MINUTES OF REGULAR MEETING OF THE
STATE BOARD OF HIGHER EDUCATION HELD
SEPTEMBER 14, 1990

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APPENDIX — Pending Report Items
A regular meeting of the State Board of Higher Education was held in Room 338, Smith Memorial Center, Portland State University, Portland, Oregon.

ROLL CALL

The meeting was called to order at 8:30 a.m., Friday, September 14, 1990, by the President of the Board, Mr. Mark Dodson, and on roll call the following answered present:

- Mr. Robert Adams  Mr. Rob Miller
- Mr. Bob Bailey  Mr. George Richardson, Jr.
- Mr. Tom Bruggere  Mr. Les Swanson, Jr.
- Mr. Christopher Halsey  Ms. Janice Wilson
- Mrs. Beverly Jackson  Mr. Mark Dodson
- Miss Annette Matthews

Absent: None.

Miss Britteny Davis, newly-appointed Board member, was also in attendance.

Chancellor Bartlett and Presidents Brand, Byrne, Cox, Gilbert, Kohler, Lemman, Meyers, and Ramaley were present.

OTHERS PRESENT

Chancellor’s Office—Chancellor Thomas Bartlett; Wilma Foster, Board Secretary; Shirley Clark, Vice Chancellor, Academic Affairs; Weldon Ihrig, Vice Chancellor, Finance and Administration; Larry Large, Vice Chancellor, Public Affairs; John Owen, Vice Chancellor, OCATE; Davis Quenzer, Associate Vice Chancellor, Budget and Fiscal Policies; George Perstein, Associate Vice Chancellor, Facilities Division; Joe Sicotte, Associate Vice Chancellor, Personnel Administration; Holly Zanville, Associate Vice Chancellor, Academic Affairs; Virginia Thompson, Executive Assistant to the Chancellor; Melinda Grier, Director, Legal Services; Margie Sherman Frazier, Executive Assistant to Vice Chancellor, Finance and Administration; Roger Olsen, Assistant Vice Chancellor, OCATE; Virginia Boushey and Thomas Coley, Assistant Vice Chancellors, Academic Affairs; Ron Anderson, Assistant Vice Chancellor, Personnel Administration; Robin Brown, Associate Director, School Relations; Michelle Warteke, Director, Communications; Roger Bassett, Director, Government Relations.
Eastern Oregon State College—President David Gilbert; Jim Lundy, Dean of Administration; James Hottois, Dean of Academic Affairs.

Oregon Health Sciences University—President Peter Kohler; Lesley Hallick, Vice President, Academic Affairs; H. J. Van Hassel, Interim Vice President, Administration; Lois Davis, Director, Government Relations.

Oregon Institute of Technology—Interim President W. T. Lemman; Chris Eismann, Dean of Academic Affairs; Doug Yates, Acting Dean of Administration.

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

Portland State University—President Judith Ramaley; Frank Martino, Provost; Gary Powell, Acting Vice President, Finance and Administration.

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

University of Oregon—President Myles Brand; Dan Williams, Vice President, Administration; Norman Wessells, Provost; Brodie Remington, Vice President, Public Affairs and Development.

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

Interinstitutional Faculty Senate Members Attending the Meeting—Margaret Berroth, OHSU; Eugene Enneking, PSU; Ulrich Hardt, PSU; Herbert Jolliff, OIT.

Others—Viviane Simon-Brown, COCHE Director, Central Oregon Community College; Leroy Gornick, OEA Liaison, Oregon Education Association; Lynn Pinckney, Executive Director, and Kate Menard, Executive Assistant, Oregon Student Lobby; Tim Cross, Program Coordinator, OSPIRG; Peggy Archer, Senior Legislative Analyst, Legislative Fiscal Office; John Amundson, Architect, Springfield; James Mattis, Assistant Attorney General.

Welcome to New Board Members

Mr. Dodson welcomed three new Board members to their first meeting following their appointment and confirmation. Mr. Chris Halsey, a student member from Eastern Oregon State College, is a history major at that institution and a staff writer for the Hermiston Herald and the La Grande Observer. Miss Britteny Davis, a student at Portland State University and president of the Portland State University chapter of the National Student Speech, Language, and Hearing Association. Mrs. Beverly Jackson is the president and publisher of the Mail Tribune in Medford.
These individuals will fill positions on the Board previously held respectively by Gary Johnston, Annette Matthews, and Richard Hensley.

MINUTES APPROVED

The Board dispensed with the reading of the minutes of the last regular session held on July 20, 1990, and approved them as previously distributed. The following voted in favor: Directors Adams, Bailey, Bruggere, Halsey, Jackson, Matthews, Miller, Richardson, Swanson, and Dodson. Those voting no: None. Director Wilson was absent from the meeting at this time.

Executive Session

Mr. Dodson then announced that the Board would meet in Executive Session in Room 333, Smith Memorial Center, Portland State University, pursuant to ORS 192.660(1)(h) for the purpose of receiving legal counsel related to possible litigation. Hearing no objections from Board members to convening in Executive Session, Mr. Dodson recessed the Regular Session and convened the Executive Session in Room 333. At the conclusion of the Executive Session, the Board reconvened the Regular Session in Room 338, Smith Memorial Center.

CHANCELLOR'S REPORT

The Chancellor stated the coming year promised to be an exciting, eventful, and even tumultuous year with preparation and participation in the 1991 Legislative Assembly.

Salary Funds Provided

The Chancellor reported that the Emergency Board had approved the release of $5 million in emergency funds to permit the State System to begin counter-attacking the crisis in faculty salaries. He expressed gratitude to the legislative leadership who acted on what they perceived to be the problems in the State System's salary schedules. The decision of the Emergency Board in these circumstances seems to send a strong message to the faculties that there is a concern on the part of the state's political leadership. It also indicates there is every intention of trying to get Oregon back into a competitive position which will permit sustaining a faculty level which has existed in the past.

Introduction of New Staff

The Chancellor commented that Vice Chancellors Clark and Ihrig had been introduced previously but were now hard at work. He then introduced Dr. Thomas Coley, who recently joined the staff as Assistant Vice Chancellor for Academic Affairs. Dr. Coley was Executive Assistant to the President of California State University at Fullerton. Prior to that, Dr. Coley was Assistant Provost at the University of Maryland. He earned the doctoral degree from the University of Wisconsin.

Miss Michelle Warnke has joined the staff as Interim Director of Communications. She came to Oregon from Iowa where she was media relations associate for The Financial Group, an Iowa firm. She was also a broadcast specialist with Iowa State University.
President Brand then introduced Mr. Brodie Remington, who would be joining the University of Oregon in mid-October as the Vice President for Public Affairs and Development. He is presently associate vice president and campaign director at the University of Pennsylvania.

The Chancellor indicated Oregon State University recently had completed its accreditation process and had used a somewhat innovative and non-traditional form of accreditation preparation. He requested President Byrne to describe the process and some of the encouraging outcomes.

President Byrne distributed some of the documents prepared in preparation for the ten-year accreditation and the final report of the accreditation team. A copy is on file in the Board's Office.

President Byrne stated that institutions in the State System are accredited every ten years by the Northwest Association of Colleges and Universities. Since no great problems were anticipated with the accreditation at Oregon State, the institution requested and received permission to do a non-traditional accreditation. A second version of the strategic planning document was used, entitled "Creating the Future." It builds from the first planning document prepared several years ago and focuses on ten goals for the institution. Four themes emerged from the plan: Enhancement of teaching, improvement of facilities, expansion in the international and cultural diversity areas, and particular attention to university relations.

President Byrne commended Dr. Bruce Shepard, Associate Professor of Political Science, for an incredible effort in the preparation of the materials and the conduct of the review.

President Byrne called the Board's attention to the favorable comments about Oregon State University on page 89 of the report of the accreditation team. At the conclusion of the review, the accreditation of Oregon State University was extended for a full ten years at a formal meeting with the accreditation board in June.

President Byrne said three paragraphs stating concerns of the accreditation team about Oregon State University were reflective of problems faced throughout the State System. He read the following comments with respect to those concerns:

1. There is grave concern for the condition of the physical facilities at Oregon State University. Lack of repair and maintenance resources, and the continuing qualitative and quantitative demands on existing space, may adversely affect the instructional and research enterprises and, indeed, future recruitment and retention of quality faculty, staff, and students.
2. Along with questionable facility maintenance and repair, low faculty salaries may become a factor that seriously compromises the teaching and research activities of Oregon State University through loss of competitive faculty and questionable morale.

3. The committee applauds the University's desire to emphasize and support excellence in its undergraduate programs but expresses concern that expansion of existing programs and the initiation of new programs not be undertaken until appropriate new or reallocated funds are available.

President Byrne said the materials in this report would be provided to those individuals on campus who have responsibility for follow up. The report will be incorporated into the on-going planning efforts of the University as part of its decision, budgeting, and planning activities. He indicated extra copies were available for any of the presidents who might wish a copy.

The Chancellor said planning on a systemwide basis was being emphasized in his office and the campuses, in differing ways, were each working on strategic planning. He said he had received the new strategic plan from the Oregon Health Sciences University. He requested President Kohler to comment on the direction in which that strategic plan was pointing.

President Kohler said the plan had evolved after about 18 months of work by staff in his office, a consulting agency, faculty, and several other constituency groups. He indicated the plan was divided into several sections, including the mission statement and several achievable goals and objectives. He said he believed the mission statement accurately reflected where the institution should concentrate its efforts. He then highlighted several of the goals and objectives. The first was educational. He stated there were several things which needed to be considered objectively with respect to education in the health professions. For example, prevention should be stressed to a much greater degree in the health professions. Curricula in all of the component schools are being reviewed with this in mind. He said research was another important element. The Oregon Health Sciences University aspires to being one of the premier biomedical research universities in the country, and a number of goals and objectives appear to be realistic within that particular component.

President Kohler said the newest part of the mission or strategic plan related to outreach programs through exporting parts of the teaching programs around the state. The area health education centers constitute a developing system for accomplishing this task. The Biomedical Information Communication Center and the Office of Rural Health are additional components of the outreach effort.
President Kohler stated the clinical care programs, the organizational funding, and the overall environment in which the institution operates were three additional areas for review.

The Chancellor said strategic plans such as this were important processes and raised important issues. He said the staff was seeking an appropriate way of integrating them into the Board's deliberations and expected to bring a recommendation to the Board at a later time.

There was a brief discussion of whether it would be appropriate to approve the strategic plan presented by President Kohler. It was noted the Board had just received the current plan. The concept generally was viewed as acceptable if it were clearly understood that the Board was not endorsing every aspect of the plan. The funding and policy matters would be separate considerations.

The Chancellor announced that Dr. Larry Large, Vice Chancellor for Public Affairs, had moved into his new offices in Portland. The Chancellor said he would share space in the facility and office space was available for use by individuals from the institutions when they were in Portland. He indicated a small conference room completes the facility.

The Chancellor thanked Ms. Wilson and the Board's committee for their assistance in completing this project. He also expressed appreciation to the staff at Portland State University for all of its help in getting the task completed in an excellent manner and a short amount of time.

Approval of Campus Master Plan, SOSC

Staff Report to the Board

The Board's Internal Management Directive 7.100 requires each institution to prepare a long-range campus development plan to serve as a basis for making decisions about the facilities needed to support its instructional, research and service programs. OAR 580-50-001(1) requires that the Board find that any such plan comply with Statewide Planning Goals and be compatible with applicable local comprehensive plans. These provisions were updated by the Board earlier this year in order to conform with state law.

