institutions as set forth by the Board. The Chancellor's Office would not censor or approve the self-studies but would review them only for accuracy or to resolve any ambiguities that might arise.

The Board approved the policy statement, with the following voting in favor: Directors Adams, Alltucker, Brooks, Chao, Dodson, Hensley, Hennens, Nelson, Richardson, Schnitzer, and Petersen. Those voting no: None.

Enrollment Report

The Chancellor reported that enrollment in the Oregon State System of Higher Education had increased for the third straight year. The headcount enrollment at the end of the second week of classes this year was 61,459, compared to 60,677 at the same time last year. He then presented the preliminary figures for the various institutions and some of the factors affecting the data. Detailed enrollment figures for the end of the fourth week should be available for reporting at the November meeting.
Mr. Petersen said he had requested the Chancellor to include a report from the presidents as part of his report. Four of the presidents would report each meeting on an alternating basis. They would make five-minute presentations on whatever they wished to present concerning their campuses. He also indicated the purpose of the presentations was not to debate policy issues or the agenda items. He then asked President Meyers of Western Oregon State College to make the first report.

Dr. Meyers introduced Dr. Kathleen Faircloth, the new dean of students at Western Oregon State College. She was formerly the vice chancellor for student affairs at the University of North Carolina in Charlotte and served in a similar post at the University of Alabama in Birmingham.

With the assistance of Judy Niesslein, Director of Public Information, President Meyers presented slides showing the significant construction and improvement projects on the campus.

Mr. Petersen indicated President Byrne was reviewing the extensive foreign grant and contract operations of Oregon State University. Dr. Graham Spanier, Vice President for Academic Affairs and Provost, made the presentation on behalf of President Byrne. In addition to his prepared statement, Dr. Spanier distributed copies of his address to the faculty on October 1, 1987, and President Byrne's summary of the accomplishments of Oregon State University during the 1985-1987 biennium.

In commenting on President Byrne's tour, Dr. Spanier stated that Oregon State University has increased its grant receipts significantly. It ranks fourth in the nation in funding for international grants and contracts. It ranks sixth in the nation in its level of research funding in comparison to other institutions without medical and law schools. In addition to this phenomenal success, the fund-rais­ing and development from private sources has been setting new records.

Dr. Spanier cited three major construction projects which would enhance the institution's leadership in technological development. Several major curricular initiatives are well underway, two of which relate to conversion to the semester system. The third relates to the phase-out of undergraduate education programs as mandated by the Board.

Dr. Spanier announced the arrival of two new administrators who would play key roles in Oregon State University's agricultural programs: Roy Arnold, new dean of the College of Agricultural Sciences; and Thayne Dutson, the new associate dean and director of the OSU Agricultural Experiment Station.

He said Oregon State University has severe problems in that its physical plant shows the results of continually deferred maintenance. The backlog of essential repairs now exceeds $9.4 million.
The Chancellor urged the members of the Board to read the biennial report prepared by President Byrne. The increase from about $58 million to approximately $115 million in research grants and contracts reflects the benefits received from the focus on the centers of excellence.

President Gilbert said the academic year at Eastern Oregon State College would be characterized by assessment, evaluation, and planning as a result of several major efforts which have occurred simultaneously. Federal grant funds have provided some staff support for the planning effort. In addition, the semester conversion, the new general education program, and the self-evaluation in preparation for the accreditation visit will require a planning focus for the year.

The morale and energy levels on campus are very high and enrollment appears to be strong. The willingness of the State System and the State of Oregon to invest in capital construction on the campus at Eastern has been a major factor in the high morale.

President Gilbert said an important new federal grant project would have implications across the state. An important aspect of Eastern's mission as a regional college is assistance to small businesses and support for community development projects in the ten-county area served by its Regional Services Institute. An excellent relationship has been achieved between the college and the federal Department of Economic Development because of the common commitment to the creation and retention of jobs in rural eastern Oregon. As a result, the federal Department of Economic Development invited Eastern Oregon State College to submit an application to fund a rural Oregon manufacturing diversification project under its university centers program. After some consultations about the development of a statewide effort while retaining the focus on eastern Oregon, a proposal was submitted which would allow the college to develop models in eastern Oregon and to disseminate the model to other regions of rural Oregon through Eastern Oregon State College's sister institutions. Word has been received that the project will be funded at a level of approximately $100,000 per year for support of increased rural economic development, diversification of manufacturing through development of and bringing new products to market, increasing market share, and providing other management assistance. A key factor in the project is the networking of the expertise of the State System with the needs of rural Oregon businesses through the representation of the sister institutions on the project committee. It is anticipated a statewide network involving the State System will emerge which will have long-range benefits on economic growth of rural Oregon.
President Sicuro said that faculty participation in publication of books and articles and in delivering papers at professional meetings had been excellent. There has been a 30% increase in grant and contract activity, and a faculty development program has been instituted to accelerate those efforts and other faculty development activities.

He said the foundation had been challenged to raise $10 million over a five-year period. During the first year, it has already raised $4 million. President Sicuro said he hoped to have the FSU Plan for the 90s ready by the time of the Board's visitation in April. The plan will be combined with a development campaign for the foreseeable future.

President Sicuro reported the Center for Urban Research in Education was undergoing a national search for a director and there were some possibilities of outside funding for the program. In the engineering program, a prominent chairman has been selected for the computer science program, and a search is in progress for the chairman of electrical engineering. It is anticipated the first doctoral degrees will be conferred in the electrical engineering program in June. The International Trade Institute is now occupying new facilities.

President Sicuro emphasized the community involvement in various aspects of the institution. There are now advisory councils, one for each academic department. A foundation board, a university advisory board, a Viking athletic board, and an alumni board of directors have been established. There will be a total of 500 community members, not directly faculty or associated with the University, who will be serving in an advisory capacity to the institution.

Authorization To Establish Alzheimer's Disease Center of Oregon (ADCO), OHSU

Staff Report to the Committee

The Board's Office of Academic Affairs is forwarding a request from the Oregon Health Sciences University for the consideration of the Committee on Instruction, Research, and Public Service Programs, and the Board. Oregon Health Sciences University requests authorization to establish the Alzheimer's Disease Center of Oregon (ADCO).

