MINUTES OF REGULAR MEETING OF THE
STATE BOARD OF HIGHER EDUCATION HELD
MARCH 16, 1990

MINUTES APPROVED

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Meeting #586

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

March 16, 1990

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., Friday, March 16, 1990, by the President of the Board, Mr. Richard F. Hensley, and on roll call the following answered present:

Mr. Robert R. Adams  Mr. Rob Miller
Mr. Bob Bailey        Mr. George E. Richardson, Jr.
Mr. Tom Bruggere      Mr. Leslie M. Swanson, Jr.
Mr. Mark S. Dodson    Ms. Janice J. Wilson
Mr. Gary Johnston     Mr. Richard F. Hensley
Miss Annette Matthews

Absent: None.

Chancellor Bartlett and Presidents Blake, Brand, Byrne, Cox, Edgington, Gilbert, Kohler, and Meyers were present.

OTHERS PRESENT

Chancellor’s Office—Chancellor Thomas Bartlett; Wilma Foster, Board Secretary; W. T. Lemman, Executive Vice Chancellor; John Owen, Vice Chancellor, OCATE; Larry Large, Vice Chancellor, Public Affairs; Robert Frank, Interim Vice Chancellor, Academic Affairs; Holly Zanville, Associate Vice Chancellor, Academic Affairs; Davis Quenzer, Associate Vice Chancellor, Budget and Fiscal Policies; R. S. Perry, Associate Vice Chancellor, Administrative and Information Systems Services; George Fernsteiner, Associate Vice Chancellor, Facilities Division; Joe Sicotte, Associate Vice Chancellor, Personnel Administration; Virginia Thompson, Executive Assistant to the Chancellor; Melinda Grier, Director, Legal Services and Compliance Officer; Ron Anderson, Assistant Vice Chancellor, Personnel Administration; Virginia Boushey and James Payne, Assistant Vice Chancellors, Academic Affairs; Barbara Barrie, Personnel Officer; Jim Sellers, Director of Communications; Eileen Magee, Executive Support Specialist.

Eastern Oregon State College—President David Gilbert; James Lundy, Dean of Administration; James Hottois, Dean of Academic Affairs.
March 16, 1990

Oregon Health Sciences University—President Peter Kohler; Lesley Hallick, Vice President, Academic Affairs; Henry Van Hassel, Interim Vice President, Administration; W. C. Neland, Associate Vice President, Budget and Finance.

Oregon Institute of Technology—President Larry Blake; Chris Eismann, Dean of Academic Affairs; John Smith, Dean of Administration; Doug Yates, Director, Business Affairs.

Oregon State University—President John Byrne; Graham Spanier, Provost and Vice President for Academic Affairs; Ed Coate, Vice President, Finance and Administration.

Portland State University—Interim President Roger Edgington; Frank Martino, Provost; Gary Powell, Acting Vice President, Finance and Administration.

Southern Oregon State College—President Joseph Cox; Ronald Bolstad, Dean of Administration; Stephen Reno, Dean of Academic Affairs.

University of Oregon—President Myles Brand; Dan Williams, Vice President, Administration; Norman Wessells, Provost.

Western Oregon State College—President Richard Meyers; Bill Cowart, Provost; William Nelfert, Dean of Administration.

Interinstitutional Faculty Senate Members Attending Meeting—Margaret Barroth, OHSU; Ulrich Hardt, PSU; Herb Jolliff, OIT.

Others—Don Frisbee, Chairman, Governor’s Commission on Higher Education in the Portland Metropolitan Area; Jim Mattis, Assistant Attorney General; Lynn Pinckney, Executive Director, and Kate Menard, Executive Assistant, Oregon Student Lobby; Lisa Horowitz, Organizing Director, OSPIRG; Viviane Simon-Brown, Director, COCHE; Jay Margulies, Director, Oregon Federation Teachers Local #3571.

MINUTES APPROVED

The Board dispensed with the reading of the minutes of the last regular meeting held on February 16, 1990, and approved them as previously distributed. The following voted in favor: Directors Adams, Bailey, Bruggere, Dodson, Johnston, Matthews, Miller, Richardson, Swanson, Wilson, and Hensley. Those voting no: None.

CHANCELLOR’S REPORT

Emergency Board Presentation

The Chancellor reported that, on the previous day, he had presented to the Emergency Board a proposal for emergency funding for faculty salaries in accordance with earlier Board authorization. No decision was expected or taken at that Emergency Board meeting. The heads of both houses in the Legislature had indicated earlier that the Emergency Board would listen to proposals at this meeting and would make decisions probably in either May
or July. He said there appeared to be a good deal of sympathy and concern for the state's problem which the staff was trying to describe. Faculty salaries were emphasized, but an effort was made to put faculty salary pressures in the context of broader resource issues. The Chancellor said he believed there was an understanding on the part of the members of the Emergency Board that the State System had a severe resource problem that posed the most fundamental kinds of issues and challenges.

The Chancellor thanked Mr. Richardson and Miss Matthews for being present at the Emergency Board presentation. Mr. Hensley concurred and also thanked all Board members for participating in various activities and for their willingness to serve when requested.

The Chancellor indicated that President Kohler had recommended the appointment of Dr. Henry Van Hassel, Special Vice President for Institutional Organization and Dean of the School of Dentistry, as Interim Vice President for Administration at the Oregon Health Sciences University. Dr. Van Hassel will fill the position vacated by the departure of Mr. Dave Witter to accept a new position. The Chancellor concurred in the proposed appointment and recommended that the Board approve the appointment.

The Board approved the Chancellor's recommendation. The following voted in favor: Directors Adams, Bailey, Bruggere, Dodson, Johnston, Matthews, Miller, Richardson, Swanson, Wilson, and Hensley. Those voting no: None.

The Chancellor said the staff was proceeding with evaluations of four of the presidents. When these are completed, the evaluations will be on a regular schedule of periodic evaluations in accordance with a previous Board decision. The evaluation of President Byrne has been completed, and a report has been made to the Board. The evaluation process for President Blake is well underway, and those for Presidents Gilbert and Meyers are beginning.

In the case of President Blake, the Chancellor said the formal and established processes, as provided in the Board's rules, have been completed. He said the outside consultant had come, spent a period of time on the campus, and provided him with a written report and an oral report of two or three hours. The consultant identified strengths and some serious problems which have emerged on that campus.

The Chancellor suggested the next steps in the evaluation process as a result of the report. President Blake will be presenting at a faculty meeting on April 3 some suggestions for dealing with issues which emerged during the evaluation process. There will then be a period of dialogue on the campus between President Blake and campus constituencies, particularly the Faculty Senate,
but also other constituencies. The Chancellor indicated he would follow that dialogue and report to the Board further in two to three months.

Dr. Holly Zanville said she had been requested to provide the Board with an overview of continuing education programs and the issues and problems anticipated for the coming decade. She distributed two charts indicating expenditures and enrollments in continuing education and a brief chronological outline of the State System's growth in continuing education programs. Copies are on file in the Board’s Office.

Dr. Zanville then presented the following report covering the history, development, and present status of continuing education.