Southern Oregon State College last prepared a campus master plan in 1979. This plan, called the "Southern Plan for the 80's" and accepted by the Board on October 26, 1979, has been used as a guidepost for development at the college throughout the past ten years.
In January 1989, Southern Oregon State College embarked on an ambitious and extensive planning process to develop its strategies for the year 2000. The results are chronicled in a document entitled "Southern 2000 Campus Master Plan," a copy of which is being sent to Board members along with the September Board dock- et. This plan is the first to be reviewed by the Board since the adoption of the new requirements for compatibility with state and local planning goals and comprehensive plans. (The University of Oregon is working on its plan and the Oregon Health Sciences University is in the process of updating its Framework Master Plan to meet a City of Portland mandate. Other colleges and universities presently appear to be in compliance with the new require- ments.)

Southern Oregon State College's 20-month planning process involved dozens of persons representing the faculty, staff, students, community, city government, seven-county region, and college administration. This plan provides a set of principles to guide the development of campus programs and facilities and a framework within which the plans of individual departments and schools may be prepared and evaluated. The actual plan was prepared for Southern Oregon State College by John Amundson of The Amundson Associates of Springfield, Oregon.

The plan has received wide support both on the campus and within the community and has been approved by the Ashland City Council. That approval brings the plan into full compliance with OAR 580- 50-001(1) and means, further, that the facilities and projects spelled out in the plan do not require individual approval as conditional uses at the time they are built.

The Southern Master Plan is centered around 14 principles enunci- ated through a rigorous strategic planning effort. These principles deal with: (1) Academic freedom and learning; (2) the pursuit of learning; (3) a liberal arts renaissance; (4) a strengthening of professional and graduate programs; (5) developing and instilling in graduates a capacity for ethical judgment; (6) enabling creative change; (7) developing process partnerships with community, business, and government organizations; (8) leadership and partnership in the economic, cultural, and environmental future of the Rogue Valley and southern Oregon; (9) becoming an internationalized campus; (10) providing access to higher learning; (11) achieving technological currency in professional schools and familiarizing students with current technology; (12) projecting a vision of the future as the starting point for meeting present-day challenges; (13) the use of these principles to build alliances to support Southern Oregon State College; and (14) account-
ability.

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These 14 principles guided the development of the specific program and facility improvements depicted in the plan. Their influence is apparent throughout the document.

The Board, in adopting its 1991-1997 capital construction program and budget, approved several projects central to the implementation of this plan. Preeminent among these was the first phase of the Art Facilities project, which was ranked as the Board’s fifth priority for the use of state General Fund for 1991-1993.

However, the approval by the Board of the master plan does not obligate the Board to approve any specific capital construction project or to give a project any particular priority within the system. It does provide a starting point for the review of any capital construction request made by or on behalf of Southern Oregon State College.

"Southern 2000 Campus Master Plan" meets all requirements of campus master plans mandated by the Board and fulfills all requirements of state law. Further, the plan appears to comply with Statewide Planning Goals and to be compatible with applicable acknowledged comprehensive plans.

Staff Recommendation to the Board

The staff recommended that the Board find that the campus master plan prepared by Southern Oregon State College ("Southern 2000 Campus Master Plan") complies with Statewide Planning goals and is compatible with applicable acknowledged comprehensive plans. The staff recommended further that the Board accept and approve "Southern 2000 Campus Master Plan" as the long-range campus development plan for Southern Oregon State College for the period 1990-2000.

Board Discussion and Action

President Cox said when the Board had visited Southern Oregon State College last October, the staff had shared with the Board in some detail the status of the institution’s planning, looking ahead to the year 2000. The plan represents a series of compass points to steer the course of the institution, and the 14 principles represent characteristics envisioned for the institution as it enters the new century. Since October, every unit has internalized the 14 principles and by developing rather detailed local plans in terms of programmatic proposals, reorganizations, and other factors. New program proposals, reorganizations, or reductions will be brought to the Board as necessary. The master plan will provide the framework within which to approach the planning for the next century.
President Cox concluded by saying that the physical capacity of the campus is between 5,500 and 6,000. In working through the dynamics of the relationship of the College with the city and the systems that support the college, this appeared to be a comfortable size for the College in terms of the population of 16,000 in the City of Ashland. The other significant factor which became clear during the planning was that the demand for services off campus was increasing almost geometrically.

President Cox then introduced Mr. John Amundson of The Amundson Associates of Springfield, Oregon, noting that he had worked with the College in the development of its last two planning documents.

Mr. Amundson summarized the principles and guidelines used in the preparation of the "Southern 2000 Campus Master Plan" and the goals which were incorporated in the planning. He said a unique aspect of the plan was the interfacing of the strategic plan and the campus physical plan. The Southern 2000 Commission analyzed all of the external and internal influences affecting the future of the College, set goals recognizing those factors, and defined the tactics necessary and established priorities for achieving those goals. Although a time frame may be set, it will vary as a result of two fundamental influences on the campus. First, the campus will not develop in a single time line. It will develop piece by piece as particular projects are funded. Second, it will develop according to policies of the State Board of Higher Education and will be controlled and affected by those policies. It will also be determined by the mission assigned to the College and the resources provided to fulfill those missions. A copy of the plan is on file in the Board’s Office.

Mr. Amundson said the three major goals of the plan were:

1. To establish the principles of planning;

2. To determine the scenarios for development for each identifiable academic and physical component on the campus that would improve the quality of the teaching endeavors embodied in the statement of principles; and

3. To set a series of guidelines for development to assist those responsible for the plan to implement it in the future and to achieve that implementation within a high level of physical environment, and design.

Mr. Amundson indicated the City of Ashland had approved and adopted the campus plan. Therefore, requirements of the Board’s Administrative Rule regarding coordination with local jurisdictions have been met. In addition, all projects shown in this particular plan are approved projects in the city and require no further applications for conditional use permits.
Mr. Amundson then reviewed elements of the plan and the planning principles set forth in the document. He also commented on some of the problems connected with the division by Siskiyou Boulevard between the north and south segments of the campus and called attention to the existence of a large number of older buildings and out-of-date facilities and equipment.

The high cost of land and housing in Ashland is a critical factor for students and faculty.

President Cox noted the improvement from past years in the relationships Southern Oregon State College has with the business community of Ashland. In commenting on construction priorities set forth in the plan, President Cox said some of the assigned priorities represented very close calls. However, art is one of the premier programs at the institution and is being taught in one of the worst facilities on campus. At the same time, the Siskiyou crossing is critical because of the volume of students using this dangerous intersection each day. The College has been discussing potential solutions to the problem with both the City of Ashland and the Department of Transportation.

The Board approved the staff recommendations as presented. The following voted in favor: Directors Adams, Bailey, Bruggere, Halsey, Jackson, Matthews, Miller, Richardson, Swanson, Wilson, and Dodson. Those voting no: None.

Adoption of OAR 580-50-040, 580-50-041, & 580-50-042, Staff Report to the Board
Affirmative Action Requirements

On June 15, 1989, the Board of Higher Education adopted a rule on Affirmative Action Requirements for public improvement projects. At that time, the staff requested permission from the Board to prepare and present at a future Board meeting some proposed amendments to the rule designed to clarify and strengthen its provisions. In the interim, Oregon law pertaining to affirmative action has been amended. Amendments to the rule, OAR 580-50-028, are now offered for your consideration in the form of new rules OAR 580-50-040, 580-50-041, and 580-50-042. See comments below about numbering changes made following the public hearing.

The major legislative change is the addition of language pertaining to emerging small businesses, supplementing the requirements for minority and women's businesses. In the interest of clarity, the proposed rule for affirmative action requirements contains three sections. The general purpose of affirmative action requirements is set forth in 580-50-040 and requires successful bidders to make good faith efforts to secure the participation of certified minority, women's, and emerging small business enterprises in public improvement projects. Requirements specific to emerging small businesses are provided in proposed rule 580-50-041 and requirements specific to minority and women's business enterprises are provided in proposed rule 580-50-042.
Much of the rule, which was approved in 1989 remains intact. However, many additions are proposed. First, all public improvement projects must include emerging small business (ESB) participation. Bidders or proposers may be required to set aside a portion of the contract sum to an emerging small business either by subcontracting a portion of the work or by securing materials and/or supplies for the project from an emerging small business. Goals for emerging small business participation will be set on a project-by-project basis and will be announced in the specifications for invitations to bid and requests for proposals. Second, bidders must file, in writing, within 24 hours of bid opening, the identities of the minority, women's, and emerging small businesses from whom they solicited bids or quotations, the amounts of the bids and quotations actually received from such firms; the identity of each minority, women's, or emerging small business enterprise actually engaged as a subcontractor; and an explanation of why a subcontractor other than a minority, women's, or emerging small business was selected if the bid or quotation of a minority, women's, or emerging small business was lower than that of the subcontractor actually engaged. Bidders are not required to use minority or women subcontractors but must demonstrate their good faith efforts to solicit bids and quotations from such businesses and to explain why other subcontractors were used if minority, women's, or emerging small businesses submitted lower bids or quotations.

Third, the proposed rule covers contracts for capital construction projects awarded by methods other than competitive bidding (e.g., such as the recent design/build contract for family housing at Southern Oregon State College, and the construction management arrangements for OHSU Casey Eye Center, OHSU Parking Structure No. 5, and OHSU School of Nursing Building). Although the staff has interpreted the existing rule broadly to cover such contracting approaches, language changes are needed from those used in standard competitive bidding invitations.

Fourth, any bidder which qualifies as a certified minority, women's, or emerging small business, is in a joint venture or mentor-protege relationship with a minority or women's business enterprise, or has engaged one or more certified minority or women's business enterprises as subcontractors for a substantial portion of the work need not demonstrate good faith efforts. The specifications will define "substantial portion of the work" on a project by project basis.

Fifth, the Facilities Division may waive this rule when subcontracting is impracticable and exempt the entire procurement (and all bidders) from the good faith effort provisions of the rule if bidders certify that they will employ no subcontractors on the
job. Bidders unwilling to so certify must meet the standard good faith requirements. Those who did certify they would use no subcontracting would be subject to breach of contract if they subsequently did use subcontractors.

Additionally, good faith will require that the bidder actually solicit bids or quotations from certified minority, women's, and emerging small business enterprises, and provide for a reconsideration of rejected bidders. The proposed rules would be effective October 1, 1990.

A public hearing was held on May 16, 1990, in Eugene. During the course of this review period, several issues were raised and, where appropriate the rule was amended to the version now presented. Because of these changes and the decision to reformat the proposed amendments to describe the requirements for emerging small business participation separately from the requirements for minority and women's business participation, staff has chosen to present these as three separately numbered rules. Because of requirements regarding numbering of Administrative Rules, coupled with the logic of having all the affirmative action requirements rules consecutively numbered, the proposed amendments to OAR 580-50-028 are presented as new rules, 580-50-040, 580-50-041, and 580-50-042. Existing rule 580-50-028, which would remain effective for projects first advertised on or before September 30, 1990, will be recommended for repeal in the near future.

In addition to the matters raised at the public hearing which appear to have been resolved, several points of contention remain. Of these issues, the pre-eminent one raised by the Association of General Contractors (AGC) centers around whether or not the Board has the statutory authority to propose this rule. The Board's legal counsel has advised staff that the Board does have such authority.

Second, the Association of General Contractors opposes set-asides of any kind (OAR 580-50-041 subsection (1) and 042 subsection (3)(b)). The proposed rule provides that the Board may require bidders to award some portion of the contract to emerging small businesses. Although the Association of General Contractors opposes such language, Chapter 1043, Section 9 of the 1989 Oregon Laws permits the Board to do so.