The Alzheimer's Disease Center of Oregon is being proposed as a joint venture of the Oregon Health Sciences University, Good Samaritan Hospital and Medical Center (GSH and MC), and the Veterans Administration Medical Center (VAMC) to respond to local, state, and national needs in research focused on dementias of the aging.
Staff Analysis

The Center will coordinate the research, educational, and patient care programs dealing with Alzheimer’s disease at the three participating institutions. The Center will provide administrative services and thereby reduce costs of competing bureaucracies. It will serve as a catalyst for local and state activities focused on Alzheimer’s disease.

On March 25, 1977, the Board adopted the following policy statement on the establishment of centers and institutes in the Oregon State System of Higher Education:

1. That the careful, considered institutional use of the center and institute mechanism be recognized by the Board as a legitimate, potentially valuable alternative approach to the furtherance of institutional mission, through the fostering of interdisciplinary activities in pursuit of basic and applied research and instruction, the attracting of nonstate funding in support of institutional mission and goals, the motivation of faculty, the creation of a flexibility permitting the shifting of resources to new and different constituencies as the need is apparent, and the strengthening of academic departments.

2. That the Board establish the principle that the justification for establishment of centers and institutes must be in terms of their potential for contributing to the achievement of the institutional mission. The fact that federal or other nonstate funds can be secured to fund totally or in principal measure a given center or institute cannot be considered justification for the establishment of that center or institute. The real test of justification must be in terms of the extent to which the objectives of the proposed center or institute can be shown to be wholly consistent with and fully supportive of the institution’s mission. Failing the test, the center or institute ought not to be established...

The Center proposed by Oregon Health Sciences University will give greater visibility to the mission of the University. It will facilitate collaborative research activities and public awareness of Alzheimer’s. The "center without walls" structure will provide sufficient direction and resources to expand growth and creativity of the participants while minimizing the formality of the organization.

Resources to Activate the Center

Approximately $100,000 in funding will be needed to initiate and equip the Alzheimer’s Disease Center of Oregon. The funds would be used to start up the Brain Bank and the Database Management System. The Brain Bank is projected to cost $25,000 and the Database Management System is projected to cost $75,800.
The source of funds for the Center have been specifically identified. The state Legislature appropriated $100,000 to the Executive Department via SB 826 for the purpose of establishing the Alzheimer's Disease Center of Oregon. Additional funds to cover the expected growth of the Center will be available from HB 2238 which provides funds from Oregon income taxpayers who indicate they desire to contribute to the Alzheimer's Disease Research Fund. Funds will also be pursued from federal, foundation, and philanthropic sources.

Staff Recommendation to the Committee

The Board's staff recommended that the Board authorize the Oregon Health Sciences University to establish the Alzheimer's Disease Center of Oregon, effective Fall 1987.

Discussion and Recommendation by the Committee

Dr. Pierce indicated the presentation was in response to a Board request that President Laster submit a detailed proposal for the organization and operation of the center. The Board's request resulted from discussions for a collaborative response to the problems of Alzheimer's disease. He then requested Mr. David Witter, Interim President of the Oregon Health Sciences University, to summarize the developments and the request.

President Witter introduced Mr. Robert Williams, an Associate Director of University Hospital, and Dr. Earl Zimmerman, Chairman of the Department of Neurology. He said there had been discussions over an extended period of time regarding the development of an Alzheimer's Disease Center. The proposal before the Committee and the Board has involved a considerable amount of collaborative work by the Veteran's Hospital, Good Samaritan Hospital and Medical Center, and the Oregon Health Sciences University. He said there were still a few issues to be resolved with respect to the configuration of this entity from a legal standpoint. He then requested Mr. Williams to summarize the proposal.

Mr. Williams summarized the goals for the center and described the organizational plan. He said language would be added to the proposal incorporating the role of Portland State University's Institute on Aging into the structure of the organization. He said the plan represents a process for, and a commitment by, all of the parties to work together in an organizational framework.

There was a brief discussion of potential funding at both the state and federal levels. An important element in the financial program is the allocation of the $100,000 from the Emergency Board to get some of the basic things established for this program. The Governor has indicated he would like to defer this allocation because of the tremendous drain that has occurred in the emergency fund related to fighting the forest fires.
Mr. Hensley commended the three institutions for developing this cooperative effort because it represented a tremendous opportunity for both Oregon and the nation.

Mr. Hensley referred to the mission statement on page 7 of the full report and inquired how it was proposed to make more affordable clinical services available throughout the state.

Dr. Zimmerman responded that one of the reasons for the application for health care financing money was to provide demonstration projects on how care can be improved. The projects will deal with research and alternative methods of care. It is intended to involve centers around the state initially in the Database by identifying Alzheimer’s patients. The Center will be involved in other centers throughout the state in its projects.

Mrs. Nelson asked whether there were any other Alzheimer’s centers in the Northwest, and Dr. Zimmerman replied there was one in Seattle. He said the Seattle center was important in terms of this proposal because one of the main questions in the funding application will be how the proposed center at the Oregon Health Sciences University is different from the one in Seattle. One of the ways is the collaborative arrangement among federal, state, and community facilities. In addition, the existing program at Good Samaritan Hospital has remarkable strength and is rather unique in the country, with its strong support of the Alzheimer’s disease and related disorders group and its existing working relationship with patients.

Dr. Zimmerman said the intent was to make a total survey throughout the State of Oregon so that the estimated 50,000 patients would be included in the data base. There are plans to do some genetic population studies which will also require the patient base and the need to identify families with more than one family member who has suffered from the disease.

Mr. Hensley inquired whether any additional buildings or facilities would be required for the program. Mr. Witter said Good Samaritan had made some major additions to its physical plant recently and there would be considerable research opportunities involved with the Vollum Institute for Advanced Biomedical Research. This proposal would not create any specific facility changes. He said Dr. Zimmerman does have a tremendous problem with space issues. However, these should be alleviated somewhat through other projects planned with respect to the basic science addition. There are some significant space issues which must be resolved, but new major construction projects related to this program are not contemplated. In response to a question, he stated also that the Brain Bank and the Database would be at various locations based upon the activities and the focus of the research. He said it was not anticipated there would be any full-time staffing on this program for at least the first year. If the institution receives either of the major grants or the center designation, staffing would be included.
Mr. Richardson said the proposal stated that initially the center would report at Oregon Health Sciences directly to the president of the institution but, as the center matures and its direction clarifies, it may make sense to delegate the reporting relationship to another institutional office. He requested a further explanation of that statement.

