REGULAR MEETING OF THE
OREGON STATE BOARD OF HIGHER EDUCATION

February 17, 1995

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CHANCELLOR'S REPORT

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Family Resource Study, Preliminary Results
Resignation, J. Hottois (EOSC)
Introduction, G. Hunt (WOSC)
IFS Report

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Gift of Property from OSU Foundation to OSU
(in Benton County)

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ADJOURNMENT
ROLL CALL

The meeting of the State Board of Higher Education was called to order at 8:35 a.m. by President Les Swanson.

On roll call, the following answered present:

Dr. Herb Aschkenasy       Mr. George Richardson
Ms. Diane Christopher     Ms. Ronda Trotman Reese
Mr. Bobby Lee             Mr. Jim Willis
Mr. Rob Miller            Ms. Janice Wilson
                          Mr. Les Swanson, Jr.

Mr. Bailey and Ms. Puentes were absent due to conflicts in schedule.

MINUTES APPROVED

The Board dispensed with the reading of the minutes of the January 20, 1995, meeting of the Board. Mr. Willis moved approval of the minutes as submitted. The following voted in favor: Directors Aschkenasy, Christopher, Lee, Miller, Richardson, Trotman Reese, Willis, Wilson, and Swanson. Those voting no: none.

PRESIDENT’S REPORT

Mr. Swanson thanked Oregon State University President Byrne for hosting the Board members at a dinner in his home.

President Swanson highlighted two items on the agenda: the results of the evaluation of President Wolf and the Board work session regarding student life issues.

CHANCELLOR’S REPORT

Dr. Cox reviewed recent meetings with the legislature. There have been two meetings with the Senate Education Committee, one with the Senate Revenue Committee, and an upcoming meeting with the Senate Education Committee regarding the Higher Education Administrative Efficiency Act (SB 271). At this point, it appears the Act will receive a "do pass" recommendation. Immediately after the hearing on SB 271, the Oregon Health Sciences University bill (SB 2) will be brought to the Committee.

Legislature

Evaluation, L. Wolf (OIT)

Chancellor Cox reviewed Board policy regarding the routine evaluation of institution presidents. The recent evaluation of Dr. Lawrence Wolf, president of Oregon Institute of Technology, was the routine evaluation
that occurs after the first three years of employment. Subsequent evaluations occur every four years. The outside consultant to Dr. Wolf's evaluation was Dr. Kurt Tompkins, president of Michigan Technological University. The results of the evaluation were positive, and Dr. Tompkins commended the Board for selecting Dr. Wolf to serve as president of Oregon Institute of Technology. Dr. Cox added that the full report is on file and accessible by Board members.

The Chancellor summarized the rationale for conducting the Oregon Family Resource Study. Each legislative session, questions are asked relating to student resources and ability to pay higher tuition. Using Human Capital Research, Inc., a consulting firm from Illinois with proven experience in similar studies, the State System has been collecting data about family income and resources for Oregon admitted resident undergraduate students.

Dr. Cox invited Mr. George Pemsteiner, Associate Vice Chancellor for Administration, to describe preliminary findings. Mr. Pemsteiner indicated that the survey was commissioned in summer 1994 and begun fall 1994. Results to date were based on a 34 percent return rate; the goal for return rate is set at 60 percent. The consulting firm has surveyed 4,000 students, and approximately 1,200 have responded.

"The interim report gives us some preliminary overall results about income, savings, and expected actions if tuition were raised. It does not give us the accuracy we want, for example, about individual campus-type activities or data for ethnic groups, or full-time or part-time students. Preliminary data show that the median family income for dependent students is about $48,300, which is somewhat below the national norm for families with students in that age bracket. Independent students (those putting themselves through school) have incomes of about $14,000. Most families do not save for college. Those who do save less than one year's worth of tuition, fees, room and board. So even if they do save, typically it's less than one-fourth the cost of a four-year degree.

"Almost 80 percent of our students would qualify for financial aid under federal guidelines. However, a lot of those students do not apply for aid. Some of the things we'll be looking for is why don't they apply? What are the impediments? And for those who do apply for financial aid, why do they?
"As the Chancellor indicated, a key reason we are conducting the survey is to examine elasticity of tuition. As we raise tuition, what do students do? This was something the Board faced in 1991 following Measure 5. As tuition was raised by a substantial percentage, we lost 3,000 students. Therefore, one of the questions asked was, 'If you had not yet started college but were going to start next fall, and tuition were $1,000 higher than it is today and there was no other additional financial aid in the form of grants, what would you do?' Almost half the students said they would not attend the school they had chosen. Many would go to a community college. Some would make other choices. If tuition were raised for existing students, the independent students said they would borrow more, and the dependent students said they would work more, borrow more, and seek more help from their parents.

"That led us to look at our current financial aid situation. More than half our students today are on aid. Two-thirds of that aid is in the form of loans. For 1994-95, the average loan amount for dependent undergraduates at our three largest universities exceeds $4,300. For an independent undergraduate at those three schools, it's almost $5,800. What that means in the current cost structure is that, if they borrowed at that rate for four years, they would borrow between $17,000 and $23,000 by 1998.

"Loans are basically the only form of aid available to people beyond what's already been tapped. Cutbacks in federal aid and loan subsidies are feared, as you know, by next fall. So that's the backdrop against which this study is being performed and against which future information will come."

Mr. Pernsteiner concluded his remarks by indicating that when all the data are in, serious analysis will also examine hours students worked, their credit load, ethnic categories, and a variety of other information. Later in the spring, similar information will be available about community college and independent college students.

Dr. Cox thanked Mr. Pernsteiner for his report. "This is a serious question because it is the issue of access in its most direct form. There is a lot of discussion in the legislature about the model of high tuition/high aid, the assumption being that there are a lot of wealthy students who, if they paid more money, could carry the burden of providing financial aid to those who are not so fortunate. The numbers just don't prove that in Oregon. We are a median family income state that is below the national average. Folks in the very high echelon of income, who potentially could
pay more tuition, have the option of going anywhere and could choose to go out of state. The only state that's really attempted the high tuition/high aid model has found that, after ten years, they have the worst of all possible worlds -- high tuition and low aid -- because they drove students out of state." The Chancellor referred Board members to a "talking points" paper regarding high tuition/high aid.

The Chancellor restated the three major themes the State System is presenting to the legislature: SB 271 (the Higher Education Administrative Efficiency Act), fiscal stability (including salary increases), and tuition. Regarding tuition, Governor Kitzhaber has agreed to try to "buy that down to four percent." The Higher Education Administrative Efficiency Act appears to be well received. On the issue of financial stability, there is hope that the proposed 14 percent reduction in the budget will not be realized. However, the issue of salary increases has not been well received. The Chancellor indicated that he, the presidents, and Board members continue to press the importance of salary and indicates that the legislature recognizes the important consequences of not investing in salaries. However, they are wrestling with many resource issues.