Third, the Association of General Contractors and National Electrical Contractors Association (NECA) argue that the requirement to negotiate with competitive minority and women's businesses will encourage bid shopping and bid peddling by the State of Oregon. However, the requirement is in the Statute and is mandatory.

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Fourth, the Association of General Contractors and the National Electrical Contractors Association note that although the proposed rule allows prime bidders to reject competitive subcontractor bids, it fails to specify under what conditions a bid may be rejected legitimately. Oregon law provides that the contractor shall not discriminate against minority, women's, and emerging small businesses (Section 11 of Chapter 1043, Oregon Laws, 1989). Staff does not believe the Board can delineate all the conditions under which a bidder may reject subcontract bids from any firms falling into one of these protected groups.

Fifth, the Association of General Contractors opposes joint ventures with minority, women's, or emerging small business partnerships. The Oregon Transportation Department testified that joint ventures are a good idea, but often can be abusive relationships. The staff recommends leaving the joint venture option in the proposed rule but modifying the form to require a review and approval of joint venture partnerships prior to bid submission.

The staff has prepared forms, checklists, and specific means of demonstrating good faith efforts. These documents will be included in the specifications for each project.

Other state agencies will consider carefully the rule adopted by the Board and may adopt similar provisions. (The staff from several state contracting agencies have reviewed these provisions and, in the interests of statewide consistency, intend to recommend them to their directors or boards.)

The text of the rules (OAR 580-50-040, 580-50-041 and 580-50-042) follows:

Affirmative Action Requirements (as amended)

General Purpose

580-50-040 (1) The successful bidder for a public improvement project approved by the Board of Higher Education shall have made good faith efforts to subcontract or establish joint ventures with or obtain materials to be used in performing the contract from minority and women's and emerging small business enterprises.

(2) For purposes of this rule and OAR 580-50-041 and 580-50-042, minority or women's business enterprises and emerging small business enterprises are those certified as such by the Executive Department at the time of the bid or proposal opening.
Emerging Small Businesses

580-50-041 (1) The successful bidder for a public improvement project approved by the Board of Higher Education shall meet the project's goals for subcontracting with or obtaining materials to be used in performing the contract from emerging small businesses. The goals shall be set out in the specifications which accompany the project's invitation to bid, request for proposal(s), or request for qualifications.

(2) The goal for each project shall be based upon the nature of the project, its size and location, and the availability of emerging small businesses.

(3) Failure to meet the goals shall disqualify any responding bid, unless the bidder can demonstrate the performance of good faith efforts to satisfy the goals.

(4) Proof of performance of the following actions will create a rebuttable presumption of good faith efforts; conversely, failure of proof of such performance shall create a rebuttable presumption of lack of good faith efforts:
   (a) The bidder attended any presolicitation or prebid meetings that were scheduled by the contracting agency to inform emerging small business enterprises of contracting and subcontracting, or material supply or other opportunities available on the project.
   (b) The bidder identified and selected specific economically feasible units of the project to be performed by emerging small business enterprises in order to increase the likelihood of participation by such enterprises;
   (c) The bidder advertised in general circulation, trade association, and trade oriented, minority and women-focus publications, if any, concerning the subcontracting, material supply or other opportunities.
   (d) The bidder provided written notice to a reasonable number of emerging small business enterprises, identified from certified lists of such business enterprises provided or maintained by the Executive Department, for the selected subcontracting or material supply or other work in sufficient time to allow the enterprises to participate effectively;
   (e) The bidder followed up initial solicitations of interest by contacting the enterprises to determine with certainty whether the enterprises were interested in such subcontracting, material supply or other opportunities;
   (f) The bidder provided interested emerging small business enterprises with adequate information about the plans, specifications, and requirements for the selected subcontracting or material supply or other work;
Any bidder whose bid has been rejected for non-compliance with the requirements of this section may, within three days of the rejection of the bid, request a reconsideration of the rejection, at which time the bid will be opened and the contents thereof reviewed. Any bidder whose bid has been rejected for any other reason shall have the right to appeal the decision.

The criteria of rejection shall be as follows:

1. The bid is not in accordance with the invitation for bids.
2. The bid is not properly sealed and signed.
3. The bid is not properly submitted.
4. The bid is not accompanied by the required deposit.
5. The bid is not accompanied by the required certification.
6. The bid is not accompanied by the required business certification.
7. The bid is not accompanied by the required business registration.
8. The bid is not accompanied by the required business license.
9. The bid is not accompanied by the required business insurance.
10. The bid is not accompanied by the required business experience.

For that work, the bidder shall be engaged as a subcontractor:

1. The bidder is a small business enterprise.
2. The bidder is a minority-owned business.
3. The bidder is a woman-owned business.
4. The bidder is a business enterprise with social responsibility.
5. The bidder is a business enterprise with a good faith effort.
6. The bidder is a business enterprise with a good faith effort.
7. The bidder is a business enterprise with a good faith effort.
8. The bidder is a business enterprise with a good faith effort.
9. The bidder is a business enterprise with a good faith effort.
10. The bidder is a business enterprise with a good faith effort.

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(8) The requirements of the prior subsections do not apply if the Facilities Division determines that the nature of the work is not appropriate for subcontracting, and has so stated in the request for bids or proposals, and if the bidder or proposer certifies that, if awarded the contract, it will not subcontract. As used in this subsection, "work" does not mean providing materials or supplies.

(9) The Facilities Division may audit or otherwise inspect the records of contractors to determine compliance by those contractors with commitments made in satisfaction of the requirements of this rule. Any contractor determined to have failed to fulfill such requirements may be subject to penalty, including suspension of any contract or debarment from bidding or performing work on any contract for the Oregon State Board of Higher Education for a period of up to three (3) years. Before the Board imposes any such sanction, a contractor is entitled to a hearing as provided for in ORS 183.413, et seq.

(10) In the event a request for proposals, request for qualifications, or other process other than competitive bidding is used to contract for capital construction work, the Facilities Division shall require in its solicitation document or attempt to negotiate affirmative efforts on behalf of emerging small businesses similar to those outlined in subsections (1) or (4) of this section.

(11) The Board will evaluate annually the effects of this rule.

(12) All projects first advertised for bid or proposal on/or after October 1, 1990, shall be subject to the provisions of this rule. All projects first advertised for bid or proposal on or after June 16, 1989, and prior to October 1, 1990, shall be subject to the provisions OAR 580-50-028 in effect on June 16, 1989.

Minority Business Enterprises and Women's Business Enterprises

580-50-042 (1) In carrying out the requirements of OAR 580-50-040(1), the bidder shall make good faith efforts to accomplish the purposes of the rule in the manner hereafter provided.

(2) Proof of performance of the following actions constitutes a rebuttable presumption that the bidder has made a good faith effort. Conversely, a bidder's failure to perform the following actions shall create a rebuttable presumption that the bidder is not responsible as provided by ORS 200.005(11):
(f) The bidder used the services of the advocate for minority and women's business enterprises.

(g) The bidder, through its agent, the contracting agency, or contractor, had no knowledge of the existence of the complaint filed with the advocate for minority and women's business enterprises.

(h) The advocate, through his agent, the contracting agency, or contractor, had no knowledge of the existence of the complaint filed with the advocate for minority and women's business enterprises.

(i) The advocate, through his agent, the contracting agency, or contractor, had no knowledge of the existence of the complaint filed with the advocate for minority and women's business enterprises.

(j) The advocate, through his agent, the contracting agency, or contractor, had no knowledge of the existence of the complaint filed with the advocate for minority and women's business enterprises.

(k) The advocate, through his agent, the contracting agency, or contractor, had no knowledge of the existence of the complaint filed with the advocate for minority and women's business enterprises.

(l) The advocate, through his agent, the contracting agency, or contractor, had no knowledge of the existence of the complaint filed with the advocate for minority and women's business enterprises.

(m) The advocate, through his agent, the contracting agency, or contractor, had no knowledge of the existence of the complaint filed with the advocate for minority and women's business enterprises.

(n) The advocate, through his agent, the contracting agency, or contractor, had no knowledge of the existence of the complaint filed with the advocate for minority and women's business enterprises.

(o) The advocate, through his agent, the contracting agency, or contractor, had no knowledge of the existence of the complaint filed with the advocate for minority and women's business enterprises.

(p) The advocate, through his agent, the contracting agency, or contractor, had no knowledge of the existence of the complaint filed with the advocate for minority and women's business enterprises.

(q) The advocate, through his agent, the contracting agency, or contractor, had no knowledge of the existence of the complaint filed with the advocate for minority and women's business enterprises.

(r) The advocate, through his agent, the contracting agency, or contractor, had no knowledge of the existence of the complaint filed with the advocate for minority and women's business enterprises.

(s) The advocate, through his agent, the contracting agency, or contractor, had no knowledge of the existence of the complaint filed with the advocate for minority and women's business enterprises.

(t) The advocate, through his agent, the contracting agency, or contractor, had no knowledge of the existence of the complaint filed with the advocate for minority and women's business enterprises.

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(v) The advocate, through his agent, the contracting agency, or contractor, had no knowledge of the existence of the complaint filed with the advocate for minority and women's business enterprises.

(w) The advocate, through his agent, the contracting agency, or contractor, had no knowledge of the existence of the complaint filed with the advocate for minority and women's business enterprises.

(x) The advocate, through his agent, the contracting agency, or contractor, had no knowledge of the existence of the complaint filed with the advocate for minority and women's business enterprises.

(y) The advocate, through his agent, the contracting agency, or contractor, had no knowledge of the existence of the complaint filed with the advocate for minority and women's business enterprises.

(z) The advocate, through his agent, the contracting agency, or contractor, had no knowledge of the existence of the complaint filed with the advocate for minority and women's business enterprises.
Should the bidder not make the good faith efforts required in subsection (2) of this section, the presumption that good faith efforts have been made by the bidder as required by OAR 580-05-040(1) were not made by the bidder.

(a) The bidder or proposer qualifies as a certified minority or women’s business enterprise or is an approved joint venture, including but not limited to a mentor-protégé relationship as a partner in the joint venture, or may be a minority or women’s enterprise as defined in subsection (1) of this section.

(b) The bidder has engaged one or more certified minority or women’s business enterprises as subcontractors for the work and the minimum portion of the work will be performed by certified minority or women’s business enterprises.

(c) The minimum portion of the work will be performed by certified minority or women’s business enterprises.

(d) The minimum portion of the work will be performed by certified minority or women’s business enterprises.

(e) The minimum portion of the work will be performed by certified minority or women’s business enterprises.

(f) The minimum portion of the work will be performed by certified minority or women’s business enterprises.

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(7) The Facilities Division may audit or otherwise inspect the records of contractors to determine compliance by those contractors with commitments made in satisfaction of the requirements of this rule. Any contractor determined to have failed to fulfill such requirements may be subject to penalty, including suspension of any contract or debarment from bidding or performing work on any contract for the Oregon State Board of Higher Education for a period of up to three (3) years. Before the Board imposes any such sanction, a contractor is entitled to a hearing as provided in ORS 183.413, et seq.

(8) The Board will evaluate annually the effects of this rule.

(9) All projects first advertised for bid or proposal on or after October 1, 1990, shall be subject to the provisions of this rule. All projects first advertised for bid or proposal on or after June 16, 1989, and prior to October 1, 1990, shall be subject to the provisions QAR 580-50-028 in effect on June 16, 1989.