Mr. Witter said that the three chief executive officers initially would be working closely with the executive committee in starting the center and determining whether there were opportunities for the major research center designation or program project grants. Therefore, the initial involvement would be staffed out of the president's office.

Mr. Witter stated Mr. Casby had been reviewing the agreement for the Oregon Health Sciences University from the legal standpoint.

Mr. Bruce Binder, Health Systems Specialist for the Veterans Administration, said the plan represented a unique opportunity for Oregon and the Portland community. It bodes well for research and education into Alzheimer's and patient care.

Mr. Bill Houston, Senior Administrator/Director at Good Samaritan Hospital and Medical Center, said the hospital fully supported the proposal and had worked with it from the beginning of the process. In commenting on the assistance to be made available to the rest of the state outside the Portland metropolitan area, he said all of the things that are learned on the most basic level concerning care for both patients and their families would be transmitted quickly throughout the state. The dissemination of this information will enhance the care for the patients and improve the psychological impact on their families. Mr. Houston stated also that Good Samaritan's board of directors had approved this process. Good Samaritan has been involved in this work for a long period of time, and Mr. Houston said he believed it had the reputation within the community of being the leader in the treatment of Alzheimer's disease.

Ms. Pam Edens, a representative from the Alzheimer's Disease and Related Disorders Association, confirmed the reputation of Good Samaritan in this field and indicated the Association was very proud to be affiliated with it.

Ms. Edens said that family members have been surveyed across the state to determine what they wanted in terms of help. The main concern for families is research. A second major interest is to have a good place to go for diagnosis, treatment, continuing care, and support. The families are excited about this effort. Information concerning the availability of these services will be transmitted throughout the state by all of the organizations involved.
Mr. Hensley commented that there seemed to be a big void in early diagnosis by family practice physicians.

Mr. Petersen complimented the organizations on the cooperative effort. He said filtering of research into the field in terms of dealing with real patients with Alzheimer’s was critical. He then inquired further about serving areas outside of Oregon in the Veterans Administration hospitals.

Mr. Binder explained that the Veterans Administration was a system and regularly communicated and transported patients within that system. A primary concern is an organizational design that gets efficiency of care and supports the family and the patient who is suffering from Alzheimer’s disease. In the beginning, patients would be moved to Portland until it was appropriate to provide care at one of the other hospitals.

Mr. Petersen then asked Ms. Edens how she would envision working with the long-term care facilities in the actual application of the information learned about the disease. He said he was concerned about access for persons throughout the state who were placebound.

She responded the Association would be working with education at several levels. It is hoped diagnostic centers can be established throughout the state with opportunities for research.

Mrs. Nelson said she believed one of the major benefits of the total program was to raise the visibility of the Alzheimer’s activities in the state with the possibility of attracting more private funding.

Mr. Alltucker said the research would have two aspects. One was the better understanding of the root biological conditions and processes that contribute to the onset of the disease and control its progress. The other was research into the treatment of the patients and their families. He said there may be some talent in other locations, such as the cellular biologists at both Oregon State University and the University of Oregon, who might be of assistance. He suggested the statement of purpose be expanded to include scientists from any institution who could contribute. Dr. Zimmerman responded this was clearly the intent.

The Committee concurred with Mr. Alltucker’s proposal to expand the statement of purpose. It recommended that the Board approve the staff recommendation.

**Board Discussion and Action**

Mr. Alltucker presented the Committee report and recommendation. He indicated the Committee had proposed adding to the statement of purpose the inclusion of any person or institution able to contribute to the proposed program.
Following a brief explanation of the proposal by Mr. Witter, the Board approved the Committee recommendation. The following voted in favor: Directors Adams, Alltucker, Brooks, Chao, Dodson, Hensley, Hermens, Nelson, Richardson, Schnitzer, and Petersen. Those voting no: None.

Staff Report to the Committee

Recent changes in federal and state law governing nondiscrimination based upon age prevents any mandatory retirement plan based upon the age of an individual or class of individuals. There is an exception relating to tenured faculty members which is valid until 1992.

The Board’s policies on Executive Management provide that evaluation of the Chancellor, the vice chancellors, and presidents need not take place within five years of retirement. Since there can be no standard retirement age, it is necessary to adjust the policy to permit the Board to make decisions concerning the retirement of these executives in an appropriate manner. The amendments to the two relevant policies presented below are intended to accomplish those purposes.

EXECUTIVE MANAGEMENT

The Executive Management Policy, unless an exception is noted, applies to the Chancellor, the presidents, and the vice chancellors.

1. Appointments

Appointments to positions of Chancellor, president, or vice chancellor shall be made by the State Board of Higher Education. Appointees serve at the pleasure of the Board.

The Chancellor, presidents, and vice chancellors are academic personnel and hold the rank of professor. Appointments do not carry tenure status. However, tenure may be held if tenure in an academic discipline is conferred by an institution through the procedures of that institution consistent with the Board’s Administrative Rules.

2. Termination of Appointments

An appointment as Chancellor, president, or vice chancellor may be terminated by the appointee by written notification to the Board and by the Board upon written notification to the appointee.

If an appointment is terminated by the Board, the holder shall be given timely notice of termination in writing as follows: During the first annual appointment, at least three months; during the second year of service, at least six months; and thereafter, at least twelve months.
If in the sole judgment of the Board it is necessary to relieve the Chancellor, a president, or a vice chancellor of duties before the expiration of timely notice, salary shall be paid for the unexpired period of timely notice. If termination is for a reason defined in OAR 580-21-325, the Board may deny timely notice or equivalent compensation. (Also see Section 4 below.)

3. Retirement

The Chancellor, presidents, and vice chancellors are subject to the same retirement regulations as other academic staff members. (Also see Section 4 below.)

4. Evaluation Process

The Chancellor [ presidents,] and vice chancellors shall be evaluated immediately following their third year in office and again during each successive fifth year in office. [No formal evaluation shall be undertaken during the three years immediately preceding retirement.] The Chancellor will evaluate each president every three years. At the conclusion of the review, the Chancellor, with the approval of the Board, may set a termination or retirement date effective any time in the ensuing three years, or may elect not to set a date. When a termination or retirement date has been set, a president need not be further reviewed. The initial reviews under this policy may involve termination or retirement dates up to four years. Nothing in this evaluation process is to impair the Board's authority to terminate a president at any time in accordance with the Termination of Appointments section of this Executive Management policy.

The evaluation process shall be developed by the Chancellor, in consultation with the presidents and vice chancellors, and submitted to the Board for its approval.