Continuing education is a substantial and growing enterprise in the Oregon State System of Higher Education. Present expenditures are expected to run well over $11 million per year — this number represents a 29% increase from the previous year, alone, and a 266% increase from just a decade ago.

Continuing higher education in the State System is very diverse. Since the dismantling of OSSHE’s statewide centralized continuing education system about a decade ago, the colleges and universities have developed viable independent programs. Together with community colleges and independent institutions, these operations provide Oregon with an extensive and diverse system for lifelong learning. The decentralized system has produced a continuing education infrastructure and delivery system that is strikingly more elaborate and complex than the system it replaced. It promises even more complexity and growth in the future with the onset of ED-NET.

The missions of the State System’s institutions shape in large part their continuing education programs. The universities emphasize meeting the continuing education professional needs of many occupational groups; the regional colleges meet regional higher education needs. A number of special organizations have developed to focus on needs of particular groups. The Oregon Center for Advanced Technology Education and the Linntner Center for Advanced Education are examples of programs serving business and industry in the Portland area. The Central Oregon Consortium for Higher Education is the most recent example, developed to serve the Bend area.

Oregon’s continuing education programs match trends in programs nationwide. Continuing higher education is the arena of higher education that projects and extends the resources
of colleges and universities to the community. With its orientation to service of adult learners, it is well positioned to play a significant role in addressing two realities: an increasingly older work force and a workforce with a continuing need to stay abreast of Oregon’s rapidly-changing, technologically-sophisticated, and service-based economy.

A recent study of an OGSHE Interinstitutional Continuing Education Committee, with participation from community colleges, found that over 200,000 Oregonians were served through continuing education programs in 1987-88 by public institutions alone; over 115,000 in two-year institutions; and over 88,000 in State System institutions. These numbers do not include the programs of the Extension Service provided by Oregon State University to hundreds of thousands of Oregonians (in areas of forestry, family living, energy, agriculture, fisheries, and marine and Columbia River resources). In OGSHE continuing education programs, over 112,000 student credit hours were generated through continuing education with instruction offered in over 100 disciplines.

Continuing higher education includes both credit and non-credit programs. Systemwide, about 40% of students participate in credit programs and 60% in noncredit programs — growth in noncredit programs has been especially notable in recent years as greater numbers of professionals seeking updating through noncredit workshops and institute are served.

A number of differences in emphases of programs by the campuses are seen. For example, virtually all of the Oregon Health Science University’s continuing education programs are noncredit; 82% of Southern Oregon State College’s programs are noncredit; and 58% of the University of Oregon’s are noncredit. Institutions such as Eastern Oregon State College, Oregon Institute of Technology, and Portland State University serve many more credit than noncredit students (each around 65%). Western Oregon State College serves about an equal number of credit and noncredit students.

Programs vary by type of programming as well. Oregon State University and the University of Oregon provide almost one-third of their student credit hours at the graduate level, compared to Portland State University at one-fourth, Eastern Oregon State College at one-fifth, Western Oregon State College at one-fourth, and Southern Oregon State College at one-fifth.
Many formats are used: Regular credit courses, seminars, workshops, short credit and noncredit courses, in-house contract instruction for businesses, correspondence courses, teleconferences, elderhostel, night school, vacation college, weekend college, teacourses, youth camps, and other special programs.

Many off campus locations are utilized, with some 14 centers designated around the state to deliver programs, and numerous other sites at which continuing education programs are provided.

Entire degree programs are also available in many locations around the state — and this is a growing phenomenon. For example, the University of Oregon provides three master’s programs at off-campus sites (masters in education, applied information management, and educational administration; Eastern Oregon State College provides a bachelor’s degree in general studies off campus; Oregon State University provides a master’s degree in education at Oregon Institute of Technology and a bachelor’s degree in liberal studies in Bend. Portland State University provides a statewide video MBA.

So far this report has been upbeat. Continuing education programs are growing and are providing a significant service to Oregonians. This service is not being done with state dollars. But, there are numerous problems behind this picture, and they unfortunately are also growing.

1. COORDINATION

Coordination in the 1990s is expected to be a key issue facing continuing higher education programs. As these programs expand to serve various clientele throughout the state, they face increased competition from their counterparts. Duplication of effort has pros and cons. For citizens, duplication provides access to multiple programs, increasing choice and availability. For institutions, however, duplication may in the end reduce the number of students served by programs. If multiple courses are offered in an area with limited numbers of students, it will fracture the clientele, resulting in low enrollment classes, higher costs, and, eventually, reduced access to those communities.

In order to fix this problem, it is essential to improve the coordination and linkage functions. This has been difficult with the onus on the State System’s campuses to run self-supporting programs.
2. ED-NET

The development of ED-NET will affect the continuing higher education programs significantly. Programs will be able to be delivered more easily throughout the state's proposed satellite system, creating increased need for coordination and statewide planning of programs. Although not all of OSSHE ED-NET programming will be run through continuing education, a major portion probably will. The needs for coordinated academic planning among departments and continuing education units, as well as interinstitutionally, will become critical to the successful use of the new delivery system.

3. FINANCING

The decision to move off campus continuing education programs to budgetary self-support came in 1971, with the centralized approach to continuing education abandoned in 1978 in favor of institutionally-based programs. At the time, it seemed that the Legislature and State System envisioned that much of the continuing education program would be offered through regular institutional FTE formulas, but this never occurred. With the onset of Oregon's recession, continuing education became relegated, at least financially, to the margins of the campuses. Adding further insult to injury, the continuing education budgets were charged overhead charges of a minimum 8%, which is running as high as 12-15% at some institutions today.

Recently, what might be called a line-item approach has been observed for programs in highly specialized areas or programs addressing needs of particular constituencies. These include OCATE and the new Bend Consortium. While this approach recognizes a small number of needed programs, it fails in extending parity and equal access to other needed programs around the state. Other groups do not have the advocacy groups to support line-iteming by the Legislature.

4. ENROLLMENT MANAGEMENT

A new problem comes with enrollment management. Institutions are trying to serve those students for whom they have resources. Therefore, the numbers of students in the regular programs have been reduced. At the same time, there are more and more demands for continuing education programs, which are providing not only off-campus programs, but on-campus programs in the day time, on campus in the evenings, on campus on weekends — in fact, there is increasingly a
blurring of the distinction between what is regular education and what is continuing education. It appears sometimes to be simply a question of budget — it is continuing education if it is self-support, and it is regular education if student FTE are counted and state dollars are supporting our programs.

A quote taken from a report written in the early 1970s in the State System sounds unusually familiar today: "It is increasingly impossible to make distinctions between regular education and continuing education. Increasingly our student bodies are over 25 years old and are employed. Courses are regularly scheduled during evening hours as well as day time and institutions are reorganizing courses into short term or weekend schedules to accommodate student needs. As distinctions between education and continuing ed have faded, the disposition of legislatures throughout the nation has been to recognize that credit courses whether offered on or off campus, ought to be given the same financial support by the state as on campus instruction."

This year, OSSHE's Interinstitutional Continuing Education Committee has been meeting to review the problems and challenges ahead in continuing education. The Chancellor's Task Force on Continuing Education and ED-NET also have been reviewing these issues.