Staff Recommendation to the Board

The staff believes that the existing affirmative action provisions are confusing to bidders and have not resulted in substantial participation on recent Board contracts by minority and women's business enterprises. In addition, state law now establishes requirements with respect to emerging small businesses. Further, in administering the existing rule, it has become apparent that changes are needed to deal with waivers and with non-bid procurements. The staff is convinced that the amendments proposed will improve the situation in all respects. The staff recommended, therefore, that the Board adopt the proposed amendments to QAR 580-50-028, numbered as new rules QAR 580-50-040, 580-50-041, and 580-50-042, with an effective date of October 1, 1990.

Board Discussion and Action

Mr. Dodson commented that it was a very difficult task to make sure that good faith was basically good faith.

Mr. Adams noted the text for women and minority businesses differed from the emerging small businesses with respect to being within a certain percentage of the low bid in order to be considered eligible for negotiating for the work. He said he was disturbed by the bid peddling or bid shopping aspects of the proposal and urged the staff to try to develop some appropriate changes.
Mr. Pernsteiner said those references were prepared by the Department of General Services. The requirements in the statutes are different, and there is a peculiarity in the language for women and minority businesses which says the bidder has to negotiate in good faith with competitive and capable women and minority businesses. It does not define what that means. The staff has defined capable to mean that the business can get bonding and competitive to be within 10% of the lowest quote otherwise received. In response to a question, Mr. Pernsteiner indicated the rule pertained to all projects, not just non-bid projects.

Mr. Dodson commented that Board members had talked to different contractors over the last several years and he personally believed that the way in which the rules were enforced was almost as important as the actual rules.

The Board then approved the staff recommendation as presented and adopted OAR 580-50-040, 580-50-041, and 580-50-042, Affirmative Action Requirements. On roll call vote, the following voted in favor: Directors Adams, Bailey, Bruggere, Halsey, Jackson, Matthews, Miller, Richardson, Swanson, Wilson, and Dodson. Those voting no: None.

Sale of Surplus Property, EOSC

Staff Report to the Board

The City of La Grande wishes to construct a new municipal water supply well on a parcel of property, a portion of which is at the southern end of the Eastern Oregon State College campus. The property fronts on 12th Street. The Board has surplused nearby property in the past and has been requested by the City to sell this site. The property in question is within the approved campus boundaries but has no current or planned college use. It has been surveyed and described by a registered professional land surveyor. The City is offering to pay $4,000 for the 1.17 acre parcel owned by the Board. This is an amount comparable to that paid recently by a private party for nearby campus land. The net proceeds from the sale would be deposited in the sinking fund for the building fee supported bonds used to acquire the property.

Staff Recommendation to the Board

The staff concurred in the request of Eastern Oregon State College and recommended that the Board adjust the approved campus boundaries of Eastern Oregon State College by removing the parcel sought by the City of La Grande for its municipal well site, declare the property as surplus to the needs of the Board, and authorize the President and Secretary of the Board to execute the documents necessary to sell the property to the City of La Grande for the sum of $4,000.
Board Discussion and Action

The Board approved the staff recommendation as presented. The following voting in favor: Directors Adams, Bailey, Bruggere, Halsey, Jackson, Matthews, Miller, Richardson, Swanson, Wilson, and Dodson. Those voting no: None.

Staff Report to the Board

The Board recently approved the lease of land at Oregon State University to SONPARK Associates for the construction and operation of an office facility and child care center for the United States Environmental Protection Agency. The property, including all improvements, will revert to the Board after the expiration of the lease. The lease was approved by the Board on March 17, 1989.

In order to construct the needed facility for the EPA, SONPARK requires an easement for an access road and underground utilities. The easement, approximately 50 feet wide and 350 feet long, will terminate thirty years after the effective commencement date of the lease agreement (900328). Improvements constructed within and on the easement will be owned and maintained by the Board while the easement is in force.

Staff Recommendation to the Board

The staff concurred with the request of Oregon State University and recommended that the Board authorize the President and the Secretary of the Board to execute an easement in favor of SONPARK Associates for an access road and underground utilities to serve an office and child care facility to be used by the Environmental Protection Agency.

Board Discussion and Action

The Board approved the staff recommendation as presented. The following voted in favor: Directors Adams, Bailey, Bruggere, Halsey, Jackson, Matthews, Miller, Richardson, Swanson, Wilson, and Dodson. Those voting no: None.

Staff Report to the Board

In order to consolidate the site of the new Biomedical Information and Communication Center at the Oregon Health Sciences University, a minor adjustment to an adjacent roadway must be made. The City of Portland has indicated support of this adjustment if the city is granted a permanent easement for a public walkway and utilities. The proposed easement is 136 feet long and varies
from 7.67 to 25.42 feet in width. It is located near the intersection of S.W. Sam Jackson Park Road and S.W. U.S. Veterans Hospital Road. Approval of this easement will permit proper placement of the Biomedical Information and Communication Center on its steep site and will meet the requirements of permits issued for its construction.

Staff Recommendation to the Board

The staff concurred with the request of the Oregon Health Sciences University and recommended that the Board authorize its President and Secretary to execute an easement in favor of the City of Portland for a public walkway and utilities to facilitate the efficient siting of the Biomedical Information and Communication Center.

Board Discussion and Action

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


Staff Report to the Board

As stated earlier in these minutes, the President of the Board announced that the Board would meet in Executive Session, pursuant to ORS 192.660(1)(h) to consult with counsel concerning possible litigation. During the Executive Session, the staff advised the Board with respect to the possible need to amend the Board's Administrative Rules prohibiting discrimination to assure consistency with state statutes.

Mr. Dodson requested Mr. Richardson to present the report from those discussions, and Mr. Richardson asked Ms. Melinda Grier to provide the Board with a brief overview of the need for the amendments. Mr. Richardson indicated that at the conclusion of her report, he would make a recommendation to the Board.

Ms. Grier said that in 1987 the Board had amended its rules prohibiting discrimination to add sexual orientation as a basis on which discrimination was prohibited in student programs and employment. The amendments at that time were consistent with a newly-issued Executive Order prohibiting discrimination in state agencies. In 1988, Ballot Measure 8 was passed by the voters of the State of Oregon. It repealed the Governor's Executive Order and contained some language which suggests that state agencies are limited in their ability to prohibit discrimination on the basis of sexual orientation in employment. The meaning of the language was not totally clear. The Board’s rules remained as they were amended in 1987. In June of 1989, a petition was filed with the Court of Appeals asking the court to rule on the validity of the Board’s Administrative Rules in this matter.
the requirements of nondiscrimination under the law.

Students shall take steps to inform prospective employers of

ment personnel who are the recipients and notifying

ment offices of their obligations. When, on a productively basis in their recruitment, hiring, or

Receivents employees or agencies known to them to discriminate

(2) Institutions and Christs shall not assist proc-

195

by or described in AR 80-15-01, 80-15-06, and 80-15-06 to

ployment should be informed of the procedures required

blackaximnations against students or student

380-15-05 (1) Institutions and Christs shall assume

Employment assistance to students

including, but not limited to, the.

arhbriction. Nothing in this section shall create

search involving race, religion, sex, marital status, or

Refer to the "Sexual Orientation and Gender Identity

Definition of discrimination

sent below:

amendments to AR 80-15-01, 80-15-05, and 80-22-065 as pre-

Mr. Richardson then moved that the board approve the temporary

Pending litigation

employees are aware of the rule. However, not to be viewed.

The adoption of

in which it would be wise not to be viewed. The adoption of

The ammendments may

The purpose of higher education but that the board's actions

clear that the board's policy that it believes that these should not

be due to the fact that these have been designed to make

be due to the fact that these have been designed to make

September 14, 1990

Meeting #591
(3) Nothing in this section shall create rights or require actions inconsistent with state statutes, including, but not limited to, ORS 236.380.

Employment Discrimination

580-22-050 No institution or division shall discriminate in employment based on race, color, religion, national origin, handicap, age marital status, sex or sexual orientation. Nothing in this section shall create rights or require actions inconsistent with state statutes, including, but not limited to, ORS 236.380.

Ms. Grier indicated the permanent amendments to these rules would be presented for Board consideration at the October meeting.

The Board adopted the motion presented by Mr. Richardson. On roll call vote, the following voted in favor: Directors Adams, Bailey, Bruggere, Halsey, Jackson, Matthews, Miller, Richardson, Swanson, Wilson, and Dodson. Those voting no: None.

Amendment of QAR 580-40-040, Academic Year Fee Book

Staff Report to the Board — Tuition and Fees

Instruction Fees

Instruction fees represent the per term assessment to students for credit-hour instruction. The fees apply toward support of the Education and General Services component of the Higher Education expenditure budget. Fees are assessed within undergraduate and graduate fee structures and by resident and nonresident student classifications. The residency classification applies to students enrolled under the full-time student policy. Students enrolling under the part-time student policy for seven or fewer credit hours per term are assessed a fee appropriate to the level of the course taken, without regard to residency status.

Instruction fees for the 1987-1989 biennium were increased 3% for each year of the biennium. The rates for 1989-90 were increased 8.25% for residents and 12% for non-residents over the 1988-89 base level prior to the $10 increase for computer resources added by some institutions. Full-time student fee rates recommended for 1990-91 are compared with 1989-90 rates in Schedule 1.

At its April 20, 1990, meeting the Board authorized a differential to be added to the University of Oregon, Oregon State University, and Portland State University. This differential increases the instruction fee at these institutions by an additional 1.7% in 1990-91.
Building Fee

The 1989 Legislature authorized the student building fee to be increased to a maximum of $18.50. This is up from the previous statutory limit of $12.50 which had been assessed since 1975-76. For 1990-91, it is recommended that the fee be set at $18.00 for full-time students. A reduced pro rata fee is assessed on part-time students. The monies generated by this fee finance the debt retirement for construction associated with student centers, health centers, and recreational facilities constructed through the issuance of Article XI-F(1) bonds.

Incidental Fee

Incidental fee changes recommended by the institutions are shown on Schedule 2. This fee recommendation is for the most part, determined by the students in accordance with a Board-approved incidental fee policy on each campus. The funds generated by this fee are used for a variety of student activities.

Health Service Fee

Institutional recommendations are provided in Schedule 2. This fee is used to support the student health services of each institution. In some cases, notably the Oregon Health Sciences University, it also includes the premium for a major medical insurance policy. This policy is optional if other equivalent coverage can be assured.

Other Policy Changes

Other fees and policies set forth in Sections I, II, and III of the Fee Book provide guidance to the institutions and determine other fees which are established by Board rules. The major proposed revisions are:

Direct Exchange Program Application Fee: It is proposed that application fees associated with Oregon State System of Higher Education sponsored international and domestic direct exchange programs be waived. Corresponding institutions traditionally waive application fees for State System students. Most of those application fees are considerably higher than those of Oregon institutions. This proposal originally was acted on by the Board in January 1990 as a Guideline for preparing the 1990-91 Fee Book.

General Deposit: It is proposed that the General Deposit be converted from a mandatory $50 at the University of Oregon and $25 at all other institutions to an institutional option up to $50 per year. This proposal was originally acted on by the Board in January 1990 as a Guideline for preparing the 1990-91 Fee Book.
Guideline for Preparing the 1990-91 Fee Book.

Accordingly, the Board of Regents in January 1990 as a matter of urgency adopted a new policy for the 20th week of class, which is the last two weeks of class at 90%.

It is proposed that the refund for the 20th week of class be $0.75 per credit hour.