5. The Distinguished Service Professorship

A person who has served with distinction as president or Chancellor for five or more years, and who possesses the appropriate qualifications, shall become eligible for consideration for appointment as an Oregon State System Distinguished Service Professor.

Depending upon the nature of the assignment, such a person may be eligible for a leave to prepare for the appointment.

The specific assignment of a Distinguished Service Professor shall be determined by the Board.
EVALUATION OF CHIEF ADMINISTRATORS

1. The presidents and Chancellor shall be evaluated by the Board. The Chancellor shall assist the Board in assembling the evaluation material for the presidents.

2. The chief administrators shall be evaluated immediately following the initial three-year period of appointment, and additional evaluations shall be undertaken [at five-year intervals] each three years thereafter in accordance with Section 4 of the Board’s Executive Management Policy.

3. Evaluative criteria for the presidents shall include, but not be limited to, the following:
   a. Academic leadership and management.
   b. Administrative leadership and management.
   c. Internal relationships.
      (1) Faculty and staff.
      (2) Students.
      (3) Alumni and institutionally associated groups.
   d. External relationships.
      (1) State Board of Higher Education.
      (2) Board’s staff.
      (3) State government.
      (4) General public, both local and statewide.
      (5) Regional and national affiliations.
   e. Effectiveness in achieving affirmative action objectives and sensitivity to other equity issues.
   f. Physical condition.

4. Evaluative criteria for the Chancellor shall include, but not be limited to, the following:
   a. Administrative leadership and management.
   b. Internal relationships.
      (1) State Board of Higher Education.
      (2) Oregon State System of Higher Education.
      (3) Presidents and Board’s Office staff.
   c. External relationships.
      (1) State government.
      (2) General public.
      (3) Regional and national affiliations.
   d. Effectiveness in achieving affirmative action objectives and sensitivity to other equity issues.
   e. Physical condition.
The following procedural steps for evaluation of the presidents shall be followed:

1. The Chancellor shall consult with the president to be evaluated concerning a procedure to be followed in obtaining evaluative material.

2. The president shall be asked to submit a statement concerning the president's stewardship. The statement shall include references to the evaluative criteria in Item 3 above.

3. Following receipt of this statement, the Chancellor shall seek evaluative information from teaching faculty, administrative faculty, students, and related external groups and individuals. Other groups and individuals, both within and outside the institution, shall be given the opportunity to submit evaluative information.

4. The president shall submit the results of a physical examination to the Chancellor.

5. The Chancellor shall prepare and submit to the Board an evaluative report.

6. The Board shall review the evaluative material, after which it may meet with the administrator to discuss the evaluation.

Information needed for evaluation of the Chancellor shall be determined by the Board.

Staff Recommendation to the Committee

It was recommended that the Committee adopt and recommend to the Board the revisions indicated above in the policies on Executive Management and Evaluation of Chief Administrators.

Discussion and Recommendation by the Committee

Mr. Lemman presented the staff report to the Committee.

In response to a question from Mr. Adams, Mr. Lemman indicated the termination or retirement referred to the office of president and not to any other faculty-type position or to tenure. He said presidents may be appointed concurrently in an academic discipline and that appointment may be with indefinite tenure. The Board’s policy on indefinite tenure requires that it be given only in an academic department. Persons holding academic rank outside of departments are all on fixed-term contracts and are not on tenure track or indefinite tenure appointments. Those presidents who have tenure status in a department could exercise
their right to return to the department as a tenured professor even if the Board terminated their appointment as president.

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

Board Discussion and Action

Mr. Adams presented the report and recommendation from the Committee.

Mr. Hensley said there had been discussions at the Executive Committee level related to the review of the vice chancellors. He said it had been his impression that the vice chancellors were directly responsible to the Chancellor and questioned whether it was appropriate to include the vice chancellors in this policy as far as the review process was concerned.

Mr. Petersen said the Executive Committee had discussed this issue again at its meeting the previous evening and he believed it was unanimously agreed that it would be appropriate to delete the evaluation of the vice chancellors and leave that to the Chancellor.

Mr. Alltucker moved that the language be changed to show that the vice chancellors would not be reviewed directly by the Board but would be reviewed by the Chancellor. The Board approved the amendment as proposed.

The Board then approved the Committee recommendation as amended, with the following voting in favor: Directors Adams, Alltucker, Brooks, Chao, Dodson, Hensley, Hermans, Nelson, Richardson, Schnitzer, and Petersen. Those voting no: None.

Approval of Property Acquisition Plan, WOSC

Staff Report to the Committee

In July 1987, the Board accepted the revised master plan for Western Oregon State College. Included in that plan was an expansion of the boundaries of the campus to include four parcels lying east of Mormon Avenue and running north to the south line of Gentle Avenue. The master plan identified this land for auxiliary enterprise use, primarily for student housing.

College officials have reported that the parcels included within the expansion area had been placed on the market before acceptance of the master plan and remain available.

Each of the parcels is presently used for residential purposes. Two smaller parcels along Gentle Avenue at Mormon Avenue are improved. A residence is on one parcel and two two-bedroom duplexes are on the other. These improvements can be sold for
relocation by the buyer(s). The middle parcel is a 43-space mobile home park. The purchase would include six of the mobile units as well as the land. Other units are owned by the tenants and have occupancy on a space rental basis. The southern parcel is a low-rise apartment complex of 60 units. A recent survey indicates a third of the units are occupied by Western Oregon State College students.

The current estimate of the purchase cost of the four parcels is approximately $1,280,000. An additional $20,000 should be invested against deferred maintenance to protect the usability of the properties over the life of the suggested repayment period.

The request of Western Oregon State College, with which the staff concurs, is to complete the required appraisals and undertake acquisition within a maximum cost of $1,300,000, with funding to come from the sale of Article XI-F(1) bonds. Revenues from the rental of the properties in their present configuration, until needed as building sites, is conservatively estimated to produce sufficient net revenues to repay the debt service at an accelerated pace, presently targeted at ten years. It is intended that within a short time all the residential units will be restricted to students of the College and be operated through the Western Oregon State College housing program.