**Resignation, J. Hottois (EOSC)**

Dr. Cox congratulated Dr. Jim Hottois, provost at Eastern Oregon State College, on his appointment as president of Lewis-Clark College in Lewiston, Idaho.

**Introduction, G. Hunt (WOSC)**

Dr. Cox introduced Dr. Gary Hunt, new provost at Western Oregon State College. Most recently, Dr. Hunt was dean of the College of Fine Arts and Communication at Murray State University, Kentucky.

**IFS Report**

Dr. Sam Connell, president of the Interinstitutional Faculty Senate (IFS), indicated that the IFS adopted the following resolution at its February meeting.

The IFS supports the long-term goals of the OSSHE Board, including competitive faculty salaries on a national basis as endorsed in the December 15, 1994, Board resolution, including equity at each rank; accessibility to higher education with minimal tuition increases and adequate financial aid packages; and capacity to meet the needs of the projected 40 percent increase in state high school graduates in the next ten years.
The IFS believes the Board must set clear benchmarks by which progress toward these goals can be measured. The benchmarks should include a timeline for their accomplishment. The IFS suggests that the benchmarks address the following needs: cost-of-living salary adjustment for faculty and staff; total compensation of faculty to be above the 50th percentile across all ranks as compared with colleges and universities nationally, public and private; sufficient faculty resources and program diversity to meet the needs of the projected student population; and sufficient state funding to keep tuition in a range that Oregon families can afford.

The IFS shares the Board's vision for the individual futures of those who are the present children of Oregon: they should be participants at a high level in a dynamic knowledge-based economy. Higher education has a major role to play both in promoting this economy and in enabling Oregon students to participate fully in its work and its rewards. We believe that this goal is widely shared in the state and in the legislature. However, the Board and the legislature need to have a clear picture of what must be done now and in the next few years in order for this goal to be fulfilled. We believe that a set of benchmarks, communicated to the public and the legislature, would help.

Dr. Connell directed Board attention to a table ranking the states by their appropriations, or cuts in appropriations, to higher education. A second table ranked 1993-94 faculty salaries nationally. Dr. Connell concluded his remarks by stating that the IFS firmly believes that good faculty members stay at the OSSHE institutions because they hope the future will be better.

Fee rates and policies are set forth in the preliminary Summer Session Fee Book. Rates are recommended for Board approval as submitted by the institutions. A public hearing was conducted February 10, 1995. A report on that hearing was submitted.
Summer Session Instruction Fees

The direct cost support policy for summer instruction, which began in 1982, is continued in the recommendation for 1995. However, the impact of Measure 5 on the institutions has also created the need for a greater contribution from the summer session toward the indirect costs associated with these programs. The direct cost support feature has resulted in institutional fee recommendations that reflect the differences in programs as well as the differences in approaches to balancing program costs with resources. Similarities of the institutional fee structures include incremental charges for each additional credit hour and undergraduate/graduate rate differentials. Residency status is not normally assigned during summer session and is not applicable to summer fee determination. However, the University of Oregon is in the second year of a two-year experiment in assessing a resident/nonresident instruction fee differential. Nonresident summer session students will be assessed an additional $25 per credit hour. This will require a residency determination to be made for University of Oregon summer session students.

In addition, the technology fees initiated in the 1994-95 academic year at the University of Oregon and Portland State University are proposed to be extended to the summer session.

It is also recommended that institutions be given the option to allow provision of incidental fee services to persons not enrolled in summer session. To qualify for this privilege, the individual would need to have been a student the preceding spring term and expect to be a student the coming fall term. This concept was previously extended to health services.

Instruction fee increases have been recommended by four institutions.

Instruction fee rates recommended for 1994 compare with 1995 as follows:
### 1994

<table>
<thead>
<tr>
<th>Undergraduate</th>
<th>First Hour</th>
<th>Each Add'l Hour</th>
<th>First Hour</th>
<th>Each Add'l Hour</th>
</tr>
</thead>
<tbody>
<tr>
<td>UO Residents</td>
<td>$95.50</td>
<td>$70.00</td>
<td>$95.50</td>
<td>$70.00</td>
</tr>
<tr>
<td>UO Nonresidents</td>
<td>120.50</td>
<td>95.00</td>
<td>120.50</td>
<td>95.00</td>
</tr>
<tr>
<td>OSU</td>
<td>96.50</td>
<td>66.00</td>
<td>101.50</td>
<td>71.00</td>
</tr>
<tr>
<td>PSU</td>
<td>108.50</td>
<td>66.00</td>
<td>115.50</td>
<td>66.00</td>
</tr>
<tr>
<td>WOSC</td>
<td>88.50</td>
<td>58.00</td>
<td>88.50</td>
<td>58.00</td>
</tr>
<tr>
<td>SOSC</td>
<td>89.00</td>
<td>54.00</td>
<td>89.00</td>
<td>54.00</td>
</tr>
<tr>
<td>EOSC</td>
<td>81.50</td>
<td>65.00</td>
<td>85.50</td>
<td>69.00</td>
</tr>
<tr>
<td>OIT</td>
<td>81.00</td>
<td>58.00</td>
<td>85.00</td>
<td>60.00</td>
</tr>
</tbody>
</table>

### 1995

<table>
<thead>
<tr>
<th>Undergraduate</th>
<th>First Hour</th>
<th>Each Add'l Hour</th>
<th>First Hour</th>
<th>Each Add'l Hour</th>
</tr>
</thead>
<tbody>
<tr>
<td>UO Residents</td>
<td>$143.50</td>
<td>$113.00</td>
<td>$143.50</td>
<td>$113.00</td>
</tr>
<tr>
<td>UO Nonresidents</td>
<td>168.50</td>
<td>138.00</td>
<td>168.50</td>
<td>138.00</td>
</tr>
<tr>
<td>Law, Sem./Res.</td>
<td>187.00</td>
<td>185.00</td>
<td>187.00</td>
<td>185.00</td>
</tr>
<tr>
<td>Law, Sem./Nonres.</td>
<td>212.00</td>
<td>210.00</td>
<td>212.00</td>
<td>210.00</td>
</tr>
<tr>
<td>OSU</td>
<td>139.50</td>
<td>109.00</td>
<td>150.00</td>
<td>120.00</td>
</tr>
<tr>
<td>PSU</td>
<td>153.50</td>
<td>111.00</td>
<td>164.50</td>
<td>115.00</td>
</tr>
<tr>
<td>WOSC</td>
<td>122.50</td>
<td>92.00</td>
<td>122.50</td>
<td>92.00</td>
</tr>
<tr>
<td>SOSC</td>
<td>137.00</td>
<td>102.00</td>
<td>137.00</td>
<td>102.00</td>
</tr>
<tr>
<td>EOSC</td>
<td>114.50</td>
<td>98.00</td>
<td>122.50</td>
<td>106.00</td>
</tr>
</tbody>
</table>

* OIT has no graduate courses.