Deferred Refund: The current deferred refund program will remain in effect.

Meeting #951

September 14, 1990
Staff Report to the Board — Residence Hall and Food Service Charges

Institutional residence halls and food services operate as auxiliary services. As such, their fees and charges are to cover the cost of their operations. In recommending residence hall room and board charges for 1990–91, institutional administrators estimated residence hall occupancy in relation to enrollment projections and present occupancy patterns.

Recommended changes in 1990–91 room and board rates are reflected in the examples given on Schedule 4. These rates are only examples as each institution offers various room and board combinations. Most basic room and board rates will increase 5% to 9%. The rates are detailed in the Academic Year Fee Book.

Not covered by this action are rates for the Portland State University campus. Portland Student Services, Inc., a private corporation operates the residence halls at Portland State University and establishes the rates as specified in a service contract. The rates require approval by Portland State University officials.

Housing Policy Changes

No changes are being recommended in the Housing Policy statements.

Staff Recommendation to the Committee (July 20, 1990)

The staff anticipated the amendment to QAR 580-40-040 would be adopted as a permanent rule at the July Board meeting. The required notification of the proposed adoption and announcement of a public hearing was mailed to the Office of the Secretary of State on June 12, 1990. The notice was mailed in sufficient time to meet the June 15 deadline date for publication in the Oregon Bulletin, but the notice did not reach Salem until June 18 and was not published.

Therefore, because the Board could not meet the notice required to adopt a permanent rule by its July meeting, the staff recommended the amendment be adopted as a temporary rule. Adoption of the permanent rule would follow publication of the required notice in the August 1, 1990, Oregon Bulletin. The rule would be considered for adoption as a permanent rule after publication of the required notice in the August 1, 1990, Oregon Bulletin. The August 1 notice reported a public hearing had been held on July 16 and indicated additional written testimony received by September 1 would be considered.
The public hearing notice also was mailed on June 25 to the full notification list for public hearings.

Board Action (July 20, 1990)

The Board approved the Committee recommendation and adopted OAR 580-40-040, Academic Year Fee Book, as a temporary rule.

Staff Recommendation to the Board (September 14, 1990)

The staff recommended that the Board adopt as a permanent rule the following amendment to OAR 580-40-040:

Academic Year Fee Book

580-40-040 The document entitled "Academic Year Fee Book", dated July 20, 1990, (July 21, 1990) is hereby adopted by reference as a permanent rule. All prior adoptions of academic year fee documents are hereby repealed except as to rights and obligations previously acquired or incurred hereunder.

Through the amendment, the Board will adopt the tuition and fees, residence hall and food service charges, and related policies contained in the document entitled "Academic Year Fee Book." It will also adopt the memos of attachment amending the draft document and other amendments and attached schedules noted in this agenda item.

The report of the issues raised during the July 16 public hearing was distributed at the July Board meeting and is included in the minutes of that meeting. A report will be made of any additional written testimony received by September 1.

Discussion and action by the Committee and the Board were also recorded in the minutes of the July meeting.

Board Discussion and Action (September 14, 1990)

Mr. Ihrig stated the only additional written testimony since the previous meeting had been received from the Oregon Student Lobby. Copies of the communication were mailed to Board members. He said the Oregon Student Lobby had emphasized three points. The students question holding the hearing process during the summer months when students are not available. They expressed concern about the lack of a workable tuition policy for the State System, and they have conducted a survey and will share the results with Board members when they have been completed. He indicated the staff was responding to the timing and information concerns expressed in the letter. He recommended that the Board adopt the proposed amendment to OAR 580-40-040, Academic Year Fee Book, as a permanent rule. The fees are summarized in the following tables.
### Schedule 1

**Instruction Fee Recommendations**  
**Full-Time Student, Per Term**  
**1990-91 Academic Year**

#### Full-Time Instruction Fee

<table>
<thead>
<tr>
<th></th>
<th>1989-90</th>
<th>1990-91</th>
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</thead>
<tbody>
<tr>
<td><strong>UO, OSU, PSU</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Undergraduate Resident</td>
<td>$ 446</td>
<td>$ 490</td>
</tr>
<tr>
<td>Undergraduate Nonresident</td>
<td>1,533</td>
<td>1,743</td>
</tr>
<tr>
<td>Graduate Resident</td>
<td>706</td>
<td>776</td>
</tr>
<tr>
<td>Graduate Nonresident</td>
<td>1,240</td>
<td>1,410</td>
</tr>
</tbody>
</table>

| **WOSC, SOSC**       |         |         |
| Undergraduate Resident | 429     | 464     |
| Undergraduate Nonresident | 1,359  | 1,522   |
| Graduate Resident    | 690     | 747     |
| Graduate Nonresident | 1,223   | 1,370   |

| **EOSC**             |         |         |
| Undergraduate Resident | 381     | 412     |
| Undergraduate Nonresident | 381    | 412     |
| Graduate Resident    | 663     | 718     |
| Graduate Nonresident | 1,196   | 1,340   |

| **OIT**              |         |         |
| Undergraduate Resident | 446     | 483     |
| Undergraduate Nonresident | 1,533  | 1,717   |

| **OHSU**             |         |         |
| Medical Resident     | 1,591   | 1,722   |
| Medical Nonresident  | 3,559   | 3,986   |
| Dental Resident      | 1,170   | 1,267   |
| Dental Nonresident   | 2,870   | 3,214   |
| Nursing, Medical Technician, and Dental Hygienist |         |         |
| Resident             | 446     | 483     |
| Nonresident          | 1,533   | 1,717   |
| Graduate Resident    | 706     | 764     |
| Graduate Nonresident | 1,240   | 1,389   |

| **Other**            |         |         |
| Veterinary Medicine Resident (OSU) | 1,269  | 1,395   |
| Law Semester Resident (UO)        | 1,060   | 1,165   |
| Law Semester Nonresident (UO)     | 1,861   | 2,116   |
| Baccalaureate Nursing (EOSC)      | 419     | 454     |
### Schedule 2

#### Health Service and Incidental Fee Recommendations

**Full-Time Student, Per Term**  
**1990-91 Academic Year**

<table>
<thead>
<tr>
<th>Health Service Fee</th>
<th>1989-90 Authorized Fee</th>
<th>1990-91 Recommended</th>
<th>Increase (Decrease)</th>
</tr>
</thead>
<tbody>
<tr>
<td>UO</td>
<td>$41.00</td>
<td>$47.00</td>
<td>$6.00</td>
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<tr>
<td>OSU</td>
<td>39.00</td>
<td>43.00</td>
<td>4.00</td>
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<tr>
<td>PSU</td>
<td>41.50</td>
<td>45.50</td>
<td>4.00</td>
</tr>
<tr>
<td>WOSC</td>
<td>35.00</td>
<td>35.00</td>
<td>0.00</td>
</tr>
<tr>
<td>SOSC</td>
<td>39.50</td>
<td>44.00</td>
<td>4.50</td>
</tr>
<tr>
<td>EOSC*</td>
<td>35.00*</td>
<td>35.00*</td>
<td>0.00</td>
</tr>
<tr>
<td>OIT</td>
<td>37.00</td>
<td>40.00</td>
<td>3.00</td>
</tr>
<tr>
<td>OHSU**</td>
<td>237.00</td>
<td>280.00</td>
<td>43.00</td>
</tr>
<tr>
<td>UO Law (Semester)</td>
<td>62.00</td>
<td>71.00</td>
<td>9.00</td>
</tr>
</tbody>
</table>

* EOSC Baccalaureate Nursing Students have an additional $3 per term for coverage against needle stick accidents.

** OHSU students are required to purchase major medical insurance at $180 per term unless equivalent coverage is assured. Basic health service fee is $100.

#### Incidental Fee

<table>
<thead>
<tr>
<th></th>
<th>1989-90</th>
<th>1990-91</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>UO</td>
<td>89.00</td>
<td>100.00</td>
<td>11.00</td>
</tr>
<tr>
<td>OSU</td>
<td>66.00</td>
<td>75.00</td>
<td>9.00</td>
</tr>
<tr>
<td>PSU</td>
<td>71.50</td>
<td>85.50</td>
<td>14.00</td>
</tr>
<tr>
<td>WOSC</td>
<td>80.00</td>
<td>87.00</td>
<td>7.00</td>
</tr>
<tr>
<td>SOSC</td>
<td>77.50</td>
<td>82.00</td>
<td>4.50</td>
</tr>
<tr>
<td>EOSC</td>
<td>120.00</td>
<td>123.00</td>
<td>3.00</td>
</tr>
<tr>
<td>OIT</td>
<td>86.00</td>
<td>89.00</td>
<td>3.00</td>
</tr>
<tr>
<td>OHSU</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medical</td>
<td>60.00</td>
<td>85.00</td>
<td>25.00</td>
</tr>
<tr>
<td>Dental</td>
<td>64.00</td>
<td>89.00</td>
<td>25.00</td>
</tr>
<tr>
<td>Med.Tech.</td>
<td>55.00</td>
<td>80.00</td>
<td>25.00</td>
</tr>
<tr>
<td>Dental Hygiene</td>
<td>64.00</td>
<td>89.00</td>
<td>25.00</td>
</tr>
<tr>
<td>Nursing</td>
<td>60.00</td>
<td>85.00</td>
<td>25.00</td>
</tr>
<tr>
<td>Grad.Medical</td>
<td>60.00</td>
<td>85.00</td>
<td>25.00</td>
</tr>
<tr>
<td>Grad.Dental</td>
<td>64.00</td>
<td>89.00</td>
<td>25.00</td>
</tr>
<tr>
<td>Grad.Nursing</td>
<td>55.00</td>
<td>85.00</td>
<td>30.00</td>
</tr>
<tr>
<td>UO Law (Semester)</td>
<td>134.00</td>
<td>150.00</td>
<td>16.00</td>
</tr>
</tbody>
</table>

#### Building Fee

| All Institutions | 18.00 | 18.00 | 0.00 |
| UO Law (Semester) | 27.00 | 27.00 | 0.00 |

#### Study Resources Fee

| Nursing, OHSU/EOSC | 113.50 | 118.00 | 4.50 |
| Law, UO            |        |        |      |
| All Admits ’89     | 300.00 | 300.00 | 0.00 |
| Res.Admits ’90     | 300.00 | 375.00 | 75.00 |
| Non-Res.Ad.’90     | 300.00 | 450.00 | 150.00 |
## Schedule 3