Enrollment development at Western Oregon and at the Oregon Police Academy, sited on the Western Oregon State College campus, has resulted in full occupancy of all student housing units, both dormitories as well as the 21 modular units acquired this past spring. The 1987-1989 Capital Construction program for auxiliary enterprises approved by the 1987 Legislature, includes funds for a 300-bed dormitory for Western Oregon. This facility will not be available before Fall 1989 at the earliest. While Western Oregon State College has continued to meet or exceed enrollment forecasts, the most significant potential constraint to continued growth would be a lack of housing for students. Acquisition of these properties would provide both a bridge until more permanent housing can be constructed, as well as a site for additional permanent housing.

If the Committee and Board approve of proceeding with acquisition of these parcels, a request will be made of the State Emergency Board at its December 1987 meeting for the necessary expenditure limitation. Bond proceeds may have to wait until a sale in the spring of 1988. It appears, however, that interim financing can be arranged for purchases concluded prior to the sale.

Staff Recommendation to the Committee

The staff recommended that the Committee and the Board approve the request of Western Oregon State College to proceed with acquisition of four parcels of land and improvements sited within the recently amended campus boundaries at a cost not to exceed
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$1.3 million, with funding to come from Article XI-F(1) bond proceeds, with repayment to be accomplished within 10 years from the date of sale of the applicable bonds; and authorize staff to seek establishment of an expenditure limitation, as required, within Chapter 595, Oregon Laws 1987.

Discussion and Recommendation by the Committee

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

Board Discussion and Action

Mr. Dodson presented the report and recommendation of the Committee.

The Board approved the Committee recommendation, with the following voting in favor: Directors Adams, Alltucker, Brooks, Chao, Dodson, Hensley, Hermens, Nelson, Richardson, Schnitzer, and Petersen. Those voting no: None.

Acceptance of Schematic Design of Classroom/Laboratory Building, EOSC

Staff Report to the Committee

Included as fourth priority in the Board’s 1987-1989 Capital Construction request for the education and general plant was a classroom/laboratory building for Eastern Oregon State College. The project was included in the Governor’s supplemental capital construction request within Chapter 721, Oregon Laws 1987, and funds for the project were appropriated by the Legislature.

Soderstrom Architects of Portland, with the assistance of Eastern Oregon State College faculty and staff, have completed the site studies and schematic design of the building. The structure will contain approximately 79,365 gross square feet on two levels and will be sited west of a plaza to be developed between Hoke Center and Bradley Hall. Pierce Library forms the east edge of the quadrangle. The new building is bounded by "K" Avenue on the north; "I" Avenue on the south and Sixth Street on the west. An effect of the project will be removal of surface parking and the former Physical Plant building, now used as the ROTC rifle range and for the outdoor program. These activities will be relocated to other sites on campus.

The Classroom/Laboratory building will be Type I fire-resistant construction, with steel structure and concrete floor system. The exterior walls will be painted stucco over gypsum sheathing. Along the west and north elevations, the ground floor varies from seven feet to three feet below existing grade. A concrete retaining wall will support the exterior wall system at those locations. Exterior walls will be insulated with R-11 fiberglass batt.
The roofing systems will be of two types. Roof for the theater element, at the southeast quarter of the building, will be glazed terra cotta tiles; the remainder of the building roof will be either a prepainted metal standing seam or lock rib roof. The roof systems will be insulated with R-14 rigid insulation.

Double glazed windows will occur throughout, with solar bronze or reflective glass at locations where sun control is required. The north facing roof skylight will be clear double glazed.

The interior spaces will be of standard gypsum wallboard over metal studs, with special acoustical treatment at music spaces. Art rooms will be partitioned with concrete block for durability and fire resistance. Floors generally will be carpeted, except in the art areas, theater shop and other utility spaces. The theater lobby will be carpeted with some features of terrazzo or quarry tile. The building will be fire sprinklered.

The building will feature two theaters. The main theater will seat 463; a "Black Box" theater adjacent will seat 135 persons.

The project is served by both acoustical and theater consultants.

The total project budget is $8,385,000 of General Funds, appropriated by the 1987 Legislative Assembly in Chapter 721, Oregon Laws 1987. The current direct construction cost estimate is $6,551,519.

The project could be ready for bidding in May 1988, with a construction period of approximately 15 months. Occupancy could occur at the start of fall quarter 1989.

A Project Presentation Form for this project follows this report.

Staff Recommendation to the Committee

The staff recommended that the Committee and the Board accept the schematic design of the Classroom/Laboratory for Eastern Oregon State College, within an expenditure limitation of $8,385,000 provided within Chapter 721, Oregon Laws 1987; and that staff be authorized to direct the institution and its consultants to proceed through completion of design, preparation of construction document, bidding, and contract award, subject to the authorization of the State Emergency Board at its May 1988 meeting.

Discussion and Recommendation by the Committee

Mr. Neland presented the staff report and recommendation. At the conclusion of his statement, Mr. Chao mentioned the Board's concern that particular consideration be given to the concrete work due to the special conditions in La Grande.
The Committee recommended that the Board approve the staff recommendation as presented.

Board Discussion and Action

Miss Brooks presented the report and recommendation of the Committee.

In response to a question from Mrs. Nelson, President Gilbert indicated the theatre facilities would be used by the theatre program and the smaller theatre would also be used as a lecture hall. They will also be used for the student activities performing arts series and for various kinds of productions by the community.

The Board approved the Committee recommendation, with the following voting in favor: Directors Adams, Alltucker, Brooks, Chao, Dodson, Hensley, Hermsen, Nelson, Richardson, Schnitzer, and Petersen. Those voting no: None.

Staff Report to the Committee

On November 17, 1978, the Board revised the boundaries of Eastern Oregon State College to exclude more than 12 acres not required for the development of the Eastern Oregon State College campus. The land is on the west side of 12th Avenue, south of the city cemetery. The College was authorized to offer the land for sale in two tracts. Finding no buyers, the College returned to the Board in July 1984 with a request to reconfigure the sale into three parcels, identified as A, B, and C. Parcel C, with which this report is concerned, contains 4.89 acres and is improved with a two-bedroom residence. Parcel A contains 1.74 acres and is improved with a three-bedroom residence; Parcel B is 4.89 acres with no improvements. Parcel A is the most northerly parcel, with B and C arrayed to the south.

Earlier this year, an offer to purchase Parcel C at a price below the new appraised value of $43,500 was received by Eastern Oregon State College. However, these negotiations failed to produce a firm offer when the potential buyer failed to gain the required financing.

The Eastern Oregon State College now has received a new offer on Parcel C, from Mr. Fred C. Bell of La Grande. The price offered is $40,000 on a purchase contract. The proposed agreement would require a down payment of $10,000, with the balance to be paid in monthly installments over a period not to exceed 15 years at an interest rate of 10% per annum.