* OHSU summer session rates are the same as the per term rates for the 1994-95 academic year.

**Technology Fee**

The University of Oregon and Portland State University are recommending the addition of Technology Fees to summer session.
Building Fee

The building fee is maintained at $14.50 per student. This is consistent with the fee levels authorized by the 1993 Legislature and assessed in the 1994-95 academic year.

Incidental Fee

Incidental fee recommendations reflect the various activity and service levels proposed by the institutions. Charges compare for 1995 and 1994 as follows:

<table>
<thead>
<tr>
<th></th>
<th>1994 First Hour</th>
<th>1994 Maximum Charge</th>
<th>1995 First Hour</th>
<th>1995 Maximum Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>UO</td>
<td>$ 0.00</td>
<td>$ 0.00</td>
<td>$ 30.00</td>
<td>$ 30.00</td>
</tr>
<tr>
<td>Law</td>
<td>0.00</td>
<td>0.00</td>
<td>30.00</td>
<td>30.00</td>
</tr>
<tr>
<td>PSU</td>
<td>0.00</td>
<td>0.00</td>
<td>1.00</td>
<td>18.00</td>
</tr>
</tbody>
</table>

Health Service Fee

Health service fees, like the building fee, are assessed at a single sum per student, based upon the service level available at each institution. For institutions providing summer health service, rates compare as follows:
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<table>
<thead>
<tr>
<th>Health Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>1994</td>
</tr>
<tr>
<td>UO</td>
</tr>
<tr>
<td>OSU</td>
</tr>
<tr>
<td>PSU</td>
</tr>
<tr>
<td>WOSC (6 hrs. or more)</td>
</tr>
<tr>
<td>SOSC (8 hrs. or more)</td>
</tr>
<tr>
<td>EOSC</td>
</tr>
<tr>
<td>OIT</td>
</tr>
</tbody>
</table>

Fees Compared to Academic Year

Rate structures for summer session have developed as institutions adapted to direct cost support following the 1982 elimination of General Fund support. The effect of direct cost support on fees and assessments can be measured to some extent by comparison with academic year charges. The summer session rates proposed for 1995 and the 1994-95 academic year resident rates are compared on the following schedule:

<table>
<thead>
<tr>
<th>Total Tuition</th>
<th>12 SCH Undergraduate</th>
<th>9 SCH Graduate</th>
</tr>
</thead>
<tbody>
<tr>
<td>UO Res.</td>
<td>$1,086</td>
<td>$981</td>
</tr>
<tr>
<td>UO Nonres.</td>
<td>3,590</td>
<td>1,281</td>
</tr>
<tr>
<td>PSU</td>
<td>1,016</td>
<td>1,013</td>
</tr>
<tr>
<td>WOSC</td>
<td>1,020</td>
<td>917</td>
</tr>
<tr>
<td>SOSC</td>
<td>940</td>
<td>798</td>
</tr>
<tr>
<td>BOSC</td>
<td>945</td>
<td>758</td>
</tr>
<tr>
<td>OIT</td>
<td>922</td>
<td>883</td>
</tr>
</tbody>
</table>

* Tuition rates are not fully comparable. The academic year rates apply to a range of credit hours designated for full-time students classified as residents (12-18 credit hours for undergraduates and 9-16 credit hours for graduates). Summer session rates displayed are for 12 credits undergraduate and 9 credits graduate. Additional summer credit hours require incremental charges. Also, incidental and health service levels differ from academic year to summer.
Fees Compared to Summer Session 1994

The following schedule demonstrates the rates of increase from summer session 1994 to summer session 1995.

<table>
<thead>
<tr>
<th>Total Tuition</th>
<th>12 SCH Undergraduate</th>
<th>9 SCH Graduate</th>
</tr>
</thead>
<tbody>
<tr>
<td>UO Res.</td>
<td>$ 950</td>
<td>$981</td>
</tr>
<tr>
<td>UO Nonres.</td>
<td>1,250</td>
<td>1,281</td>
</tr>
<tr>
<td>OSU</td>
<td>951</td>
<td>1,013</td>
</tr>
<tr>
<td>PSU</td>
<td>909</td>
<td>917</td>
</tr>
<tr>
<td>WOSC</td>
<td>797</td>
<td>798</td>
</tr>
<tr>
<td>SOSC</td>
<td>758</td>
<td>758</td>
</tr>
<tr>
<td>EOSC</td>
<td>835</td>
<td>883</td>
</tr>
<tr>
<td>OIT</td>
<td>762</td>
<td>789</td>
</tr>
</tbody>
</table>

Room and Board Rates

Summer session room and board accommodations on each campus vary according to the need and demand. They may include rates by day, week, multi-week, or term. A combined room and board rate is usually offered, as well as rates for room only, board only, and conference activities. Rates are generally comparable to those for individual terms of the academic year.

The rates shown in the tables in the fee book are for all campuses except Portland State University, where Portland Student Services, Inc., operates the residence halls and establishes the rates as specified in a service contract. The rates require preliminary review and approval by Portland State University officials before becoming effective.

Proposed rate increases vary from 2.5 percent to 11.5 percent for the basic summer session. Anticipated cost increases for utilities, services, food, and debt service pool since the preceding summer term justify rate adjustments at this time.
Public Hearing

A hearing was conducted on February 10 at 10:00 a.m. in Room 121 of Susan Campbell Hall on the University of Oregon Campus concerning the 1995 Summer Session Fee Book. A report on that hearing will be submitted at the February Board meeting.

Staff Recommendation to the Board

Upon receiving no public comments, staff recommended the Board amend OAR 580-40-035 as follows:

(NOTE: Underline denotes addition; brackets denote deletion.)

Summer Session Fee Book
580-40-035 The document entitled "Summer Session Fee Book" dated [January 21, 1994] February 17, 1995, is hereby adopted by reference as a permanent rule. All prior adoptions of summer session fee documents are hereby repealed except as to rights and obligations previously acquired or incurred thereunder.

Through the amendment, the residence hall and food service charges and the tuition and fee rates and policies applicable during the 1995 Summer Session will be adopted.