**Total Tuition and Fee Recommendation**

**Full-Time Student, Per Term**

For the 1990-91 Academic Year Compared With 1989-90

<table>
<thead>
<tr>
<th>Institution</th>
<th>Undergraduate</th>
<th></th>
<th>Graduate</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Resident</td>
<td>Nonresident</td>
<td>Resident</td>
<td>Nonresident</td>
</tr>
<tr>
<td><strong>University of Oregon</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1989-90</td>
<td>594.00</td>
<td>1,681.00</td>
<td>854.00</td>
<td>1,388.00</td>
</tr>
<tr>
<td>1990-91 Proposed</td>
<td>655.00</td>
<td>1,908.00</td>
<td>941.00</td>
<td>1,575.00</td>
</tr>
<tr>
<td><strong>Oregon State University</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1989-90</td>
<td>569.00</td>
<td>1,656.00</td>
<td>829.00</td>
<td>1,363.00</td>
</tr>
<tr>
<td>1990-91 Proposed</td>
<td>626.00</td>
<td>1,879.00</td>
<td>912.00</td>
<td>1,546.00</td>
</tr>
<tr>
<td><strong>Portland State University</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1989-90</td>
<td>577.00</td>
<td>1,664.00</td>
<td>837.00</td>
<td>1,371.00</td>
</tr>
<tr>
<td>1990-91 Proposed</td>
<td>639.00</td>
<td>1,892.00</td>
<td>925.00</td>
<td>1,559.00</td>
</tr>
<tr>
<td><strong>Western Oregon State College</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1989-90</td>
<td>562.00</td>
<td>1,492.00</td>
<td>823.00</td>
<td>1,356.00</td>
</tr>
<tr>
<td>1990-91 Proposed</td>
<td>604.00</td>
<td>1,662.00</td>
<td>887.00</td>
<td>1,510.00</td>
</tr>
<tr>
<td><strong>Southern Oregon State College</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1989-90</td>
<td>564.00</td>
<td>1,494.00</td>
<td>825.00</td>
<td>1,358.00</td>
</tr>
<tr>
<td>1990-91 Proposed</td>
<td>608.00</td>
<td>1,666.00</td>
<td>891.00</td>
<td>1,514.00</td>
</tr>
<tr>
<td><strong>Eastern Oregon State College</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1989-90</td>
<td>554.00</td>
<td>554.00</td>
<td>836.00</td>
<td>1,369.00</td>
</tr>
<tr>
<td>1990-91 Proposed</td>
<td>588.00</td>
<td>588.00</td>
<td>894.00</td>
<td>1,516.00</td>
</tr>
<tr>
<td><strong>Oregon Institute of Technology</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1989-90</td>
<td>587.00</td>
<td>1,674.00</td>
<td>847.00</td>
<td>1,381.00</td>
</tr>
<tr>
<td>1990-91 Proposed</td>
<td>630.00</td>
<td>1,864.00</td>
<td>--</td>
<td>--</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Oregon Health Sciences University</strong></th>
<th>Medical</th>
<th>Graduate, Medicine</th>
<th>Dental</th>
<th>Graduate, Dental</th>
<th>Nursing</th>
<th>Graduate, Nursing</th>
<th>Medical Tech.</th>
<th>Dental Hygiene</th>
</tr>
</thead>
<tbody>
<tr>
<td>1989-90</td>
<td>1,906.00</td>
<td>3,874.00</td>
<td>1,021.00</td>
<td>1,555.00</td>
<td>874.50</td>
<td>1,961.50</td>
<td>756.00</td>
<td>1,843.00</td>
</tr>
<tr>
<td>1990-91 Proposed</td>
<td>2,105.00</td>
<td>4,369.00</td>
<td>1,147.00</td>
<td>1,772.00</td>
<td>984.00</td>
<td>2,218.00</td>
<td>861.00</td>
<td>2,095.00</td>
</tr>
<tr>
<td><strong>Dental</strong></td>
<td></td>
<td></td>
<td>1,025.00</td>
<td>1,559.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1989-90</td>
<td>1,489.00</td>
<td>3,189.00</td>
<td>1,151.00</td>
<td>1,776.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1990-91 Proposed</td>
<td>1,654.00</td>
<td>3,601.00</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Nursing</strong></td>
<td></td>
<td></td>
<td>1,129.50</td>
<td>1,663.50</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1989-90</td>
<td>874.50</td>
<td>1,961.50</td>
<td>1,265.00</td>
<td>1,890.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1990-91 Proposed</td>
<td>984.00</td>
<td>2,218.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

-501-
Schedule 3 (continued)

Total Tuition and Fee Recommendation
Full-Time Student, Per Term
For the 1990-91 Academic Year Compared With 1989-90

<table>
<thead>
<tr>
<th></th>
<th>Undergraduate</th>
<th></th>
<th>Graduate</th>
<th></th>
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<tbody>
<tr>
<td></td>
<td>Resident</td>
<td>Nonresident</td>
<td>Resident</td>
<td>Nonresident</td>
</tr>
<tr>
<td></td>
<td>Nursing, EOSC</td>
<td>708.50</td>
<td>708.50</td>
<td>Vet. Med., OSU</td>
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<tr>
<td>1989-90</td>
<td>751.00</td>
<td>751.00</td>
<td>1,392.00</td>
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<tr>
<td>1990-91 Proposed</td>
<td></td>
<td></td>
<td>1,531.00</td>
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</tr>
<tr>
<td>Metro Ctr, OIT</td>
<td>464.00</td>
<td>1,550.00</td>
<td>Metro Ctr, OIT</td>
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</tr>
<tr>
<td>1989-90</td>
<td>501.00</td>
<td>1,735.00</td>
<td>724.00</td>
<td>1,258.00</td>
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<tr>
<td>1990-91 Proposed</td>
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<td></td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td></td>
<td>(989-90)</td>
<td></td>
<td>Law, UO</td>
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<tr>
<td>1989-90</td>
<td>1,583.00</td>
<td>2,384.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1990-91 Admits @1989</td>
<td>1,713.00</td>
<td>2,664.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Admits @1990</td>
<td>1,788.00</td>
<td>2,814.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note:
Total tuition and fees cover fees for instruction, building incidental, and health service at all institutions. Law semester, OHS and OHSU/EOSC Nursing include a study resources fee. At the OIT Metr Center only instruction fee and building fee are mandatory; other fees are optional.
Schedule 4
Oregon Department of Higher Education
Comparison of Basic Residence Hall Rates 1989-90 to 1990-91

The following are comparative samples of board and room rates for a basic dorm room with double occupancy and the student on a 15 meal per week plan. Each institution offers a variety of room and meal options at rates above and below these listed. Refer to the Fee Book for a more definitive schedule of rates.

<table>
<thead>
<tr>
<th>Institution</th>
<th>1989-90</th>
<th>1990-91</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Oregon</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic multiple</td>
<td>$2,598</td>
<td>$2,806</td>
<td>8.0%</td>
</tr>
<tr>
<td>Oregon State University</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic multiple, 15 meals</td>
<td>2,548</td>
<td>2,797</td>
<td>9.8%</td>
</tr>
<tr>
<td>Western Oregon State College</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic multiple, 15 meals</td>
<td>2,684</td>
<td>2,872</td>
<td>7.0%</td>
</tr>
<tr>
<td>Southern Oregon State College</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic multiple, 15 meals</td>
<td>2,775</td>
<td>2,940</td>
<td>6.0%</td>
</tr>
<tr>
<td>Eastern Oregon State College</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic multiple, 15 meals</td>
<td>2,761</td>
<td>2,835</td>
<td>2.7%</td>
</tr>
<tr>
<td>Oregon Institute of Technology</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic multiple, 14 meals</td>
<td>2,820</td>
<td>3,105</td>
<td>10.1%</td>
</tr>
<tr>
<td>Oregon Health Sciences University</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Room Only, multiple, 3-Term Student</td>
<td>1,464</td>
<td>1,557</td>
<td>6.4%</td>
</tr>
</tbody>
</table>

* Rates exclude required additional social fees of $10 - $20 per year.
Mr. Adams said the Oregon Student Lobby had also suggested some changes and additional information which would be helpful during discussion of tuition and fees. He said he thought some good ideas were presented and the Board should recognize their contribution to the discussion.

The Board approved the staff recommendation as presented. On roll call vote, the following voted in favor: Directors Adams, Bailey, Bruggere, Halsey, Jackson, Matthews, Miller, Richardson, Swanson, Wilson, and Dodson. Those voting no: None.

Staff Report to the Board

The Academic Year Fee Book has authorized for years the use of Deferred Tuition Notes, permitting tuition and other mandatory enrollment fees to be paid in installments over the length of the current term. The deferred payment plan applies only to the instruction fee, incidental fee, health service fee, building fee and study resources fee. It does not apply to board and room, family housing, library fines, late registration, program change deposits, late application, counseling, testing and examination fees. The student signs a note agreeing to repay the deferred obligation. Business office time and resources are necessary to effectuate the transaction.

Today's consumer expects the option of paying over time. Customers purchase goods and services by telephone, accept the published terms and conditions of the purchase, and are billed for the purchase without a signed contract. The offer is unilateral in form and is accepted and becomes an enforceable contract when the customer follows the instructions on how to order. This form of transaction is used in colleges and universities as well as in the commercial world.

Technological advances now make telephone registration affordable and reliable. All of the institutions in the Oregon State System of Higher Education are developing new registration systems that will eventually accommodate such capabilities. This minimizes the need for students to appear in person for registration. The Ed-Net program, whereby students all over the state take classes by satellite, makes the telephone registration option necessary. This, and the desire to streamline the fee payment process, has resulted in examination of alternative methods of fee collection.

The staff proposes adoption of OAR 580-40-041, Revolving Charge Account Policy, which would authorize the establishment of revolving charge accounts for students and others who incur debt with institutions of the Oregon State System of Higher Education.
The staff has worked with legal counsel for the Oregon State System of Higher Education in developing the proposed policy. Legal counsel advises that the policy be adopted as an Administrative Rule separate from the fee book rule.

Counsel is concerned about the lack of a requirement for a signed repayment agreement. Accordingly, as a matter of practice, the institutions will require a signed agreement, pending further study. Should it prove feasible, however, that requirement will be dropped. Accordingly, the rule has been drafted as permissive.

Implementation Process

Upon approval of this policy, the institutions will adopt the necessary rules and prepare written information about the Revolving Charge Accounts for inclusion in registration materials and other sources detailing this policy and the various pay options and costs of using the revolving charge account. The institutions will submit the material to the System's Legal Counsel for review.

Staff Recommendation to the Committee (July 20, 1990)

The staff anticipated that QAR 580-40-041, would be adopted as a permanent rule at the July Board meeting. The required notification of the proposed adoption and announcement of a public hearing was mailed to the Office of the Secretary of State on June 12, 1990. The notice was mailed in sufficient time to meet the June 15 deadline date for publication in the Oregon Bulletin, but the notice did not reach Salem until June 18 and was not published. Therefore, because the Board could not meet the notice required to adopt a permanent rule by its July meeting, the rule now must be adopted as a temporary rule, with adoption as a permanent rule following publication of the required notice in the August 1, 1990, Oregon Bulletin. The rule would be considered for adoption as a permanent rule after publication of the required notice in the August 1, 1990, Oregon Bulletin. The August 1 notice reported a public hearing had been held on July 16 and indicated additional written testimony received by September 1 would be considered.

The public hearing notice also was mailed on June 25 to the full notification list for public hearings.

Board Action (July 20, 1990)

At the July 20 meeting, Mr. Bruggere recommended that the Board approve the proposed policy, with the understanding the staff would bring it back to the Board within a year for review of the program and some of the concerns raised during the discussion.
The Board approved the Committee recommendation subject to the review suggested by Mr. Bruggere. On roll call vote, the Board adopted as a temporary rule, OAR 580-40-041, Revolving Charge Account Policy. The following voted in favor: Directors Adams, Bailey, Bruggere, Hensley, Johnston, Matthews, Miller, Swanson, Wilson, and Dodson. Those voting no: None.

Staff Recommendation to the Board (September 14, 1990)

The staff recommended the Board adopt the following OAR 580-40-041 as a permanent rule. The staff further recommended that it be authorized to commence the necessary administrative procedures to implement this policy.