Inasmuch as the property has been on the market for nine years, it is the opinion of staff that this offer should be accepted, even though it is below the current appraisal value.
Proceeds from the sale will be credited to the excess building fee sinking fund, the source of the original purchase of the land.

Staff Recommendation to the Committee

The staff recommended that the Committee and the Board authorize appropriate Board officials to accept the offer of Mr. Fred C. Bell, La Grande, to purchase land identified as Parcel C, which is surplus to the needs of Eastern Oregon State College, for a sale price of $40,000, of which $10,000 will be paid as a down payment, and the balance of $30,000 will be paid in monthly installments with an interest rate of 10% per annum. The period of the contract of sale shall not exceed 15 years.

Discussion and Recommendation by the Committee

Mr. Neland explained that the cost of an independent appraiser would exceed the $3,500 difference between the appraised value and the purchase price. It would also require several additional months because appraisers presently have a heavy backlog of work.

The Committee recommended that the Board approve the staff recommendation.

Board Discussion and Action

The Board approved the Committee recommendation, with the following voting in favor: Directors Adams, Alltucker, Brooks, Chao, Dodson, Hensley, Hermens, Nelson, Richardson, and Schnitzer. Those voting no: None. Mr. Petersen abstained from voting because he was a friend of the person who bid on the property.

Acceptance of Construction Grant for Fish Disease Research, OSU

Staff Report to the Committee

Oregon State University has received a grant from the Bonneville Power Administration in the amount of $769,123 for development of a 3,500-square foot laboratory for fish disease research. The Board is requested to authorize acceptance of the grant in accordance with OAR 580-42-010.

The existing Fish Disease laboratory was developed at Oregon State University in 1967. It is located in facilities adjacent to the University's Smith Farm, along Highway 20 just east of Corvallis. The laboratory was operated cooperatively by Oregon State University through its Department of Microbiology, the Oregon Fish Commission, and the Bureau of Commercial Fisheries. Recently, the main portion of the operating costs have come from the University, the State Department of Fish and Wildlife, and the Bonneville Power Administration.
In the early years, the facility was used by Dr. J. L. Fryer, now Chairman of the Department of Microbiology, and a research group of nine or ten individuals. Currently, fish disease research interests at Oregon State University have expanded until there are now four faculty and more than 30 graduate students and technicians. The increased work has brought about a need for increased facilities, which the Bonneville Power Administration has agreed to underwrite.

The facilities to be provided through this grant will include office and storage space; laboratories for examination, immunology, bacteriology and sample preparation of viral assays; a small animal care unit for rabbits and mice; a laboratory for housing of aquaria for holding fish under experimentation; and an outdoor area for holding aquaria for fish awaiting experimentation or otherwise not requiring isolation.

Staff Recommendation to the Committee

The staff recommended the Committee and the Board authorize the acceptance of a construction grant from the Bonneville Power Administration to Oregon State University in the amount of $769,123 for the construction of additional facilities at the Fish Disease Laboratory.

Discussion and Recommendation by the Committee

In response to a question concerning any ongoing expenses to be incurred as a result of accepting the grant, Mr. Neland said the program is supported totally from research grants and sales of services. No additional General Fund expense would be incurred for the institution or the Board, either in the operation and maintenance of the facilities or for the activities connected with it.

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.

The Board approved the Committee recommendation, with the following voting in favor: Directors Adams, Alltucker, Brooks, Chao, Dodson, Hensley, Hermens, Nelson, Richardson, Schnitzer, and Petersen. Those voting no: None.
Staff Report to the Committee

The remaining elements of the Board's 1977 program for removal of barriers to the physically handicapped are nearing the time when the projects at three institutions (Eastern Oregon State College, University of Oregon, Oregon State University) can be advertised and bid.

The Committee will recall that the 1979 Legislative Assembly appropriated sufficient General Funds and Article XI-G bonds to fund the Board's request to make all programs accessible to the physically impaired. However, a special session of the Assembly was convened in the summer of 1980 to resolve revenue problems of the State, and those elements of the projects which were not under contract were unscheduled and the funding authorization withdrawn. No funds were forthcoming in 1981 or 1983. The 1985 Assembly appropriated $800,000 of General Funds to permit some progress. In 1987, the Assembly, in accordance with the Governor's recommendation, appropriated $3,810,000 to complete the effort. These funds are set out in Chapter 721, Oregon Laws 1987.

The Committee should understand that this project does not necessarily make all buildings on all campuses fully accessible to the physically impaired. The goal of the Board's original request, to conform to federal mandates, was to assure accessibility to programs. Programs which could be relocated to accessible facilities were so relocated. Those programs which could not be relocated, because of special facilities needs or other reasons, were made accessible by modifications to buildings.

All structures constructed since that time, and many before, are accessible as required by local building codes. Buildings which are deficient in accessibility, but which were not required to be accessible under conditions of the 1978 effort, will be remedied whenever substantial renovation or related capital repairs are undertaken.

The work to be accomplished through the 1987 appropriation involves modifications similar to those accomplished under past appropriations, including primary building access; restroom modifications; vertical circulation (elevators and lifts); and other minor requirements.

The $3,810,000 of General Funds are distributed among the three institutions as follows:

<table>
<thead>
<tr>
<th>Institution</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eastern Oregon State College</td>
<td>$ 545,000</td>
</tr>
<tr>
<td>University of Oregon</td>
<td>$1,620,000</td>
</tr>
<tr>
<td>Oregon State University</td>
<td>$1,645,000</td>
</tr>
</tbody>
</table>
The essential design of the modifications was done during 1978-79, and reviewed by the Board at that time. Current work involves reviewing previous solutions for their current efficacy; and repackaging the items into appropriate bid packages.

No increase in institutional costs of operation and maintenance is anticipated through this project.

The State Emergency Board will be required to authorize the expenditure of funds for construction. It is expected this authorization will be requested at the Emergency Board's December meeting.

Staff Recommendation to the Committee

The staff recommended the Committee and Board approve proceeding to construction of the 1987-1989 Capital Construction project, Removal of Barriers to Accessibility for Eastern Oregon State College, the University of Oregon, and Oregon State University within an expenditure limitation of $3,810,000 of General Funds as appropriated within Chapter 721, Oregon Laws 1987; and that the staff be authorized to seek the authorization of the State Emergency Board to expend funds for the required construction.