Board Discussion and Action

Mr. Bobby Lee asked why the technology fees at the University of Oregon and Portland State University were extended into summer session. Vice Chancellor Ihrig responded that, since the technology is available to students during the summer term, staff recommended the fee for summer term as well as the academic year. Mr. Lee underlined his concern about raising fees in general because it is his understanding that they are not covered under financial aid. Mr. Ihrig shares those concerns.

Ms. Christopher moved approval of the staff recommendation and Mr. Miller seconded the motion. On roll call, the following voted in favor: Directors Aschkenasy, Christopher, Lee, Miller, Richardson, Trotman Reese, Willis, and Swanson. Those voting no: none. Ms. Wilson was out of the room at the time the vote was taken.
Summary

A donation was made by the Oregon State University Foundation of a parcel of forest land in Clackamas County, Oregon, to Oregon State University.

Staff Report to the Board

Vittz and Elaine Ramsdell recently donated a parcel of land containing approximately 95 acres, located in Clackamas County near the city of Molalla, to the Oregon State University Foundation for use by the Oregon State University College of Forestry. An appraisal of the property made by Woodland Management, Inc. valued the land at $36,192 and the timber on the land at $709,060, for a total value of $745,252. The Foundation desires to deed the property to Oregon State University for use by the College of Forestry. The College of Forestry intends to use the property in the same manner as McDonald Forest, which is managed for research, teaching, demonstration, and other educational purposes. The College of Forestry has a policy to review all potential land acquisitions/donations to determine whether the land is of value to the research and education programs of the College or whether to sell the property and use the proceeds for the programs of the College. It was determined that the parcel would provide a valuable addition to the research and instructional programs of the College of Forestry. The property consists of a healthy stand of Douglas fir and some mixture of red alder and western red cedar in the wetter areas and some grand fir and western hemlock scattered throughout the property. An environmental site assessment was conducted by H.G. Schlicker & Associates, Inc. Their report indicated that environmental concern for the property is considered to be low.

Oregon State University officials have informed the Office of Finance and Administration of their desire to obtain this parcel of land for use by the College of Forestry.

Staff Recommendation to the Board

Staff recommended the Office of Finance and Administration be authorized to accept on behalf of Oregon State University the parcel of land from the Oregon State University Foundation.

Mr. Miller moved and Dr. Aschkenasy seconded the motion to approve the staff recommendation. The following voted in favor: Directors
GIFT OF PROPERTY FROM OSU FOUNDATION TO OSU

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Aschkenasy, Christopher, Lee, Miller, Richardson, Trotman Reese, Willis, and Swanson. Those voting no: none. Ms. Wilson was out of the room at the time the vote was taken.

Summary

A donation was made by the Oregon State University Foundation of a parcel of forest land in Benton County, Oregon, to Oregon State University.

Staff Report to the Board

Elizabeth Starker Cameron recently donated a parcel of land containing approximately 260 acres, located adjacent to the McDonald/Dunn Research Forest in Benton County, to the Oregon State University Foundation for use by the Oregon State University College of Forestry. An appraisal was made of the timberland by Paul R. Lorenz, Forest Consulting and Appraising, which valued the land at $114,408 and the timber on the land at $4,059,733, for a total value of $4,174,141. The Foundation desires to deed the property to Oregon State University for use by the College of Forestry. The College of Forestry has indicated a desire to acquire the land and will incorporate it into the McDonald/Dunn Research Forest and use the property for research, teaching, demonstration, and other educational purposes. An environmental site assessment was conducted by GEM Consulting, Inc. Their report indicated that no evidences of hazardous materials or environmental concerns were found.

Oregon State University officials have informed the Office of Finance and Administration of their desire to obtain this parcel of land for use by the College of Forestry.

Staff Recommendation to the Board

Staff recommend the Office of Finance and Administration be authorized to accept on behalf of Oregon State University the parcel of land from the Oregon State University Foundation.

Mr. Miller moved and Dr. Aschkenasy seconded the motion to approve the staff recommendation. The following voted in favor: Directors Aschkenasy, Christopher, Lee, Miller, Richardson, Trotman Reese, Willis, and Swanson. Those voting no: none. Ms. Wilson was out of the room at the time the vote was taken.
Introduction

The University of Oregon requests authorization to offer an undergraduate major in environmental studies leading to the B.A./B.S. degrees. Environmental studies is an interdisciplinary major that investigates the relations of humans with their environment. The proposed program is designed to combine theory and practice about environmental systems from the natural sciences, the social sciences, the humanities, and the fields of architecture, planning, law, journalism, and public policy. The program includes a required multidisciplinary core of study at both lower and upper division, as well as opportunities for students to design their own emphases within the larger field of environmental studies.

The proposed environmental studies major differs from majors in environmental sciences, environmental policy, or environmental practice; students majoring in environmental studies balance between requirements that give them basic but broad exposure to diverse areas of environmental science, policy, and practice, while allowing substantial opportunities for specialization in the natural sciences, social sciences, or humanities. The major will emphasize a liberal arts approach that focuses on the contributions of many disciplines to an understanding of the environment.

The proposed program will be drawn primarily from existing curricula. However, three new lower division courses will be added to provide an overview of each of the three program areas and at the upper division level there will be new offerings related to research and practica. The program will include a required multidisciplinary core of study at both the lower- and upper-division levels, as well as opportunities for students to design their own emphases within the larger field of environmental studies.

Funds in the amount of $74,011 -- increasing to $157,704 in year four -- will be required to implement the proposed major. These funds will be provided through reallocation of existing resources within the College of Arts and Sciences resulting from recent faculty retirements and from gift funds dedicated to the study of environmental issues. A copy of the proposal is included in the supplementary section of the docket. A copy of the full proposal with appendices is on file in the State System Office of Academic Affairs.
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Staff Analysis

1. Relationship to Assigned Mission

The environmental studies major fulfills a part of the University of Oregon's mission to offer high-quality general education in the liberal arts and sciences. As the largest liberal arts and sciences university in a state noted for its environmental concern and management, the University of Oregon has a strong interest in providing an innovative undergraduate major in environmental studies. The strategic plan for the University, *A Vision for the Future -- 1992-97*, singles out undergraduate education and internationalism for major emphases. Environmental studies furthers these goals through bringing together diverse strands of undergraduate coursework in a focused manner as well as through studies of global environmental problems.

2. Evidence of Need

The need for an undergraduate environmental studies program exists on societal, institutional, and individual levels. In American society, and in other societies worldwide, significant attention is paid to environmental issues. Environmental issues were the focus of the 1993 United Nations conference in Rio de Janeiro and were among the central issues at the 1994 United Nations Population Conference in Cairo. Nationally, environmental issues are raised in many political debates. In the Pacific Northwest, daily concerns over forests, wildlife, and pollution and their concomitant political, economic, legal, societal, and scientific implications suggest a compelling need for a better and more integrated understanding of the environment.