The State System appears to be at a critical junction point in continuing education — it are running the danger of establishing a second campus, a self-support campus, for a large number of students who cannot be served through regular education. The policies for determining who will fit on one side, and who will fit on the other, must be reexamined.

Mr. Richardson inquired how the head count figure was determined for continuing education. Dr. Zanville said it was her understanding the figures represented all of the students who took at least one credit course and were so counted in the institution. However, one of the problems in addressing continuing education growth is that the campuses do not count people identically in all instances and centralized data collection has not been done since the campuses were provided their own independent programs.

In discussing the figures shown for Eastern Oregon State College, it was explained that 365APL referred to the 365 students in the assessment for prior learning program. The 9,750 represented the credit hours for the assessment of their prior learning.

Mr. Miller asked whether the doubling of continuing education expenditures between 1984-85 and 1987-88 was due to the implementation of the overhead fee.
Dr. Zanville responded that she assumed it was due to the very fast growth of the program during that period. She stated there was currently another very fast growth in the program, partly because of the large number of noncredit programs presently in demand.

Mr. Adams inquired what other source of funding was available other than the self-support programs. Dr. Zanville said it would vary among campuses. The policy is that the programs be self-supporting, but some of the institutions have begun to provide some very minor support to have those programs expanded. She said the question of whether the policy should be consistent among the campuses or should be one driven by institutionally-designated needs was one of the issues which must be resolved.

In response to a question from Mr. Swanson, Dr. Zanville said there was no difference between a continuing education course or a regular course offered for credit. Board policy states that the quality standards must be identical. In the past, there may have been a geographical or time distinction.

Mr. Swanson asked what would prevent Oregon State University, for example, from offering continuing education courses for credit in Bend that became a second university.

Dr. Zanville said nothing would prevent that at present. In fact, one of the concerns about enrollment management is that those campuses who are experiencing the greatest pressure to offer more courses to those students who cannot be served under those restrictions will begin to expand greatly. The result may be a second-level campus at various sites throughout the state. It will be necessary to ascertain whether that would be fair to students who would be charged different amounts for the same thing.

Mr. Swanson then inquired whether the decentralization of continuing education in 1978 had occurred for financial reasons.

Dr. Zanville said it was her understanding there was considerable pressure from the public to be served better and it was a major burden for the campuses to plan programs to meet the needs and then have to obtain permission from the central office. The assumption was decentralization would bring the programs closer to the communities and the institutions could handle the administration. Unfortunately, when this occurred there was no strong push to continue to provide coordination from the Chancellor's Office, and the campuses became entrepreneurial. The State System probably is serving many more people as a result, but there has been a proliferation of centers from different campuses, particularly in the Portland area. She said it would be important for all involved to decide how to handle the various markets that need these kinds of programs.
A brief discussion followed on how faculty FTE was assigned for credit and noncredit course loads and the priority given to each category. There is considerable variation in many of elements of information on continuing education which makes it difficult to present a systemwide picture.

Mr. Richardson requested the staff to prepare a short paper or definition of what constitutes continuing education, either on a State System or institutional basis, so that he would have accurate information for discussions with external groups or persons.

Dr. Zanville mentioned that the idea of expanding programs and packaging entire degree programs off campus or in other communities would be very difficult to accomplish on a self-support basis. Some classes must be offered for a given degree but may not have enough students to meet self-support. That means the entire continuing education program has to subsidize the provision of these programs or they are not offered or offered only occasionally in order to get enough students in the classes. This issue becomes a real consideration on a self-support basis in terms of quality and the real integration of programs. It will become even more significant with the advent of Ed-Net.

Mr. Dodson called the Board's attention to the survey done by the Oregon Business Council on the subject of continuing education. He suggested there probably was a need for some coordination in view of the complexity of the issues pertaining to continuing education.

Dr. Large said the purpose of the information topic had been to stimulate and heighten the Board's interest and awareness of the complexities of continuing education and to review some emerging issues. He said the Task Force on Continuing Education, Off-Campus Education, and Ed-Net would be considering some of these issues and working toward policy positions. He also indicated public services programs would be the subject of the Issues Discussion for April and would include a dimension of continuing education.

Mr. Hensley began the Committee of the Whole meeting by asking Mr. Don Frisbee, Chairperson of the Governor's Commission on Higher Education in the Portland Metropolitan Area, to present a progress report on the Commission's work to date.

Mr. Frisbee said the work of the Commission was on schedule and the members were enthusiastic about the assignment in terms of the present and with what could be accomplished with the help and participation of a great many Oregonians, including the Board of Higher Education. He said the concept paper, which the Commission was charged to produce and distribute during March of 1990,
is in the final redraft stage and will be distributed within a few days to a broad segment of the community.

Mr. Frisbee said the concept paper will include several pages which emphasized the importance of higher education for the 21st century. Mr. Frisbee indicated it will also include a vision for the Portland metropolitan area that expands into the region as a whole, because that area obviously is the service center for a broad regional series of activities. In addition, the concept paper presents a series of goals for higher education against the setting of Portland as it presently is and as the Commission foresees it. Key structural change options are identified without editorial comments concerning them.

Mr. Frisbee reported that several special task forces were underway on subjects such as entrepreneurship in the Portland metropolitan area, a futuristic look at the area related to higher education, implications of an international global economy to higher education in the Portland area, access to higher education to the citizenry of Portland, the minorities aspect of higher education, culture and the arts, and similar subjects. These task force reports will be distributed when they are in semi-final form for public reaction and comment.

Mr. Frisbee indicated the Commission was expecting important work to be submitted to it within the next two months. The Oregon Business Council's recommendations will be available. They are based on a thorough needs analysis developed on the basis of extensive interviews with over 300 business people throughout the State of Oregon — businesses of various sizes and geographic locations. The report from community colleges has been received and includes recommendations relative to their situations and needs relative to the Commission's charge. The private college association is expected to submit recommendations in May, and there are continuing reports from an ad hoc group established by the Commission. The group is composed of all of the presidents of the colleges in the Portland metropolitan area and all of the universities in the state. Other interested groups also are expected to submit recommendations or comments.

Mr. Frisbee said the establishment of the Commission had brought an important and needed focus on the higher educational system in Portland and on the future requirements of that system. He said he viewed this as a very significant factor.

Mr. Frisbee indicated the next step involved obtaining public response and comment and the Commission's efforts will be directed even more strongly to promoting and drawing out the public and involving citizens in the report. Public hearings will be held using the concept paper in various segments as a thesis for those hearings. Finally, the Commission expects to develop a detailed, viable set of structural options and to begin to narrow
them to specific structural changes that ought to be considered seriously in light of the goals and expectations for the higher educational system in the metropolitan area. The pros and cons of each will be included as they are related to the goals and objectives. A financial analysis will be incorporated into each of the viable possibilities in order to assess the financial implications of moving in one direction as compared to others.

Mr. Frisbee said the draft of the Commission's final report was expected by early October, culminating in the completed report by November 15 after additional involvement of all concerned.