Discussion and Recommendation by the Committee

In response to a question from Mr. Chao, Mr. Neland indicated that the State System would be in full compliance with requirements for removal of barriers to accessibility when the project was completed. He said this did not mean that all buildings or all spaces in all buildings would be accessible, but all elements of all programs would have accessible facilities. It is anticipated the completion date will be approximately one year from now.

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

Board Discussion and Action

Mrs. Schnitzer presented the report and recommendation of the Committee.

The Board approved the Committee recommendation, with the following voting in favor: Directors Adams, Alltucker, Brooks, Chao, Dodson, Hensley, Hermens, Nelson, Richardson, Schnitzer, and Petersen. Those voting no: None.
Petition for Review by Dr. William Little, PSU

Staff Report to the Board

At the March 20, 1987, Board meeting, the Board remanded Professor William Little's grievance to President Sicuro to review the record and reconsider the decision based on that review. President Sicuro reviewed the file, considering all the correspondence, the hearing committee's report, Associate Vice President Michael Reardon's letter adopting the hearing committee's report, and all other information in the record. President Sicuro offered to meet with Dr. Little to discuss his proposed findings of fact and conclusions of law. Dr. Little declined President Sicuro's offer. President Sicuro adopted the findings of fact and conclusions of law and submitted them to the Board. On July 20, 1987, Dr. Little requested that the Board review President Sicuro's report. In June, the Board adopted a new faculty grievance procedure, OAR 580-21-050, which requires the Board to review any appeal of a President's decision in a faculty grievance. Until the Board has adopted specific procedures for that review, the staff recommends that the Board continue using the procedures outlined in its former review procedure, OAR 580-21-390. However, consistent with the Board's new rule, staff recommends that the Board's review no longer be discretionary.

Staff Recommendation to the Board

Therefore, the staff recommended that the Board direct the Chancellor or his designee to review Dr. Little's appeal in the method provided under OAR 580-21-390.

If the Board accepts the staff recommendation, the following motion would be in order:

That the Board accepts review of Dr. William Little's appeal and directs the Chancellor or his designee to investigate under the procedure and in the manner described in OAR 580-21-390. The Board further directs the Chancellor to report the results of that investigation. At that time, the Board will determine what, if any, further action the Board should take.

Board Discussion and Action

The Board adopted the above motion as recommended, with the following voting in favor: Directors Adams, Alltucker, Brooks, Chao, Dodson, Hensley, Hermens, Nelson, Richardson, Schnitzer, and Petersen. Those voting no: None.
Staff Report to the Board

ORS 526.225 provides that the Board of Higher Education shall appoint a Forest Research Laboratory Advisory Committee composed of fifteen members, nine of whom are to be individuals who are actively and principally engaged in timber management on forest lands, harvesting or processing of forest products; three of whom are to be individuals who are the heads of state and federal public forestry agencies; and three of whom are to be individuals from the public at large. Although the statute does not prescribe the terms of the committee members, our practice has been to make appointments for a period of three years.

Carl Stoltenberg, Director of the Forest Research Laboratory, with the concurrence of President Byrne and Chancellor Davis, recommends the following appointments for the period July 1, 1987, through June 30, 1990:

Ms. Nancy Duhnkrack, of Portland, Oregon, to be a representative of the public-at-large. Ms. Duhnkrack holds degrees from the University of Oregon, Lewis & Clark Law School; is author of resource legislation adopted by the 1981 Legislative Assembly; and is a member of the Boards of Directors of the Oregon Environmental Council and the American Rivers Conservation Council. She currently holds a part-time position with Judge Leavy of the 9th Circuit Court of Appeals.

Ms. Gail L. Achterman, of Portland, Oregon, as a representative of the public-at-large. Ms. Achterman is an alumna of Stanford University and holds degrees in law and natural resources from the University of Michigan. She has served with the U. S. Department of Interior and is currently a Natural Resources Assistant to Governor Goldschmidt.

Dr. Carl Newport, of Portland, Oregon, as a representative of the forest industry. Dr. Newport is a partner in a forestry consulting firm and is an expert in forest economics, having taught at Colorado State University. He holds degrees in resource economics from Michigan, Oregon State, and New York State Universities.

The nominees will replace two advisory committee members who have each completed two full three year terms and one who is deceased. Each has expressed a willingness to serve as committee members if appointed by the Board.

Staff Recommendation to the Board

The staff recommended that the three persons named above be appointed to the Forest Research Laboratory Advisory Committee.
Board Discussion and Action

The Board approved the staff recommendation as presented, with the following voting in favor: Directors Adams, Alltucker, Brooks, Chao, Dodson, Hensley, Hermens, Nelson, Richardson, Schnitzer, and Petersen. Those voting no: None.

Confirmation of Institutional Degree Lists

In accordance with Board regulations, the following Board members represented the Board in approving candidates for degrees and diplomas for the graduating classes at the various institutions during the 1986-87 academic year and summer sessions:

- Oregon State University - F. David Crowell
- University of Oregon (including Fall, Winter, Spring, & Summer 1986-87) - Louis B. Perry
- University of Oregon Law School - John W. Alltucker
- Portland State University (including Fall, Winter, Spring, & Summer 1986-87) - George E. Richardson, Jr.
- Western Oregon State College - James C. Petersen
- Southern Oregon State College - Richard F. Hensley
- Eastern Oregon State College - John W. Alltucker
- Oregon Institute of Technology - Robert R. Adams
- Oregon Health Sciences University - Mark S. Dodson

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

Staff Recommendation to the Board

The staff recommended that the Board confirm the actions of these Board members in approving degrees and diplomas.

Board Discussion and Action

The Board approved the staff recommendation as presented, with the following voting in favor: Directors Adams, Alltucker, Brooks, Chao, Dodson, Hensley, Hermens, Nelson, Richardson, Schnitzer, and Petersen. Those voting no: None.

Sale of McKnight Estate Property, UO

The Board first approved the sale of the Mildred McKnight estate property, consisting of approximately 68 acres of farmland located about five miles west of Lebanon, Oregon, on January 18, 1985. The advertised minimum bid price of $92,200 did not attract any buyers; therefore, the property was rented to a nearby farmer for another year.
In early 1987, another appraisal of $67,800 was obtained. It reflected the significant decrease in farmland prices over the past three years. On July 24, 1987, the Board again approved the staff recommendation to offer the property for sale by bid for $67,800, with 20% down, and equal principal and interest payments using the average lending rate in effect, if sold on contract.