Institutionally, demand for the proposed program has been demonstrated by the steadily increasing number of students at the University of Oregon who have declared Environmental Studies as a minor -- currently over 100. A partial poll suggests that nearly half of these minors would prefer a major. Of the 35,000 potential students who inquired about entering the University beginning fall 1994, 847 indicated an interest in environmental studies. New students quickly fill the Environmental Studies Freshman Interest Group. During 1993-94, a group of undergraduates independently initiated a "poll" of student interest in an environmental studies major. The result
indicated an overwhelmingly positive response, with several students indicating they plan to transfer to institutions that offer that major. Estimated enrollments in the proposed program are expected to reach 150 by year five.

3. Quality of the Proposed Program

The quality of the proposed program is assured by the high quality of the participating faculty. When contrasted with other large universities offering strong environmental programs such as Oregon State University, Yale, Duke, and Cornell, the University of Oregon, which currently offers an undergraduate minor and a Master's degree in Environmental Studies, compares favorably despite the modest resources of the current program.

4. Adequacy of Resources to Offer the Program

Faculty. No additional faculty will be needed to implement the proposed program. Seventy-four faculty in 24 academic departments have demonstrated interests in Environmental Studies. Existing faculty will participate in the program through course-release arrangements with their home departments.

Library. Library holdings are adequate to initiate the proposed program. As the literature in environmental fields continues to increase, funding will need to be increased. The Environmental Studies Program office maintains a supplemental resource of published materials, periodicals, and newsletters.

Facilities and Equipment. No special facilities beyond those now available will be required. Additional office space for the Program Director and the Graduate Teaching Fellows (who will assist with the Introductory and Environmental Issues courses), and a seminar room will be needed. This space will be provided through reallocation and renovation of existing space within the College of Arts and Sciences.

Budget Impact. Financial resources needed to implement the program will total approximately $74,000 in the first year, increasing to $157,700 by year four. The majority of these funds will be used to purchase faculty release time, to pay graduate teaching assistants, and for support personnel. $12,500 of the required annual funding will be from gift funds dedicated to this program. The remaining
funds will be provided from reserves accumulated in the College of Arts and Sciences from faculty retirements.

5. **Duplication**

The proposed program is not duplicative of other undergraduate environmental programs in the state. Oregon State University has undergraduate majors in environmental sciences and natural resources. Southern Oregon State College has an undergraduate major in environmental studies in which students select an option area in biology, chemistry, geology, or geography. The University of Oregon offers a degree in general science in which students may emphasize environmental science. The proposed environmental studies major differs definitively from these existing programs in its emphasis on a broad, interdisciplinary approach with a liberal arts base. The existing programs all have strong natural science emphases.

The University of Oregon and Oregon State University have an increasing number of collaborative faculty projects that provide the underpinning for assisting students in using resources from both institutions. Oregon State University’s strong natural resource and environmental science programs and the University of Oregon’s proposed environmental studies program can provide an additional opportunity for enhancing curricular options for students at both institutions. The mission of the program is to explore, develop, and diffuse ideas and practices that emphasize the inclusion of humans and their cultural and societal creations in the natural physical and biological systems of the earth.

**Program Review**

The proposed program has been reviewed by all appropriate institutional committees and approved by the University of Oregon Assembly and Senate. The program proposal was reviewed positively by the Academic Council that included input received from the Oregon Office of Educational Policy and Planning in its deliberations. The proposal received additional supportive responses from Oregon State University and Portland State University.
Staff Recommendation to the Board

Staff recommended the Board authorize the University of Oregon to offer a major in environmental studies effective fall term 1995, with a follow-up review of the program to be conducted by the State System Office of Academic Affairs during the 2001-02 academic year. The proposal should be placed on the consent agenda for final action at the next Board meeting.

Board Discussion and Action

Vice Chancellor Clark summarized the key features of the program proposal. Ms. Trotman Reese inquired about employment opportunities for graduates of this program. Dr. Richard Gale, director of environmental studies at the University of Oregon, responded that graduates would generally select one of three options: proceed to graduate school, work in a government agency, or participate in a non-governmental environmental organization.

Dr. Aschkenasy noted that, although currently popular, he wondered about its relevance to actual job opportunities. Dr. Gale responded that it's not a vocational major; in other words, people are not being trained to do a specific task. Rather the focus is to put environmental studies into a global context. That being the case, Dr. Gale feels confident that the program is sensitive to the students and their needs relative to the job market.

Ms. Christopher and Ms. Wilson both expressed support of the program and its value to communities and to the state as a whole. Ms. Wilson added that environmental impact studies seem to be a big consideration no matter what one's area of business.

Mr. Swanson asked about student demand. Dr. Gale responded that student demand for this major is high.

Mr. Miller asked about the University of Oregon working with other State System institutions. Dr. Clark indicated that the programs at the University of Oregon and Oregon State University are complementary. The University of Oregon program is very broad while the Oregon State University program is much more science oriented. So there is an area of overlap but not duplication.
Mr. Richardson expressed confusion regarding a statement in the staff report that no additional faculty would be required to implement the program; that faculty would participate in the program through course-release arrangements. "Does this mean that if a particular course is being taught under one department, that basically that course would leave the department? You indicated that a faculty person would essentially leave his/her department and teach a course in the new department and the sending department would hire someone to teach the course vacated by the faculty. It seems to me that you either increase the workload of someone else or you bring in someone new. In my way of thinking, that is adding new faculty, either full-time or part-time."

Mr. Lee moved and Ms. Christopher seconded the motion to approve the staff recommendation. The following voted in favor: Directors Aschkenasy, Christopher, Lee, Miller, Richardson, Trotman Reese, Willis, Wilson, and Swanson. Those voting no: none.

Introduction

Oregon State University requests authorization to offer the B.A./B.S. degree and a minor in Ethnic Studies effective fall of 1995. The academic discipline of Ethnic Studies is defined by a concentration on the concerns and experiences of U.S. minorities traditionally underrepresented in the curriculum (African Americans/Blacks, Asian Americans and Pacific Islanders, Latino/Hispanic/Chicano Americans, American Indians, and Alaskan Natives). Ethnic Studies courses are specifically designed to investigate the histories and concerns of these major U.S. ethnic minorities from the perspectives and belief systems common to those cultures. Taught by faculty who have extensive personal experience and academic training in those diverse cultures, ethnic studies courses provide knowledge and experience not commonly available elsewhere in the existing academic structure in concentrated form.