OAR 580-40-041 Revolving Charge Accounts Policy

1. Institutions may adopt rules for Revolving Charge Accounts. Such rules shall include:

   a. The criteria used to determine eligibility for participating in the revolving charge account.

   b. An institution may require a written credit application in order to determine if the criteria are met, which shall include a separately signed repayment agreement, describing the terms and conditions applicable to the transaction.

   c. All charges incurred by students and others may be eligible for revolving charge account terms. Such charges may include, but are not limited to, instruction fee, health service fee, building fee, residence hall and family housing charges, library fines, parking fines, late registration fees, and special course fees.

   d. Due dates for repayments to the institution. Unless extended, tuition and fees incurred as a result of class registration are due in full no later than the beginning of each term, but in no case will an extension be made beyond the end of the current term.

   e. The institution shall adopt rules describing to students and the eligible public customers the terms and conditions for granting credit for payment of institutional charges, including the following:
(i) A minimum of one-third of the current term's tuition and fees must be paid at the date designated by the institution prior to or at the beginning of each term. The institution may establish provisions for financial aid recipients and third party sponsored recipients to satisfy the minimum payment by application of approved aid. The institution may establish minimum payment requirements for other institution charges. The option of payment in full always exists.

(ii) The institution may assess a service charge up to $12.00 per term.

(iii) Interest is charged each month on the outstanding past-due balance forward in a revolving charge account. The interest rate charged is to be determined by the institution, but shall be no less than 9% nor higher than 12% annual rate.

(iv) The institution may charge a collection fee to the account of each student who has not paid the prior term's charges in full prior to the beginning of the subsequent term. The institution may charge a collection fee to the account of other public customers who have not paid their accounts in full prior to the final due date designated by the institution.

(v) Credit accounts may also be assessed all costs and charges necessary to collect any amount not paid when due, including, but not limited to, Oregon Department of Revenue, outside collection agency costs, reasonable attorneys' fees, and court filing fees.

(2) The institution may deny or cancel registration of any student who has not paid in full his/her entire account receivable balance prior to the designated due date for payment prior to or at the beginning of the subsequent term. The institution may suspend credit and services, and withhold grade reports and transcripts, if an account is delinquent.

On July 16, 1990, a public hearing was held in Room 358 of Susan Campbell Hall on the University of Oregon campus, to receive testimony concerning OAR 580-40-041, Revolving Charge Account Policy. No one presented testimony concerning this rule. A report will be made of any additional written testimony received by September 1.

Discussion and action by the Committee and the Board were recorded in the July Board minutes.

Board Discussion and Action (September 14, 1990)

Mr. Ihrig said no additional written testimony had been received with respect to this proposed rule and recommended that it be adopted as a permanent rule.

Mr. Adams inquired whether any additional bookkeeping costs would accrue and whether any of the campuses would have problems as a result of deferred income.

Mr. Ihrig indicated this issue was being reviewed on the campuses as individual procedures and policies were developed. Interest charges are expected to cover the deferred costs. A full report and review of this policy will be brought to the Board at the end of the year.

The Board approved the staff recommendation and adopted OAR 580-40-041, Revolving Charge Account Policy. On roll call vote, the following voted in favor: Directors Adams, Bailey, Bruggere, Halsey, Jackson, Matthews, Miller, Richardson, Swanson, Wilson, and Dodson. Those voting no: None.

Mr. Dodson announced the roll call vote was the last one which the Board Secretary would be making prior to her retirement next month. He asked if she wished to make any comments.

Miss Foster indicated she had enjoyed all of her time with the Board members and staff of the central office and the institutions. She indicated she particularly had appreciated the cooperation and assistance provided by the outstanding people at all of the institutions in the scheduling, audio-visual, food service, and physical plant departments.

Appointments to Forest Research Laboratory Advisory Committee

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 of 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, the practice has been to make appointments for a period of three years. Those who are performing actively and effectively traditionally have been recommended for reappointment to a second three-year term, with all members replaced at the conclusion of a second term.

Dr. George W. Brown, Director of the Forest Research Laboratory, with the concurrence of President Byrne and Chancellor Bartlett, recommends the following appointments and reappointments for the terms indicated:

Reappointment of Ms. Gail Achtermann, Natural Resources Assistant to Governor Goldschmidt, to a second three-year term, effective July 1, 1990, to June 30, 1993.

Reappointment of Dr. Carl Newport, Senior Partner, Mason, Bruce and Girard, Portland, to a second three-year term, effective July 1, 1990, to June 30, 1993.

Appointment of Ms. Nancy Russell to a three-year term as a public member on the Advisory Committee. Ms. Russell has been involved actively in conservation organizations in the Northwest, most prominently as Chairman of the Board for the Friends of the Columbia Gorge and as a Board member of the Portland Garden Club and Trust for Public Lands. She will replace Ms. Nancy Duhnkrack.

Appointment of Mr. John Shelk to a three-year term as a representative of the forest industry. He will represent firms from eastern Oregon. He also serves as a member of the Board of Forestry. Mr. Shelk will replace Mr. Charles Shotts.

**Staff Recommendation to the Board**

The staff recommended the Board approve the above appointments and reappointments to the Forest Research Laboratory Advisory Committee.

**Board Discussion and Action**

The Board approved the staff recommendation as, with the following voting in favor: Directors Adams, Bailey, Bruggere, Halsey, Jackson, Matthews, Miller, Richardson, Swanson, Wilson, and Dodson. Those voting no: None.
Staff Report to the Board

For the past seven years, the housing market in Ashland has been volatile with a prevailing seller's market. Property values have risen markedly in the face of demand for dwelling units by persons "moving up" in the community as well as wishing to relocate there. Such a market has worked to the disadvantage of persons seeking more affordable housing, particularly those living on fixed incomes. The rental market has been similarly affected. The vacancy rate in Ashland has continued at less than 1% for several years. This situation now extends into the Medford community as well.

Given these circumstances, the College has addressed substantially the need for affordable student family housing with the opening of its 130-unit complex in June 1990, financed with Article XI-F(1) bonds. These facilities, together with continued rental of some 47 single-family residences owned and managed by the institution within campus boundaries, should significantly relieve pressures to accommodate student families. The institution has been advised by the Department of Justice that neither the State Constitution nor statute restricts use of Article XI-F(1) bonds to construction of housing solely for students in traditional nuclear families. There are, however, policy and tax implications were such housing to be rented to new faculty, for example. While these implications are being explored, the institution will continue to give first priority for rental of the new 130 units to student families.

The remaining key issue is whether the tight housing market has had and will continue to have an adverse effect on faculty recruitment and retention and, to a lesser extent, staff hiring. It is especially timely to undertake such an evaluation, because by the year 2000 the College will have experienced a 75% turnover in its faculty and will encounter even keener competition nationally for the recruitment of qualified replacements. Assuming it is determined that the housing market has a deleterious effect on recruitment and retention, the corollary issue is the extent to which the College, and the State System generally, should become involved directly in trying to remedy the situation.

Regarding the possible adverse effect on faculty recruitment, both anecdotal and statistical evidence indicates that housing prices and the supply of available dwellings is influencing whether new faculty can reside in the Ashland community. The average selling price for a home in 1988 was $88,542; through July 1990, that average had increased to $130,221, a rise of 47%. (Some softening of local real estate market is reportedly occurring now.) A related variable is the cost of financing the purchase of a home, which becomes even more critical as the housing
prices and property taxes increase. An informal review of zip codes associated with the local addresses for new faculty through the latter half of the 1980s reveals a steady increase in the proportion of new faculty who have chosen to reside outside the Ashland community.

According to college officials, the most effective way of dealing with the problem of high-cost housing is to raise faculty salaries so that they are not only competitive but provide new faculty with enhanced capability to accommodate to the cost of living in the Rogue Valley. Information available regarding the impact of housing prices on recruitment is still insufficient to warrant the development of specific plans for new on-campus housing construction, second mortgage financing, loan subsidies, or other programs analogous to those implemented on campuses in California and elsewhere. Nonetheless, Southern Oregon State College has identified two areas in its updated campus master plan which might accommodate future construction of single-family housing (perhaps common-wall type) within approved campus boundaries. In addition, the 40-acre Perozzi property located approximately one mile south of the campus is a potential site for housing development. It remains to be seen, however, whether such construction could be economically pursued to achieve affordable rental rates.

College officials will continue to monitor housing conditions in Ashland and their effect on faculty and staff employment. No specific recommendations are offered at this time.

The housing needs of student families are being addressed by the 130 units of new housing opened by Southern Oregon State College earlier this summer. The issue of affordable faculty housing can be addressed best by increasing faculty salaries sufficiently to permit faculty to buy or rent at the prices prevailing in the Ashland area's housing market. The recent softening of that market might give the College some respite until faculty salaries can be raised. If that effort is not successful, the College will monitor Ashland housing conditions and consider other alternatives for ultimate presentation to the Board.

Board Discussion and Action

The Board accepted the report as presented.

Medical Office
Building Developer, OHSU

Staff Report to the Board

In 1987, the Legislative Assembly authorized the Board to construct an office tower for use by medical, dental, and other practitioners on the faculty of or otherwise affiliated with the Oregon Health Sciences University. However, it was suggested in 1989 that bonds issued to finance this project might not be exempt from federal income tax. Therefore, in September 1989, the
Board transferred the limitation and bonding authority for the office tower to the purchase of two office buildings (Marquam I and Marquam II) for use by other Oregon Health Sciences University activities. This transaction was approved by the State Emergency Board and the purchase has taken place.

At the time the authority for the office tower was transferred, staff assured the Board that other means of providing office and associated examination/clinic space for the Oregon Health Sciences University faculty practice would be explored. The need for such space could not be met in existing campus buildings due to physical restrictions and possible legal impediments associated with the private nature of such practice. In February, the Board was informed that a Request for Proposals would be issued and, if possible, a private developer selected to construct, own and operate a medical office building for the private practices of Oregon Health Sciences University faculty and staff.

A competitive Request for Proposals process has been concluded successfully and the firm of Brim Enterprises, Inc., selected as the developer. Oregon Health Sciences University and Brim have concluded an Affiliation and Development Agreement, in a form accepted by the Department of Justice, which addresses a variety of pre-lease matters. Essentially, Brim will work with Oregon Health Sciences University and its faculty practitioners over the next few months to determine the feasibility of such a facility and how it will be owned and operated. Brim has successfully developed several such facilities throughout the United States.

If the project appears feasible and enough of the faculty seem interested, Brim and Oregon Health Sciences University will negotiate a lease for the air rights above the existing patient parking structure and any other matters which will affect the construction and operation of the medical office building. Preliminary lease terms have been prepared already. This is in accordance with the report to the Board in February 1990 and with provisions of the Request for Proposals. The final lease, if any, will be subject to approval by the Board.

Board Discussion and Action

The Board accepted the report as presented.

Staff Report to the Board

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

Consulting
Structural
Engineering
Services, CSU

Contracts for Professional Consulting Services

An Agreement was negotiated with Devco Engineering, Inc., Engineers, Corvallis, for engineering services not to exceed $50,000. Financing will be provided from state funds.
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Consulting Mechanical Engineering Services, OSU

An Agreement was negotiated with Endex Engineering, Inc., Engineers, Corvallis, for engineering services not to exceed $50,000. Financing will be provided from state funds.

Consulting Services, Roof Management, OSU

An Agreement was negotiated with McBride/Ralston Architects, Architects, Portland, for architectural services not to exceed $50,000. Financing will be provided from state funds.

Consulting Electrical Engineering Services, OSU

An Agreement was negotiated with RAM Engineering, Inc., Engineers, Corvallis, for engineering services not to exceed $50,000. Financing will be provided from state funds.

Electronic Access Control System Standard, OHSU

An Agreement was negotiated with Warrington & Associates, Inc., Consultants, Portland, for consulting services not to exceed $10,700. Financing will be provided from state funds.