On September 16, 1987, two bids, only one of which was valid, were opened. The cash bid of $68,000 was accepted. Subsequently, the Board President and Secretary executed a Bargain and Sale Deed approved for legal sufficiency by the Board’s legal counsel.

Board Discussion and Action

The Board accepted the report as presented.

SUMMARY OF FACILITIES DIVISION

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

Contracts for Professional Consulting Services

Agricultural Experiment Station, OSU

An Agreement was negotiated with Endex Engineering, Inc., Corvallis, for engineering services not to exceed $6,000. Financing will be provided from state (Lottery) funds.

Award of Construction Contracts

Science III

On August 24, 1987, Lebanon Servco, Inc., was awarded a contract for this project in the amount of $103,185. Financing is provided from funds available to the institution and a matching grant from the U. S. Department of Energy.

BCEMs, USDOE/ICP Cycle 8, UO

On August 31, 1987, Saco General Contractors, Portland, was awarded a contract for this project in the amount of $78,228. Financing is provided from state funds.

CCD Remodel for Nursing Unit Project, OHSU

On August 20, 1987, Saco General Contractors, Portland, was awarded a contract for this project in the amount of $32,028. Financing is provided from state funds.

Physical Plant Building, Handicapped Access Upgrade, OHSU

On September 16, 1987, Contractors, Inc., Tualatin, was awarded a contract for this project in the amount of $255,400. Financing is provided from federal funds.

UHS, Angiography Remodel, OHSU
On September 16, 1987, Contractors, Inc., Tualatin, was awarded a contract for this project in the amount of $455,200. Financing is provided from federal funds.

On August 24, 1987, Hydro-Temp Mechanical, Inc., Portland, was awarded a contract for this project in the amount of $73,918. Financing is provided from funds made available to the institution.

On September 14, 1987, Willamette Painting Co., Portland, was awarded a contract for this project in the amount of $24,520. Financing is provided from funds made available to the institution.

On September 4, 1987, Koll Construction Co., Beaverton, was awarded a contract for this project in the amount of $2,637,000. Financing is provided from Article XI-F(1) bonds.

This project is complete and was accepted on August 27, 1987. The estimated total project cost remains at $58,760. Financing was provided from state funds.

This project is complete and was accepted on June 16, 1987. The estimated total project cost remains at $55,402. Financing was provided from funds available to the hospital.

The Board accepted the report as presented.

Mr. Chao said the Finance Committee had reviewed the progress being made with respect to minority business enterprises. He requested Mr. Dodson to make a brief report on the discussion.

Mr. Dodson explained that the Finance Committee had discussed extensively the efforts to increase participation of minority business enterprises and to meet the Board’s affirmative action goals, particularly in view of the substantial amount of money available for capital construction projects at the present time. There should be close coordination with the statewide effort. It was determined that it might be more appropriate to proceed in conjunction with HB 3364 and the Governor’s appointment of a new minority business enterprise advocate rather than to develop an additional State System procedure. It may be possible to meet these goals through a personal services contract, and staff will consider that alternative further and report to the Committee at the next meeting.
Mr. Chao requested Dr. John Owen to give a brief report on the OCAIE Committee.

Dr. Owen said he had been pleased with attendance at the recent lecture series and participants are attending from companies not previously represented. Those attending are not necessarily from the high technology companies.

There are cooperative efforts under way with respect to economic development. It is important for the State System to be involved in economic development because high technology companies wishing to locate in Oregon have concerns in terms of higher education, particularly at the master’s and doctoral levels.

A research matrix is nearing completion. It will describe major advanced technological fields, be cross-referenced by research areas, and include most of the high technology companies as well as the universities in Oregon.

Mr. Dodson reported that the applications and nominations for the presidency at Oregon Health Sciences University were to be received by November 15. The search committee has been meeting weekly in order to expedite the process so that the institution will not lose its current momentum. Although the search committee is reluctant to set a completion date for the search, it is satisfied the applications are coming in and the search is on schedule.

Mr. Adams reported that the director and staff members from the State Department of Economic Development had visited the Oregon State University campus to view possible ways in which the university could participate in economic development.

Mr. Alltucker said the planning committee had not yet resumed its activities and he anticipated it would be another month before it began its work again.

Mr. Hensley indicated the Committee on Instruction had received four reports. The first report was the latest accreditation report on the University of Oregon from the Northwest Association of Schools and Colleges. The accreditation report was a very favorable report. The Committee reviewed some of the comments and recommendations and found the answers satisfactory. Some items have been requested from the University as part of the Committee’s continuing review.

Dr. Hoops reported to the Committee concerning the conversion to the semester system. He said things were moving in an excellent manner and were on schedule.
Dr. Hoops also commented on the results of the cooperative effort between the State System and the community colleges as mandated in HB 2913, the block transfer agreements. The block transfer agreements have been reviewed with the academic council and been accepted.

Mr. Hensley said there was a brief report on developments in teacher education.

The Committee discussed the presidential search process. A public hearing will be held on October 21, 1987, on the campus of Oregon State University. Written and oral testimony will be received at that time, and a report will be made to the Board at its November meeting.

Mr. Petersen indicated Mr. Chao would be unable to attend the hearing and Mr. Alltucker would substitute for him. In addition, Miss Brooks will be able to attend.

Mr. Petersen said the group would act as hearing officers only and would receive testimony and written comments. There would be no comment or rebuttal from the members of the hearing committee. He said there had been previous Board hearings on the presidential search process and it has been through the Board’s Committee structure. Therefore, the recommendation of the committee will be brought directly to the Board for action on November 13.

Mr. Petersen announced that the next regular Board meeting would be held November 13, 1987, on the campus of the University of Oregon. This date represents a change from the regular meeting date.

Mr. Petersen said the Executive Committee had met the previous evening and considered nominees for the Task Force on Regional Colleges. The nominees will be contacted prior to the November Board meeting and the appointments made at that time.

With respect to the Tourism Research Institute, the institutions were requested to present nominees and have done so. The group will be meeting to develop an organization structure and bylaws to be submitted to the Board.

The Chancellor said he would be contacting the presidents about the development of a response to criticisms of unnecessary duplication in the schools at the universities.

The Board meeting was adjourned at 12:05 p.m.

James C. Petersen, President
Wilma L. Foster, Secretary