Ethnic Studies will be housed in a new department in the College of Liberal Arts consisting of four core faculty members (4.0 FTE), one of whom will serve as department chair, and one full-time classified support staff person. It is anticipated that approximately 35 percent of Ethnic Studies course offerings will be existing courses currently offered by faculty in other disciplines. Students will be strongly encouraged to pursue Ethnic Studies as a double major or as a concurrent degree in conjunction with another program.
In 1993, in preparation for the Governor's proposed 1993-1995 budget, Oregon State University made substantial cuts in the budgets of a number of academic programs. Because of subsequent legislative actions that softened the impact of the proposed budget, those program reductions were larger than was ultimately necessary. The result was a pool of recurring funds that the institution reserved for high priority programs. Some of the monies conserved have been devoted to student recruitment efforts and establishment of an Honors College. The remainder is dedicated to programs that will enhance ethnic diversity.

Because of its potential to significantly enhance diversity across the institution and foster understanding of diversity issues by all members of the University community, funding for the proposed Department of Ethnic Studies will be made available from funds received in excess of the Governor's initial 1993-1995 budget. A copy of the proposal is included in the supplementary section of the docket. A copy of the full proposal, including 13 appendices, is on file in the State System Office of Academic Affairs.

**Staff Analysis**

1. **Relationship to Assigned Mission**

The increasing ethnic complexity of the United States and the attendant potential for serious social and political divisiveness make expertise in ethnic diversity areas of vital importance to the University and to the state. The proposed program is consistent with and supportive of Oregon State University's land grant responsibility to serve society through the application of knowledge to important societal needs. Additionally, the institution's mission compels it to diversify its knowledge base and recognize the experiences and concerns of different cultural groups in order to remain a comprehensive University.

The existence of a defined and integrated curricula specifically oriented to the concerns and issues of ethnic minority groups signals an institution's commitment to issues of diversity and has been demonstrated to significantly affect the recruitment and retention rates of ethnic minority faculty and students across all disciplines. The land grant concept originated out of a desire and a need to provide postsecondary education to those not being effectively served by the higher education institutions of the time. The proposed
program will not only further Oregon State University's diversity goals, it will effectively serve all members of the university community and provide a program for those students who may have felt ill-served in the absence of such a program major in Oregon.

2. Evidence of Need

The Oregon State Board of Higher Education and the System as a whole have focused on issues of diversity in higher education for many years. Despite efforts to recruit and retain faculty and students of color, institutions have not made the progress they had hoped to achieve. The past decade shows modest and uneven progress. Board members have repeatedly expressed frustration at the rate of advancements in this area.

In 1986 President Byrne established a Board of Visitors for Minority Affairs whose 25 members were leaders from ethnic minority communities around the state. The Board was asked to assist the University in developing strategies to recruit, retain, and serve underrepresented minority students, faculty, staff and administrators. The Board of Visitors developed a comprehensive program for enhancing educational and professional opportunities for ethnic minorities at Oregon State University. A Minority Affairs Commission was appointed and charged with implementing the Board of Visitors' recommendations. The Commission recommended the University develop specific strategies to integrate minority perspectives into mainstream "American" cultural courses and appoint a subcommittee with expertise in interdisciplinary/cross-cultural curriculum to develop an interdisciplinary ethnic studies program. This proposal is a direct outgrowth of those recommendations.

Oregon State University continues to have difficulty attracting ethnic minority students, faculty, and staff, and it is challenged by issues of racism on campus. In addition, the University continues to try to establish stronger ties with the ethnic minority communities in the state and seeks to provide culturally diverse knowledge bases and experience in its curriculum. An Ethnic Studies undergraduate major and minor will provide an academic and social environment supportive of these goals.

Even in an era of downsizing, many businesses are committing substantial resources to raise employee understanding of and
sensitivity to issues of cultural diversity. The Ethnic Studies Department will provide courses students must have to be adequately prepared for the diverse workplace, society, and polity they will be entering.

In the early years of the program, it is anticipated that 15 to 20 students will declare a major in Ethnic Studies. However, based on the experience of other universities in the country, the instructional impact is likely to be much greater. Approximately 500 students per year are expected to enroll in Ethnic Studies courses.

3. Quality of the Proposed Program

The quality of the proposed program has been assured by the high quality of the interdisciplinary group of faculty who initiated this proposal, participated in its development, and who will participate in the program. Assistance has been obtained from distinguished Ethnic Studies scholars and educators from other institutions and from members of ethnic communities in Oregon. Faculty searches will be designed to attract and select faculty with a demonstrated high level of scholarly achievement.

Establishment of a Department of Ethnic Studies, with its own core faculty, will provide an academic peer group and foster intellectual productivity. It will lend integrity and legitimacy to the field of study, enhance interactions with associates in other departments, and ensure coordination of an ethnic studies curriculum. The proposed program’s emphasis on double majors is also an important quality element, guarding against indirectly discouraging minority students from pursuing degrees in the sciences and professional schools.

4. Adequacy of Resources to Offer the Program

Faculty. Four new faculty positions will be established. Three positions will be at the assistant professor level and one, the department chair, at the associate professor level. Importantly, Ethnic Studies courses will not be the exclusive purview of this unit; they will also be offered by faculty in other disciplines.

Library. In 1993, a special $5,000 gift was allocated for purchase of books in multicultural areas, which resulted in the addition of 120 books to the library’s collection. With the addition of one new
journal and continued book purchases by bibliographers, the current library holdings will be adequate to support the Ethnic Studies programs.

**Facilities and Equipment.** Office space, equipment, and appropriate remodeling for four faculty and one office coordinator will need to be provided. Office space is available for this purpose. Office furniture and equipment will need to be acquired.

**Budget Impact.** Funding in the amount of $323,481 annually -- increasing to $360,231 in year five -- will be needed to establish the proposed department. The major portion of the program budget will be devoted to support of faculty, graduate assistants, and an office coordinator, with the remainder being used for space renovation, equipment, services and supplies. Program funds will be provided from recurring funds conserved by the institution at the end of the 1993 legislative session.

5. **Duplication**

No other institution in Oregon offers a degree in Ethnic Studies. The University of Oregon offers a minor in Ethnic Studies within the department of Folklore and Ethnic Studies. As such, its offerings do not constitute a program with the depth and scope of the proposed program. Portland State University has a Black Studies Program, which offers some parallel courses, but lacks the breadth of an Ethnic Studies curriculum.

**Program Review**

The proposed program has been reviewed by all appropriate institutional committees and approved by the Faculty Senate. The proposal was also reviewed and is supported by those responsible for related programs at Portland State University and the University of Oregon. In January, it was reviewed positively by the Academic Council, which took into consideration comments from the Oregon Office of Educational Policy and Planning.