Mr. Frisbee commented that the Commission was sunsetted with the completion of the final report but the members of the group were dedicated to contributing and being a part of changes that will improve the higher education system. For that reason, he would expect that they would continue to be involved. Higher education is the most important element of Oregon's society and presents a challenge to everyone in terms of setting a viable course and having the economic and social health that the citizens of Oregon deserve.

The Chancellor said Mr. Frisbee was doing a remarkable public service in leading this very extensive project. He stated it was impressive to see people gradually beginning to focus around a smaller set of issues and come closer and closer together. He said Mr. Frisbee deserved the major credit for this accomplishment so far.

Mr. Hensley thanked Mr. Frisbee both personally and on behalf of the Board for his efforts in this assignment.

Proposal for Adjustment in New Fee Remission Program

Staff Report to the Committee

In January 1990, the Board approved a revised fee remission program consisting of three parts: the Oregon Minority Enrollment Initiative, Oregon Merit Program, and International Cultural Service Program. Board discussion of the staff proposal revealed an interest in increasing the funding for the revised program. Consequently, the program was approved at the proposed level as a minimum level, with the understanding that the staff would bring back to the Board a proposal that might increase funding.

The staff has reexamined the factors used in estimating the costs of both the current program and the revised program as submitted to the Board in January. The new program estimates are based on more up-to-date retention rates; i.e., the average length of time recipients will remain in school and retain the fee remission scholarship.
The revised cost estimates result in an estimated difference of $435,000 between the current program and the amended program. In response to the Board's request, the staff recommends that the program approved in January be amended. In making the following recommendations, the staff is taking into account the fact that Portland State University, the University of Oregon, and Oregon State University experienced the greatest cuts in their fee remissions as a result of the amended program approved by the Board in January. The staff also has recalcualted the costs of Portland State University's Minority Teacher Plan at three full years.

Therefore, the staff recommends:

- Increasing the number of students served at Oregon State University and the University of Oregon in the Oregon Merit Program by 20 each per year. This will cost approximately $160,000;

- Placing $110,000 in reserve to allocate to institutions which are successful in increasing retention and graduation of students in the minority freshman program. The dollar limit should not result in reducing the number of students in the minority freshman program, if the retention rate of these students is higher than estimated; and

- Making no commitment of the remaining $165,000 in funds to any of the revised fee remission programs in recognition of the fact that these are at best only estimates of what the actual program costs will be at maturity in 1994-95. Staff will report to the Board periodically on actual experience and recommend further changes in the program which may be warranted.

Staff Recommendation to the Committee

The staff recommended that the Board approve the above revisions to the fee remission program as adopted by the Board on January 19, 1990.

Discussion and Recommendation by the Committee

Ms. Wilson asked why Portland State University had not been included in the proposal to increase the number of students in the Oregon Merit Program along with Oregon State University and the University of Oregon. Dr. Frank responded that Portland State University had received 18 additional minority teacher fee remissions through the recalculation of Portland State University's minority teacher plan at a full three years. The third year had not been included previously. He also explained that this recommendation was consistent with the initial proposal approved by the Board at an earlier meeting. The earlier action brought
together a whole range of fee remission programs into a single program under an allocation plan based on enrollments, retention rates, and the numbers of under-represented students at each institution.

Miss Matthews said it appeared the students from Portland State University who would be Oregon merit scholars were being penalized because there would be fewer scholarships there than at the other universities for students who might be from Oregon and have academic talents.

Ms. Wilson said she would like the Board to look at this issue again because Portland State had a unique role as an urban university. One of its tasks is to take home-bound minority students and help to increase the number of minority teachers. The other two institutions do not play that unique role. She said she then looked at the Oregon Merit Scholarships and it did not appear the three universities were all receiving equal treatment because Portland State University was unequal for Oregon Merit Scholarship students, even though it might be treated equally in terms of the total fee remission scholarships.

Dr. Frank agreed that Portland State University did have a unique opportunity for serving students from under-represented groups, but he commented that the other two universities also had a considerable number of students from those groups and were committed to serving them.

Mr. Swanson said it would appear the fee remission program, prior to reorganization, was used more by some institutions than it was by others. Consequently, certain institutions were hit much harder with regard to their practices of encouraging minorities from out of state, for example, to come on scholarships. He said it was necessary to know the history of what was happening in the prior program to understand how equitable the reorganization plan was.

Dr. Frank said that the colleges generally gained and the three universities lost in the reallocation of the fee remissions. Of the universities, Oregon State University and the University of Oregon lost the most in terms of dollars.

The Chancellor commented that trying to resolve appropriate kinds of combinations of financial and political decision-making in a Committee or Board setting did not seem to be the best way to proceed. In addition, he said there was a second concern in that the decision could not be delayed very long because of the necessity to prepare for awarding tuition remissions in various forms for the coming year. He suggested that the Board might authorize the staff to proceed with all but some undefined margin of the program in order that most of the fee remission program could be
started. Conversations among the institutions and with the Chancellor’s Office could continue and a proposal could be brought to the Board for the reserved margin of the remission program at a future time.

Mr. Dodson asked whether the intent of the Chancellor’s suggestion was to proceed with the proposal before the Board and then utilize some of the uncommitted amount of $165,000 for any additional fee remissions which might be recommended after further review. He also asked whether the $165,000 represented actual dollars available.

The Chancellor said he was not comfortable with relying entirely on the $165,000 because those reserves were included for a good reason. He said he would prefer to reduce everything by a small percentage and save the reserves. He said it was difficult to predict accurately the actions of people and know the reserves would be adequate.

After further discussion, Board members agreed that the only issue was funding individuals in the Oregon merit program at Portland State University.

Mr. Miller said he would be interested in hearing comments from a representative of Portland State University.

Dr. Frank Martino, Provost, said Portland State University had created a unique and special minority student program in cooperation with the Portland Public Schools. It required tuition remission as well as a lot of other support from external sources. He stated it was a very fine program and probably will receive national attention. In light of Portland State’s special mission, Dr. Martino said he believed Portland State might have proceeded with the program even if it had been informed at the time that it would have to be done at the cost of reducing the availability of merit scholarships to other parts of the student body. However, the choice would have required further consideration. The purpose of the Portland Public Schools’ program was to increase access to an extra part of society. The intent was not to balance that against a decrease of another very important part of Portland State’s student constituency who would receive merit scholarships. He said the staff had been very chagrined when it learned about the recommendation. He stated that if an institution produces a new program to increase minority representation, it should not happen at the expense of some other part of the student body.

Mr. Hensley asked Dr. Frank if he could suggest any possible compromises to address the concerns expressed by Board members and the Chancellor during the discussion.
Dr. Frank indicated there were three possibilities: (1) The 40 scholarships proposed for allocation to Oregon State University and the University of Oregon could be divided equally among the three universities, (2) a portion of the $110,000 reserved for allocation to institutions successful in increasing retention and graduation of minority students could be used for 10-12 merit scholarships, or (3) a similar number could be provided by utilizing $40,000 from the reserve of $165,000.

After further discussion of alternatives and the impact of the time factor, Mr. Swanson moved that the Committee recommend to the Board that it accept the staff recommendation with an amendment that an additional 15 Oregon Merit Scholarships be included for Portland State University.