Gaines Hall Electrical and Plumbing System Upgrade, OHSU

An Agreement was negotiated with Van Gulik/Oliver, Engineers, Lake Oswego, for engineering services not to exceed $25,000. Financing will be provided from state funds.

Medical Research Building, Air Conditioning & Exhaust Systems Balance, OHSU

An Agreement was negotiated with EIS Pacific, Inc., Engineers, Portland, for engineering services not to exceed $40,953. Financing will be provided from state funds.

Neurosensory Research Center, OHSU

An Agreement was negotiated with JKS Architects, Architects, Portland, for architectural services not to exceed $19,500. Financing will be provided from federal funds.

Hospital Electrical Study, OHSU

An Agreement was negotiated with Mark-Piper, Inc., Engineers, Eugene, for engineering services not to exceed $40,700. Financing will be provided from state funds.

UHN, Chiller Replacement, OHSU

An Agreement was negotiated with Chris Billings & Associates, Engineers, Portland, for engineering services not to exceed $5,000. Financing will be provided from state funds.
Award of Construction Contracts

Accessibility for Handicapped Phase III Contract G: Waldo Hall/Elevator Installation, OSU
On August 22, 1990, Dale Ramsay Construction Co. was awarded a contract for this project in the amount of $134,594. Financing will be provided from state funds.

Campus Lighting Project, OSU
On August 20, 1990, Cherry City Electric, Inc., was awarded a contract for this project in the amount of $147,375. Financing will be provided from state funds.

Columbia Basin Agri. Res. Ctr (Equipment Storage Shed, Pendleton), OSU
On August 14, 1990, M. G. Construction, Inc., was awarded a contract for this project in the amount of $38,500. Financing will be provided from gifts and station sales.

Crop Science Parking Lot & Moreland Hall Parking Lot Improvements Project, OSU
On July 2, 1990, Morse Bros., Inc., was awarded a contract for this project in the amount of $209,212.05. Financing will be provided from parking reserve funds.

Gill Coliseum Reroof—Main Roof Project, OSU
On July 5, 1990, Dale Ramsay Construction Co. was awarded a contract for this project in the amount of $243,644. Financing will be provided from state funds.

Graf Hall Reroofing, OSU
On July 9, 1990, Umpqua Roofing, Inc., was awarded a contract for this project in the amount of $88,464. Financing will be provided from state funds.

Langton Hall Reroof Areas C, D, & E, OSU
On July 5, 1990, Snyder Roofing & Sheet Metal, Inc., was awarded a contract for this project in the amount of $185,350. Financing will be provided from state funds.

Weniger Hall Room 151 Lighting Improvements, OSU
On June 28, 1990, Mason Electric was awarded a contract for this project in the amount of $9,999. Financing will be provided from state funds.

Retrofit Roofing Projects (Siskiyou Commons Building, Handball Courts, & South Heating Plant), SOSC
On July 17, 1990, Church Roofing Co. was awarded a contract for this project in the amount of $84,054. Financing will be provided from capital repair funds.
Amazon Housing Electrical Improvements—Phase II, UO

On August 14, 1990, Beacon Electric was awarded a contract for this project in the amount of $17,688. Financing will be provided from housing reserve funds.

AAA Additions & Alterations
Bid Package A2
(North Site—Wood & Metals Shop, Kiln Cover), UO

On July 30, 1990, Lee Construction Co. was awarded a contract for the Architecture and Allied Arts Addition and Alterations Bid Package A2 (North Site—Wood & Metals Shop, Kiln Cover) project in the amount of $861,600. Financing will be provided from state funds.

Campus Electrical System Improvements—Phase III, UO

On July 5, 1990, L. H. Morris Electric, Inc., was awarded a contract for this project in the amount of $584,000. Financing will be provided from capital repair funds, housing reserve funds and student health center reserve funds.

Campus Roofing Project
Phase V, UO

On June 27, 1990, Snyder Roofing & Sheet Metal, Inc., was awarded a contract for this project in the amount of $61,680. Financing will be provided from capital repair funds.

Fences and Gates Project, UO

On June 25, 1990, Second Growth, Inc., was awarded a contract for this project in the amount of $23,047.24. Financing will be provided from state funds.

Student Health Center Reroofing Project, UO

On July 17, 1990, McKenzie Commercial Contractors was awarded a contract for this project in the amount of $119,763. Financing will be provided from capital repair funds.

University Inn Asbestos Abatement, UO

On April 30, 1990, Interstate Industrial Mechanical was awarded a contract for this project in the amount of $285,502. Financing will be provided from housing reserve funds.

Walton Hall (North) Domestic Hot Water Piping Replacement, UO

On July 3, 1990, Harvey & Price Co. was awarded a contract for this project in the amount of $12,865. Financing will be provided from housing reserve funds.

Westmoreland Family Housing Exterior Painting Phase VI, UO

On July 2, 1990, Jon Trent Painting was awarded a contract for this project in the amount of $14,250. Financing will be provided from housing reserve funds.

Westmoreland Family Housing Reroofing Project Phase VI, UO

On July 9, 1990, River Roofing Service was awarded a contract for this project in the amount of $11,900. Financing will be provided from housing reserve funds.
On August 13, 1990, Todd Hess Building Co. was awarded a Rooms contract for this project in the amount of $148,000. Financing will be provided from federal funds.

On June 27, 1990, Donald M. Drake Co. was awarded a contract for this project in the amount of $22,174,300. Financing will be provided from state funds.

On July 23, 1990, Meng-Hannan Construction Co., Inc., was awarded a contract for the Children Development and Rehabilitation Center Phase II Repairs project in the amount of $274,856. Financing will be provided from state funds.

On June 27, 1990, Meza Construction was awarded a contract for this project in the amount of $258,768. Financing will be provided from state funds.

**Acceptance of Projects**

O. H. Hinsdale Wave Research Lab North-South Extension, OSU

This project is complete and was accepted on June 20, 1990. The estimated total project cost remains at $614,854. Financing was provided from 90% federal funds and 10% state funds.

Marine Science Center, Oceanography & Fisheries Wings Reroof, OSU

This project is complete and was accepted on June 1, 1990. The estimated total project cost remains at $144,940. Financing was provided from state funds.

Moreland Hall Reroof, OSU

This project is complete and was accepted on June 18, 1990. The estimated total project cost remains at $39,987. Financing was provided from state funds.

Biomedical Information Communication Center, OHSU

This project is complete and was accepted on December 26, 1989. The estimated total project cost remains at $1,073,2310. Financing was provided from federal funds.

Mackenzie Hall Plastic Surgery Offices Suite 3168, OHSU

This project is complete and was accepted on May 9, 1990. The estimated total project cost remains at $26,980. Financing was provided from state funds.
This project is complete and was accepted on July 15, 1990. The estimated total project cost remains at $31,500. Financing was provided from funds available to the institution.

Utilities
Remodel Rebid, OIT

This project is complete and was accepted on July 20, 1990. The estimated total project cost remains at $1,140,164.25. Financing was provided from general funds.

Board Discussion and Action

The Board accepted the report as presented.

ITEMS FROM BOARD MEMBERS

Miss Matthews said this was her last Board meeting before going to Cambridge. She stated she had learned a great deal during her term on the Board and had enjoyed a wonderful time. The perspective as a Board member differs from that of student body president, and Board members face challenging decisions. She wished the Board members good luck in their future efforts.

Mr. Adams said the presidential search committee for Oregon Technical Institute would be meeting the following week. The Committee has received 132 applications and nominations. He said there appeared to be some very good possibilities in the group.

PRESIDENT’S REPORT

Mr. Dodson congratulated the Chancellor and his staff for the successful efforts with the Emergency Board. He also said he wished to extend his very sincere gratitude to the members of the Emergency Board and to the Legislature for their support of the Board of Higher Education’s efforts.

Mr. Dodson commented that the members of the Emergency Board made some very astute observations which the Board should remember during the 1991 Legislative Session. They were very congratulatory of the Chancellor and his staff and said the institutions were providing leadership, partnership, and a commitment to working toward all of the needs of the State of Oregon, not just those of higher education. The legislators were very responsive to the Board’s efforts to try to take a global view, not only of higher education and coming in with a consensus and commitment, but also to the needs of the state. He stated he was very proud to be a part of that team.

Mr. Dodson indicated he and Mrs. Jackson had visited Ashland to attend the reception in connection with the opening of the new Center for Asian Studies at the University of Seoul, Korea. He stated he was very appreciative of President Cox’s leadership.
Mr. Dodson announced the Board would begin its renewal session at the conclusion of the regular Board meeting. He thanked the representatives of the Interinstitutional Faculty Senate for their attendance at the Board meetings. He said one of the topics for the renewal session was how to make the Interinstitutional Faculty Senate a much more responsive and meaningful part of the Board's deliberations.

Next Meeting Dates

Mr. Dodson announced the next regular meeting of the Board would be held on October 19, 1990, on the campus of Eastern Oregon State College. The session will include a visitation to the institution.

COMMUNICATIONS

The Secretary read the following resolution adopted by the Oregon State Grange during its regular session held June 18 to June 22, 1990:

AGRICULTURE AT OREGON STATE UNIVERSITY

WHEREAS Oregon State University is the only land grant institution in the state of Oregon; and

WHEREAS agriculture is one of the major industries in the state; and

WHEREAS under pressure of budget constraints OSU is considering dropping soil science, agricultural engineering, and other related subjects from its curriculum; and

WHEREAS the Department of Agriculture reports that openings for 50,000 positions for 4-year college graduates in agriculture go unfilled each year; therefore be it

RESOLVED that the Governor of the State of Oregon and the leadership of the Oregon State University be encouraged to continue positive emphasis of an Agriculture Major Curriculum; and be it further

RESOLVED that this resolution be sent to the Governor of Oregon, the Oregon Legislature, the Board of Higher Education, the OSU President and the OSU Dean of Agriculture.

Adopted by the Oregon State Grange in regular session June 18-22.

ADJOURNMENT

The Board meeting was adjourned at 10:50 a.m.

Mark Dodson, President
Wilma L. Foster, Secretary
### APPENDIX

#### 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>
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<tbody>
<tr>
<td>Selective Admissions</td>
<td>4/21/89</td>
<td>Periodic reports on effect at each campus</td>
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<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>
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<tr>
<td>Statement of Expectations re Expenditure of Unrestricted Funds</td>
<td>9-7-89</td>
<td>September 1990 (Not ready yet)</td>
</tr>
<tr>
<td>Minority Education—Institutional Plans, including graduate education</td>
<td>11-16-89</td>
<td>November 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>
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<tr>
<td>Coordinated Plan for Delivery of Health Administration and Public Health Programs</td>
<td>12-14-89</td>
<td>July 1, 1991</td>
</tr>
<tr>
<td>Review of Women and Minorities in High Administrative Positions</td>
<td>1-19-90</td>
<td>Not specified</td>
</tr>
<tr>
<td>WOSC Double Major Designation</td>
<td>5-18-90</td>
<td>May 1993</td>
</tr>
<tr>
<td>Reports on Athletic Financing (Annual reports requested, with others when budgets are forecasted to be out of balance.)</td>
<td>6-14-90</td>
<td>June 1991, or as necessary</td>
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Meeting #591

OAR 580-40-041, Revolving Charge Account Policy 7-20-90 July 1991
Western Undergraduate Exchange Program 7-20-90 July 1991
Oregon Joint Graduate Schools of Engineering 7-20-90 July 1992