**Staff Recommendation to the Board**

Staff recommended the Board authorize Oregon State University to offer the B.A./B.S. degree and a minor in Ethnic Studies effective fall term
1995, with a follow-up of the program to be conducted by the State System Office of Academic Affairs during the 2001-02 academic year. The proposal should be placed on the consent agenda for final action at the next Board meeting.

**Board Discussion and Action**

While indicating her recognition of the importance of diversity issues, Ms. Wilson questioned the marketability of a graduate with an ethnic studies degree. Dr. Linc Kesler, associate professor of English at Oregon State University, responded that some students will probably elect to have a double major. Others will decide to continue with their studies in graduate school, perhaps obtaining terminal degrees in law or business. Further, it is not uncommon for businesses to operate their own programs of diversity training, and graduates with this degree would be well positioned to enter that area of employment.

Mr. Willis asked what courses would be offered for this program. Dr. Kesler indicated that these courses were primarily multidisciplinary. Dr. Pacheco stressed the importance of the interdisciplinary nature of the courses. "One example that comes to mind is immigration and California’s Proposition 187. This is a deep and complex problem. It has to do with internal problems of Mexico, their government, NAFTA, the economy, the bail-out, the history of United States-Mexican relations, the war between the United States and Mexico in 1846-48, the labor system -- all those issues. While it can be studied piecemeal in various departments of sociology, economics, and so on, only in a program or department like ethnic studies can you study the problem in-depth, integrating all the issues holistically." Dr. Kesler added that such programs reflect the changing nature of problems and issues the academy now faces.

Dr. Aschkenasy, following up on some concerns raised by Mr. Willis, observed that it would be increasingly important for the Board to consider employment opportunities for graduates of OSSHE institutions. Therefore, questions might regularly be raised about career opportunities for graduates with degrees in new areas.

Ms. Trotman Reese expressed her support for this program. "I think that programs like this benefit the community beyond having a paying job at the end. For issues to be resolved, there needs to be something beyond just an awareness that there’s a problem. People need to have a clear
understanding of the issues and some clear ideas on how to resolve them. This type of program crosses a lot of different job opportunities."

Ms. Christopher indicated dismay that Oregon State University continues to be challenged by issues of attracting ethnic minority students and issues of racism on campus. Beyond approving a new program, Ms. Christopher encouraged continued vigilance in creating a welcoming atmosphere on campus. Oregon State University Provost Arnold noted that data indicate progress is being made in that regard. This program is just another step in a positive direction.

Ms. Christopher and Dr. Aschkenasy asked if the students who would populate this program would be primarily students of color. Dr. Clark responded that it is an area of curriculum that is also of interest to many white students.

Mr. Richardson asked to hear from Dr. Connell about the faculty's commitment to this program because, without faculty support, the effectiveness of the program will be diminished. He also asked that the faculty diversity initiatives be presented next on the agenda. Dr. Connell responded to Mr. Richardson's concerns during the course of discussion on that topic.

Mr. Swanson indicated that, on behalf of the Board, he was proud of the program and the commitment it carried to further goals of the Board.

Mr. Willis moved and Ms. Christopher seconded the motion to approve the staff recommendation. The following voted in favor: Directors Aschkenasy, Christopher, Lee, Miller, Richardson, Trotman Reese, Willis, Wilson, and Swanson. Those voting no: none.

NEW FACULTY DIVERSITY INITIATIVES IN OSSHE

Background
At the Board's renewal session on July 22, 1994, staff presented frameworks of two proposed programs to increase faculty diversity patterned after successful models elsewhere in the country. Members affirmed their interest and agreed that planning in this direction should continue. Subsequently, staff consulted with several groups: an ad hoc committee of campus representatives, the Graduate Deans Council, and the Academic Council. As a result of this process, five interrelated program options have been drafted. Of the many program alternatives to increase faculty diversity that might be devised, the specific approaches
presented here are intended to give our campuses some strategic advantages in recruitment and hiring at a time when OSSHE campuses are in a position of comparative national disadvantage due to seriously constrained resources.

There was consensus among Academic Council members at the January 19, 1995, meeting on several guiding principles for the new initiatives. First, the cluster of strategies should work for the whole System. That is the point of having more than one program; campuses should consider participation in the mix of programs that fits them best and that maximizes faculty diversification. Second, there was recognition that the System needs to have immediate strategies (funds to hire fully prepared faculty) as well as longer-term strategies that increase representation in the pipeline of minorities for ourselves and all of higher education nationally (graduate student support programs). Third, having several strategies has implications for resources. If available resources are modest, we should emphasize some programs over others in order to have robust programs, and we should direct our resources toward strategies with immediate impact. Finally, in presenting these programs to the Board, we cannot predict with certainty what will work best in Oregon. Experience, flexibility, and evaluation will be needed.

Preliminary work on estimation of budgets required to establish these programs has been done. Program sizes (for example, annual number of people in the Postdoctoral Minority Group Fellows Program) are proposed in the text; actual sizes would be dependent upon available funds. Funding resources and levels need to be identified for the proposed programs.

Staff Recommendation to the Board

Staff recommended the Board approve the proposed Faculty Diversity Initiatives in principle and direct staff to develop a budget plan that identifies resources to enable one or more of the programs to be implemented effective 1995-96.

Introduction to the Faculty Diversity Initiatives

The State Board of Higher Education has placed a high priority on faculty diversity within the State System. This priority is consistent with national needs to increase minority group representation in the faculty ranks of colleges and universities across the country and in graduate programs that prepare students for faculty careers. Overall, the State System's minority
group faculty representation increased from 5.1 percent (145) in 1990-91 to 6.3 percent (173) in 1993-94. In contrast, minority faculty representation in 1980-81 was only 3.5 percent (84). Nationally, the United States Equal Employment Opportunity Commission's most recent data showed minority group faculty representation in colleges and universities to be at 12.3 percent for 1991-92. To encourage and enable OSSHE campuses to increase their rate of progress, the Chancellor's Office will establish supplemental resources to leverage campus efforts to best implement Minority Group Recruitment and Retention Plans developed in recent years in response to the Board's directives. (Each campus has the primary responsibility for achieving increased racial/ethnic diversity among students, faculty, and professional/administrative staff. The proposed programs and their funding are intended to expand campus commitment of human and financial resources, not replace them.) Through the implementation of these and related programs, campuses will be challenged to reach annually established benchmarks based on availability data generated for affirmative action purposes and departmental ethnic/racial underrepresentation data generated in support of the campus plans.