Mr. Richardson asked for further clarification of the rationale for the $110,000 reserve. Mr. Lemman said the purpose was to put a dollar limit to deal with a sum of money rather than with individuals. In the minority program, it was necessary to estimate the retention rate to get the dollar cap. The staff believes the estimates are appropriate, based on the short history of the program. If the retention rate has been underestimated, however, the reserve will make it possible to fund those students retained in the program without cutting the number admitted in the following year. In essence, $110,000 is being added to the total sum of money allocated to the institutions for this particular program, but it is being held in reserve to prevent cuts in the entering freshman class for institutions with a higher retention rate. There is no intention of reducing the number for institutions which do not maintain a certain level of retention and graduation.

The Committee approved the motion by Mr. Swanson.

Board Discussion and Action

Mr. Johnston asked whether $60,000 would be the approximate dollar amount for funding the 15 additional scholarships and was informed that figure was correct.

The Board approved the staff recommendations as presented and amended to include the 15 additional Oregon Merit Scholarships for Portland State University. The following voted in favor: Directors Adams, Bailey, Bruggere, Dodson, Johnston, Matthews, Miller, Richardson, Swanson, Wilson, and Hensley. Those voting no: None.
Authorization
To Acquire
Land, OHSU

Staff Report to the Committee

In 1988, as the Oregon Health Sciences University began public discussions with the neighborhood association and other interested parties about acquiring parcels of land within the arc formed by the east edge of S. W. Veterans Hospital Road, there appeared to be evidence of plans to increase the cost of those parcels. The University, therefore, requested the OHSU Foundation to acquire the properties and hold them until the University completed the action to bring the properties within the boundaries of the campus and could identify a source of funds to repurchase the parcels from the Foundation.

An agreement was drafted, but not ultimately executed, which described a protocol for determining the repurchase price at a future time. Essentially the agreement stated that the Foundation would acquire properties, would operate them as appropriate, and would offer them to the University for the original purchase price, less earned income, plus interest accruing at the average investment rate the Foundation would have received on the funds if they had remained in the endowment pool. Although the agreement was not formally executed, both parties have proceeded as if it were in force.

The Foundation, between July 15 and October 24, 1988, acquired five parcels, each with improvements, for an out-of-pocket investment of $948,037. An amount of $43,775 was realized from operating earnings. The foregone interest, from time of acquisition through April 30, 1990, is calculated at $121,425. Therefore, repurchase cost at April 30, 1990, will be $1,025,687.

The Oregon Health Sciences University now requires the land to carry out the construction of Parking Structure V and has resources within the 1989 legislative authorization to build the structure and acquire the land. The Board authorized this project to proceed in December, with the understanding this land would need to be acquired. The price of $1,025,687 is slightly higher than the amount anticipated last December.

The parcels are located at 3416 S. W. Veterans Hospital Road (single family dwelling); 3424 S. W. Veterans Hospital Road (four-plex); 3350 S. W. Veterans Hospital Road (apartment complex); and 3402 S. W. Veterans Hospital Road (duplex). All structures are now vacant. The structures have been advertised as available for relocation. The conditional use permit issued by the City of Portland permits demolition, which is necessary for construction of the parking structure to proceed.
Staff Recommendation to the Committee

The staff concurred with the request of the Oregon Health Sciences University to acquire five parcels of land from the OHSU Foundation and recommended that the Board authorize the staff to purchase those parcels for $1,025,687, as of April 30, 1990.

The request should be discussed by the Board at the March meeting and placed on the Consent Agenda for final action at the April meeting.

Discussion and Recommendation by the Committee

The Committee recommended that the Board approve the staff recommendation as presented and place it on the Consent Agenda for the April meeting.

Board Discussion and Action (March 16, 1990)

The Board approved the Committee recommendation, with the following voting in favor: Directors Adams, Bailey, Bruggere, Dodson, Johnston, Matthews, Miller, Richardson, Swanson, Wilson, and Hensley. Those voting no: None.

Authorization To Expend Other Funds for Smith Memorial Center Rehabilitation, PSU

Staff Report to the Committee

In December 1989, the Board authorized the staff to seek an increase in the Other Funds Limitation for the 1987 Smith Memorial Center Rehabilitation Project at Portland State University. The additional $315,000 of authority was granted by the Emergency Board in January, thereby permitting Portland State University to move forward with Phase II of its plans to renovate Smith Memorial Center.

During the December meeting, the staff informed the Board that Phase III of the project had received a separate limitation from the 1989 Legislative Assembly and would be treated as a separate project. The Other Funds limitation for the 1989 project is $1 million, and it was ranked fourth by the Board among 1989-1991 auxiliary projects. It will be financed by the sale of Article XI-F(1) bonds whose debt service will be paid by the building fee. Bonds for this project are included in the resolution before the Board at this meeting.

This new project involves the rehabilitation of the Parkway Commons restaurant, expansion of the bookstore outlet, and rehabilitation of the Student Organization Office Complex. Some kitchen and recreation equipment is slated for purchase. Design work is underway, and the project should be ready for bidding this summer.
Staff Recommendation to the Committee

The staff concurred with the request of Portland State University and recommended that the Board authorize the staff to request that the Emergency Board release for expenditure $1 million of Other Funds for the Smith Memorial Center Rehabilitation project at Portland State University.

The request should be discussed by the Board at the March meeting and placed on the Consent Agenda for final action at the April meeting.

Discussion and Recommendation by the Committee

In response to a question, Mr. Bernsteiner explained the building fee was an amount of money assessed every term to every student to support a variety of mostly student-related building projects. The fee is $18 per quarter throughout the State System.

With respect to a question concerning the importance of ranking, Mr. Bernsteiner said the rank had meaning when seeking additional monies. The rankings were established when the projects were sent to the Legislature for approval. The Legislature approves all of the projects and the fees and other funds necessary to support them at that time. The rankings become important in terms of competition when seeking an increase in funding. He also said only the Emergency Board had authority to move money from project to project once the Legislature had acted. Specific dollars are tied to specific projects in the statute for capital construction. There is flexibility to move monies around in the operating budget.

The Committee recommended that the Board approve the staff recommendation as presented and place it on the Consent Agenda for the April meeting.

Board Discussion and Action (March 16, 1990)

The Board approved the Committee recommendation, with the following voting in favor: Directors Adams, Bailey, Bruggere, Dodson, Johnston, Matthews, Miller, Richardson, Swanson, Wilson, and Hensley. Those voting no: None.

Authorization To Expend Other Funds for Institution Storage and Landscaping, EOSC

In 1989, the Legislative Assembly approved the Board's request for $300,000 to construct an equipment storage facility and make landscaping improvements at Eastern Oregon State College. This project, ranked ninth by the Board among 1989-1991 auxiliary projects, is financed by Article XI-F(1) bonds whose debt service
is paid by the building fee. A portion of the bonds needed for this project ($120,000) is included in the bond resolution before the Board at this meeting.

The design of lower-maintenance grounds and improvements to make the campus more attractive during the winter (two of the purposes of this project) is underway. It will focus on landscaping the old track and football field areas ($105,000) and landscaping around other BOSC athletic and recreation facilities ($75,000). It is anticipated that bonds for the two landscaping efforts will be sold next fall.

Eastern Oregon State College intends to construct the equipment storage building this summer. The building will be located near the Physical Plant department’s complex and will house outdoor recreation program equipment. The landscaping projects probably will be offered for bid this summer.

Staff Recommendation to the Committee

The staff concurred with the request of Eastern Oregon State College and recommended that the Board authorize the staff to request the Emergency Board to release for expenditure $300,000 of Other Funds to construct an equipment storage facility and make landscaping improvements at Eastern Oregon State College.

The request should be discussed by the Board at the March meeting and placed on the Consent Agenda for final action at the April meeting.

Discussion and Recommendation by the Committee

The Committee recommended that the Board approve the staff recommendation and place it on the Consent Agenda for the April Board meeting.

Board Discussion and Action (March 16, 1990)

The Board approved the Committee recommendation, with the following voting in favor: Directors Adams, Bailey, Bruggere, Dodson, Johnston, Miller, Richardson, Swanson, Wilson, and Hensley. Those voting no: None.

Staff Report to the Committee

The Legislative Assembly approved last summer a $1,440,000 Other Funds limitation to permit the reconstruction of the kitchen and dining room facilities at the University of Oregon’s Hamilton Hall. This project was ranked tenth among auxiliary projects approved by the Board for this biennium. However, it is the only 1989-1991 project to use dormitory funds.

Bonds were sold last fall to finance the construction of the kitchen and dining room improvements. The thirty year old kitchen
was designed to serve 800 customers per meal on a "no-choice" menu. This upgrade would permit the facility to serve properly 1,300 customers per meal from a "multiple choice" menu. This requires additional food preparation and serving facilities. In addition, old equipment would be replaced, and the five dining rooms would be refurbished and made suitable for audio-visual presentations in order to increase their utilization during non-meal hours.

During the design phase of this project, investigators discovered that a considerable amount of asbestos has to be removed from all areas. Nearly every surface material used in the ceilings and walls of the facility appears to contain asbestos. The cost for asbestos removal and air monitoring was originally expected to be minimal but now is expected to reach $100,000.

University of Oregon officials have requested an increase of $100,000 in the Other Funds limitation for this project in order to remove the asbestos. Also, because the kitchen improvements must be complete before the beginning of Fall term 1990, the University wishes the entire Other Funds limitation to be released for expenditure. The University will pay the $100,000 from its housing reserves.

Staff Recommendation to the Committee

The staff concurred with the request of the University of Oregon and recommended that the Board authorize the staff to seek from the Emergency Board an increase of $100,000 in the Other Funds limitation for the Hamilton Hall Kitchen Alteration project and the authorization to expend $1,540,000 of Other Funds to accomplish that project.

The request should be discussed by the Board at the March meeting and placed on the Consent Agenda for final action at the April meeting.

Discussion and Recommendation by the Committee

Miss Matthews inquired whether the Board had any restrictions on how the money is spent from the dormitory pool. Mr. Perneisteiner replied that the monies from the dormitory pool are for the bond purposes allocated to the construction projects approved by the Board. The individual institutions also have reserves for the operation and maintenance of their dormitories and other housing units. These do not go into the debt service pool. The funds for this project are from the institutional reserves.

Mr. Miller asked whether the State System, along with other state agencies, was likely to be facing a major problem with respect to asbestos in state facilities.
Mr. Pernsteiner indicated there was a real possibility there could be situations requiring costly correction. The 1989 Legislature set aside about $10 million statewide and directed the Risk Management Office of the state to do an assessment of all state facilities and begin allocating money to do asbestos abatement. Surveying of the facilities is about to begin. The state has selected a consultant to do the survey and the State System's colleges and universities will be working with that consultant. No report is expected until late this year or early 1991, but the state is reviewing the asbestos abatement on a statewide basis.

In response to a further question, Mr. Pernsteiner said instructions to the institutions for renovation and repair projects have directed them to include the cost for asbestos abatement if they anticipate or know that it will be involved in a project.

The Committee recommended that the Board approve the staff recommendation and place it on the Consent Agenda for the April Board meeting.

Board Discussion and Action (March 16, 1990)

The Board approved the Committee recommendation, with the following voting in favor: Directors Adams, Bailey, Bruggere, Dodson, Johnston, Matthews, Miller, Richardson, Swanson, Wilson, and Hensley. Those voting no: None.

Resolution for Sale of Article XI-F(1) Bonds

Staff Report to the Committee

In order to begin and complete the timely construction of several projects authorized by the Legislative Assembly or the Legislative Emergency Board, it is necessary to sell a portion of the bonds authorized by the Sixty-fifth Legislative Assembly, in accordance with provisions of Article XI-F(1) of the Oregon Constitution.

The Oregon State Treasurer is authorized to negotiate the sale of bonds or sell them by bid and to determine whether to issue the bonds as zero coupon bonds (called Oregon Baccalaureate Bonds). The State Treasurer will make these determinations soon and is expected to sell the bonds in late April or early May.

Board action to approve the following bond resolution is required before the Treasurer can arrange for and proceed with the sale. The staff finds that the projects are self-liquidating and self-supporting.

Staff Recommendation to the Committee

The staff recommends that the Board adopt the following resolution authorizing the sale of Article XI-F(1) bonds to provide $25,545,000 of bond proceeds.
RESOLUTION

WHEREAS, THE STATE BOARD OF HIGHER EDUCATION OF THE STATE OF OREGON (the "Board") deems it necessary, pursuant to law, including Article XI-F(1) of the Constitution of the State of Oregon, Chapters 734 and 731, Oregon Laws 1989, and applicable provisions of Oregon Revised Statutes Chapter 286, 288 and 351, to sell general obligation bonds to fund the costs of certain capital improvements; and

WHEREAS, ORS 286.033 requires the Board to authorize bonds by resolution, and ORS 286.031 provides that all bonds of the State of Oregon shall be issued by the State Treasurer; now, therefore,

BE IT RESOLVED BY THE STATE BOARD OF HIGHER EDUCATION OF THE STATE OF OREGON AS FOLLOWS:

Section 1. Issue. The State of Oregon is authorized to issue general obligation bonds (the "Bonds"), in such series and principal amounts as the State Treasurer, after consultation with the Executive Vice Chancellor of the Department of Higher Education, shall determine are required to fund projects. The Bonds shall be designated, dated, mature, authenticated, registered, be in such denominations, shall bear interest, be payable, be subject to redemption, and otherwise contain such terms as the State Treasurer determines, after consultation with the Executive Vice Chancellor. The maximum net effective interest rate for the Bonds shall not exceed ten percent per annum.

Section 2. Projects. Bonds are authorized to be sold in an amount sufficient to provide the following funds for the following projects or other projects, as may be authorized by the Oregon Legislature, and as may be revised by the Executive Vice Chancellor:

<table>
<thead>
<tr>
<th>Article XI-F(1) Projects</th>
<th>Estimated Cost</th>
<th></th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Construction</td>
<td>Acquisition</td>
</tr>
<tr>
<td>OHSU Parking V</td>
<td>28/30</td>
<td>10,000,000</td>
</tr>
<tr>
<td>OHSU CROET</td>
<td>30</td>
<td>4,000,000</td>
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<tr>
<td>OHSU Patient Equip</td>
<td>7</td>
<td>120,000</td>
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<tr>
<td>ESO: Storage</td>
<td>30</td>
<td>920,000</td>
</tr>
<tr>
<td>PSU Fish/Wildlife</td>
<td>28/30</td>
<td>1,000,000</td>
</tr>
<tr>
<td>PSU Smith Ctr Rehab</td>
<td>30</td>
<td>6,505,000</td>
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<tr>
<td>UO Casanova Ctr</td>
<td>30</td>
<td></td>
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</tbody>
</table>

Grand Total Proceeds Required $25,545,000
wee not approved.

on the list that appeared by the Board and would be deleted if it
the Board takes on the Carsonia Company, the latter for the
occurred. Rather, the change would be reflected in the
intended by the language and would be reported to the Board if it
provided by the Board. This is the only exercise of discretion
provide the Carsonia Center complex. If the projected were not ap-
to delete the Carsonia Center complex. If the projected were not ap-
not. Both the Board was included upon the recommendation

Legislative.

Area of the jurisdiction for resolution of projects authorized by the
The Adams said Section 2 of the resolution seemed to grant a de-

Discussion and Recommendation by the Committee

them.

sell and deliver the bonds in accordance with this reso-
the Board, to take any action which may be required to issue, 
the bonds which may be required to issue, and other actions
by the Board. This is the only exercise of discretion.
the Carsonia Center complex. If the projected were not ap-
to delete the Carsonia Center complex. If the projected were not ap-
not. Both the Board was included upon the recommendation

Section 4. Sale of Bonds. The State Treasurer, the Director 
expert as if connected heretofore.

trustees for the bonds shall be endorsed to the same

(b) Convenient of the Board or the designee in its tax

(a) The Board shall not take any action contrary to the tax-

Section 5. Other Action. The State Treasurer, the Director 

The Board may make the following specific conditions with
the Board takes the following specific conditions with the
the interest to be paid on the bonds to be so exchangeable, may,
consent that such condition is to the benefit of the 
interest or exchange from gross income for federal income tax be
1966 Act. The bonds which are required for bond interest to be
compatible with all provisions of the Internal Revenue Code of 
which are required for bond interest to be

March 16, 1990

Meeting #586
Mr. Johnston asked the meaning of the numbers to the right of the project descriptions. Mr. Pernsteiner said they represented the individual years for which the bonds are issued. For example, 28/30 indicates 30-year bonds with the principal paid only in the last 28 years. Only the interest would be paid for the first two years.

In response to a question about the source of repayment for the bonds, Mr. Pernsteiner indicated it varied but they were paid from independent sources.

Mr. Bruggere asked whether any of these bonds would be issued as zero coupon baccalaureate bonds. Mr. Lemman said those which had maturities less than 20 years were planned as zero coupon bonds and those with longer maturities would be issued as regular coupon bonds.

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

Board Discussion and Action

The Board approved the staff recommendation and adopted the above resolution. On roll call vote, the following voted in favor: Directors Adams, Bailey, Bruggere, Johnston, Matthews, Miller, Richardson, Swanson, Wilson, and Hensley. Those voting no: None. Director Dodson abstained from voting because the bond department of his law firm had been consulted and he wished to avoid any possible appearance of impropriety.

Staff Report to the Committee

Oregon Institute of Technology is seeking to enter into an agreement with a developer for construction and operation of 50 units of family housing on property owned by the Board across the street from the present OIT dormitory. Oregon Institute of Technology plans to issue a Request for Proposals (RFP) to solicit the interest of developers.

The primary purpose of the Request for Proposals is to ensure the successful development and operation of low-cost housing for Oregon Institute of Technology students and their families. Oregon Institute of Technology officials note that affordable family housing is becoming hard to find in Klamath Falls. However, mindful that not all units might be rented by students at all times, Oregon Institute of Technology has developed criteria to permit vacant units to be rented to faculty and staff and, if no OIT-related tenants can be found, to others in the community. Tenants not affiliated with Oregon Institute of Technology would
pay fair-market rent, and the developer's lease payments to Oregon Institute of Technology (one dollar per year if all units are rented to OIT-related persons) would rise accordingly.

Developers are being offered the option to hook up to Oregon Institute of Technology's water and geothermal systems. Savings would be passed along to tenants.

In selecting a developer, Oregon Institute of Technology will stress prior experience, a guaranteed student rent structure, quality of design, financial capability, and the quality of the developer's management and construction plans.

Oregon Institute of Technology will negotiate a definitive lease agreement with the selected developer. The lease will be brought to the Board for approval.

Board Discussion and Action

The Board accepted the report as presented.

Remodeling of Forest Research Wood Composites Laboratory, OSU

Staff Report to the Board

Five years ago, a fund-raising effort was initiated by the OSU Foundation through the Foursight program in Materials Science to obtain private funding for a new Wood Composites Laboratory. The funding goal was $475,000, which was to include remodeling, new equipment, and operating costs. The laboratory is located in the East Wing of the Forest Research Laboratory building.

It was estimated initially that the construction/remodeling of the laboratory would cost $95,000, which included the fee for architectural services. However, costs climbed rapidly. The cost increase was due to a combination of inflation and changes to both the electrical service and structural design to bring the laboratory up to modern research standards. These changes were required after construction had begun. The total cost of the project is $140,000. Gifts have been secured to cover all of these costs.

Board Discussion and Action

The Board accepted the report as presented.
SUMMARY OF FACILITIES DIVISION ACTIVITIES, OFFICE OF ADMINISTRATION

Fire Alarm System Gamewell Loop Modification, OSU

Alarm Systems Study, UO

Hematology/Oncology Lab, Baird Hall Rooms 3030 & 3036, OHSU

Snell Hall Telephone Switching Room, OIT

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

An Agreement was negotiated with Ballhiser & Hubbard Engineers, Engineers, Eugene, for engineering services not to exceed $11,600. Financing will be provided from state funds.

An Agreement was negotiated with Ballhiser & Hubbard Engineers, Engineers, Eugene, for engineering services not to exceed $25,000. Financing will be provided from state funds.

An Agreement was negotiated with Koch Sachs Whittaker Aanderud Architects, Architects, Portland, for architectural services not to exceed $25,000. Financing will be provided from funds available to the institution.

An Agreement was negotiated with K/C Engineering, Engineers, Bend, for engineering services not to exceed $3,760. Financing will be provided from state funds.

Awards of Construction Contracts

On February 27, 1990, Mackay Construction, Inc., was awarded a contract for this project in the amount of $171,500. Financing will be provided from state funds.

Acceptance of Projects

Central Hall Reroofing Project, SCSC

This project is complete and was accepted on December 21, 1988. The estimated total project cost remains at $16,388. Financing was provided from capital repair funds.

Accessibility for Handicapped Phase III, Contract B, OSU

This project is complete and was accepted on December 6, 1989. The estimated total project cost remains at $385,701.40. Financing was provided from capital construction funds.

Campus Way 11th to 14th Streets Widening Project, OSU

This project is complete and was accepted on January 22, 1990. The estimated total project cost remains at $68,787.05. Financing was provided from state funds.
Meeting #586

Food Service Warehouse Freezer, OSU
This project is complete and was accepted on January 22, 1990. The estimated total project cost remains at $151,126. Financing was provided from state funds.

Gill Coliseum Reroof—Flat Roofs, OSU
This project is complete and was accepted on January 12, 1990. The estimated total project cost remains at $93,444. Financing was provided from state funds.

Wiegand Hall Reroof—Area A, OSU
This project is complete and was accepted on January 12, 1990. The estimated total project cost remains at $72,470. Financing was provided from state funds.

Accessibility —Removal of Barriers to Handicapped (Gerlinger Hall & Gerlinger Annex), UO
This project is complete and was accepted on January 23, 1990. The estimated total project cost remains at $287,713. Financing was provided from state funds.

Amazon Housing Electrical Improvements—Phase I, UO
This project is complete and was accepted on December 15, 1989. The estimated total project cost remains at $91,092. Financing was provided from housing funds.

Autzen Stadium Improvements, L. Casanova Ctr Shell, UO
This project is complete and was accepted on December 22, 1989. The estimated total project cost remains at $1,067,944. Financing was provided from Article XI-F(1) bond proceeds.

Carson Hall Elevator Modification, UO
This project is complete and was accepted on December 29, 1989. The estimated total project cost remains at $33,129. Financing was provided from housing reserve funds.

1535 Agate Street Remodel, UO
This project is complete and was accepted on December 29, 1989. The estimated total project cost remains at $23,738. Financing was provided from building use credits.

Medical Research Building & Dental School Animal Area Ceiling & Lighting Replacement Project, OHSU
This project is complete and was accepted on December 15, 1989. The estimated total project cost remains at $135,232. Financing was provided from gift and state funds.

March 16, 1990
This project is complete and was accepted on October 18, 1989. The estimated total project cost remains at $410,129. Financing was provided from hospital funds.

This project is complete and was accepted on September 30, 1989. The estimated total project cost remains at $192,347. Financing was provided from Article XI-F(1) bonds.

Board Discussion and Action

The Board accepted the report as presented.

Mr. Adams reported that he and Mr. Bailey had visited the OIT Metro campus the previous week. They viewed the activities and the physical plant and met with several groups, including professional staff, women faculty, adjunct faculty, students, and advisory committee people. He said the adjunct faculty are teaching mostly in the evenings. They are very enthusiastic and seem to be contributing much to the program. The students questioned them rather severely about access, about the items they do not have, and the things required of them which are not required of other students.

Mr. Adams said about 250 students and about 80 FTE are in the program. They are all upper-division students, and there is no summer program.

Mr. Bailey commented that the students were probably the most enthusiastic and outspoken group of students ever to meet with the Board. He said it was nice to see a group totally dedicated to getting the most from the System that was available.

Mr. Miller congratulated President Meyers on the very successful visit of the Japanese Ambassador to Western Oregon State College. He said it represented an outstanding achievement for Western and for the State of Oregon. Other Board members concurred.

Mr. Bruggere said the number of candidates for the presidency of Portland State University had been narrowed further and the committee was checking references for those individuals. The final group includes a representation of women and minority candidates. The candidates are outstanding people of superb quality.

Mr. Johnston reported that the Idaho Senate had given higher education a 14% increase in its budget. The bill had been passed by the Idaho House a week earlier.
The Idaho Senate also passed a resolution in favor of splitting the board of education into a board of education and a board of higher education.

M. Dodson, Fellowship

Mr. Dodson said he would be accepting a Japan Society Fellowship and spending three months in Japan. He thanked the faculty members who discussed the campuses and faculty members which he would be meeting during the visit.

The Chancellor commented that this fellowship was a singular honor for Mr. Dodson because they are highly sought and very competitive. It provides opportunities that few people have to study Japan. The program has included an illustrious group of scholars, writers, and persons in operational kinds of work.

Mr. Hensley also congratulated Mr. Dodson and indicated the Board would anticipate his return and a full report.

PRESIDENT'S REPORT

Next Meeting Dates

Nominating Committee

Mr. Hensley said the next regular Board meeting would be held on the campus of Portland State University on April 20 and would be preceded by a visitation the day prior to the Board meeting.

Mr. Hensley appointed Mr. Miller as chairman of the nominating committee to propose a slate of officers for the coming year. Miss Matthews and Mr. Swanson will serve as the other members of the committee. The committee report will be made at the June Board meeting.

BOARD LUNCHEON

At the conclusion of the Board meeting, the Board met for lunch in the Cascade Room of Smith Center.

During lunch, the Board heard a report from President Brand of the University of Oregon concerning cognitive neuroscience research.

Mr. Hensley also sought the Board's preferences with respect to proposed dates for a dinner meeting with Governor Goldschmidt at the time of the June Board meeting.

ADJOURNMENT

The Board meeting was adjourned at 11:50 a.m.

Richard F. Hensley, President

Wilma L. Foster, Secretary
Pending Report Items

A summary of reports, requested information, or topics designated for future review or consideration is presented below:

<table>
<thead>
<tr>
<th>Topic</th>
<th>Original Presentation</th>
<th>Tentative Presentation Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development of Strategy re Inadequate Resource Allocation for Operation and Maintenance of Buildings</td>
<td>2/17/89</td>
<td>April-May 1990</td>
</tr>
<tr>
<td>Academic Progress of Student Athletes</td>
<td>March 1983</td>
<td>June 1990</td>
</tr>
<tr>
<td>Selective Admissions</td>
<td>4/21/89</td>
<td>Periodic reports on effect at each campus</td>
</tr>
<tr>
<td>Shortage of Student and Faculty Housing in Ashland</td>
<td>6/15/89</td>
<td>June 1990</td>
</tr>
<tr>
<td>Scholarship and Athletic Funding from Sports Lottery</td>
<td>7-21-89</td>
<td>Report made in January; others to be made as needed</td>
</tr>
<tr>
<td>Statement of Expectations re Expenditure of Unrestricted Funds</td>
<td>9-7-89</td>
<td>April-May 1990</td>
</tr>
<tr>
<td>Law School, UO—Plan for adequate solution to resource problems</td>
<td>11-16-89</td>
<td>May 1990</td>
</tr>
<tr>
<td>Minority Education—Institutional Plans, including graduate education</td>
<td>11-16-89</td>
<td>May 1990</td>
</tr>
<tr>
<td>M.S. Degree in Health &amp; Safety Administration, OSU — Review along with statewide plan in three years</td>
<td>12-14-89</td>
<td>December 1992</td>
</tr>
</tbody>
</table>
Coordinated Plan for Delivery of Health Administration and Public Health Programs 12-14-89 July 1, 1991

Review of Women and Minorities in High Administrative Positions 1-19-90 Not specified

Discussion of Elimination of Universities' Athletic Deficits June 1990