The proposed initiatives have three objectives:

- to provide supplemental financial support to leverage campus efforts to recruit, nationally and statewide, promising ethnic minority group candidates to graduate degree programs and faculty appointments;

- to bring about campus and departmental climate changes that promote academic success for graduate students and the hiring (including the necessary support for career advancement) of faculty from ethnic minority groups; and

- to create incentives for campuses to participate effectively in national efforts to increase minority group representation in the higher education pipeline from the graduate level to faculty ranks.

As a result of implementing these programs, campuses will have improved their capacity to expand their existing and planned activities to attract, hire, develop, and promote faculty and professional/administrative staff from underrepresented ethnic minority groups.
Suggested guidelines for implementing five programs follows.

1. **Targeted Excellence Faculty Diversity Program**

   **Program Objectives**

   This program will direct supplemental funds toward the goal of increasing minority group faculty representation. It will link State System support for hiring a diverse faculty to campus resources and academic program priorities.

   **Criteria for Participation**

   a. Priority will be given to tenure/tenure-track appointments. However, consideration will also be given to visiting professor appointments that carry at least a quarter term commitment.

   b. Each campus must formally indicate a financial commitment to support the appointment (except in the case of visitors) once the conditions associated with OSSHE’s matching support have been fulfilled.

   c. Each request must be for individuals from an underutilized or underrepresented racial/ethnic group. Underutilization is based on affirmative action availability analysis for an academic discipline at each OSSHE institution. Underrepresentation will be based on institutional hiring and retention experiences for the academic program. Racial/ethnic groups will include African-American, American Indian, Asian-American (including Pacific Islanders), and Hispanic-American.

   **Procedures for Program Implementation**

   a. The Provost’s Office on each campus annually will submit plans to recruit and hire minority group candidates in priority academic areas to the Vice Chancellor for Academic Affairs no later than November 1.

   b. Each plan will include how the campus will use the matching funds to increase faculty diversity in tenure-track faculty positions. Campuses may negotiate funding arrangements of up to three years of OSSHE matching funds on individual appoint-
ments. The percentage of OSSHE matching funds may be in declining amounts in subsequent years of commitment to individual positions (e.g., greater portions of OSSHE match in the first year, lower portions of match thereafter).

c. A pool of matching funds will be established in the Chancellor’s Office to hire minority group faculty recruited by campuses. Each campus will receive a proportionate share of the pool, with preliminary authorization to recruit within priority programmatic areas. By June 30 of each year, unexpended funds will revert to the central matching pool for reallocation.

d. Campuses will report on their progress in hiring candidates to the Vice Chancellor for Academic Affairs annually by June 30.

2. Postdoctoral Minority Research Fellows Program

Program Objectives

This program is intended to recruit and appoint promising minority postdoctoral scholars who have recently completed their doctoral degrees in areas where the universities expect faculty openings. Postdoctoral appointments typically enable the continuation of research activities under the general oversight of a senior professor whose expertise is in the same general research area. Candidates appointed to these positions will be considered for tenure-track appointment after a year as a fellow.

Criteria for Selection

a. Selected fellows must have received their doctoral degree in the last three years.

b. Priority consideration will be given to candidates with potential for tenure-track faculty appointments.

Procedures for Program Implementation

a. The Provost’s Office on each campus annually will submit plans to recruit and hire postdoctoral minority group candidates in priority academic areas to the Vice Chancellor for Academic Affairs no later than November 1.
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b. Each plan will include how the campus will use postdoctoral appointments to increase faculty diversity in tenure-track faculty positions.

c. Supplemental funds will be established in the Chancellor’s Office to recruit minority group doctorates as postdoctoral fellows. Each university campus will receive a proportionate share of the supplemental funds, with preliminary authorization to recruit within priority programmatic areas.

d. Fellows will receive a one-year $12,000 supplemental stipend, and travel/relocation support. (Supplemental means in addition to basic compensation/support provided by the appointing unit.)

e. Campuses will notify the Vice Chancellor for Academic Affairs no later than April 1 of the year subsequent to the appointment as to a tenure-track position for which the postdoctoral fellow will be considered.

f. At least 12 Fellows will be selected annually.

3. ABD ("All But Dissertation") Minority Scholars Program

Program Objectives

This program is intended to increase campus competitiveness to identify early and hire promising minority group faculty. Support for this program will enable Oregon colleges and universities to compete nationally for promising scholars with potential to move into tenure-track appointments.

Criteria for Selection

a. Minority group graduate students who have completed all doctoral requirements except the dissertation are eligible for consideration.

b. Priority consideration will be given to academic fields that campuses have identified as a high priority for the hiring of underutilized and underrepresented minority groups.
Procedures for Program Implementation

a. Scholars will spend an academic year in a program related to their degree discipline and dissertation research. During this period, opportunities will be provided for completion of the research and the dissertation, teaching experience (i.e., one to two seminar classes for the academic year), and professional conference participation. A mentor/colleague(s) with similar or closely related research/scholarly interests will be assigned to each scholar.

b. Each scholar will receive a supplemental stipend of $12,000, and travel/relocation support. The award will be for a ten-month period and is nonrenewable.

c. Campuses will notify the Vice Chancellor for Academic Affairs after six months of the ABD appointments as to plans to consider the scholars for tenure-track positions.

d. At least 15 scholars will be selected each year.

4. Instructionally Related Minority Faculty Doctoral Advancement Program

Program Objectives

This program will assist minority group nontenure-track faculty and professional staff in instructionally related positions to complete a doctoral degree with support in the form of a forgivable loan. Upon degree completion, candidates will be eligible for consideration for tenure-track or administrative/professional positions. This program could include collaboration with Oregon community colleges and independent colleges and institutions should they elect to support candidates.

Criteria for Selection

a. Minority group nontenure-track faculty and professional staff within the System who demonstrate potential to complete a doctoral degree are eligible for consideration.
b. Full-time degree enrollment will be encouraged to meet program residency requirements and to support expedited completion of the dissertation.

Procedures for Program Implementation

a. Campuses will establish recruitment activities to attract candidates into a doctoral program institution.

b. In addition to staff fee privileges, stipends of up to $12,000 per year will be available to defer educational expenses. Where needed, the campus may provide release time from existing employment.

c. A commitment of financial awards and tuition support will be from three to five years.

d. A faculty mentor will be assigned to each candidate in their dissertation research area. Opportunities for teaching will be provided.

e. Stipend support for candidates accepted in this program will be considered a loan. A percentage of the loan will be forgiven for each year the candidate serves in a faculty tenure-track or administrative/professional position in the System after completing the doctoral degree.

f. Up to 12 OSSHB instructors or professional staff will be selected on an annual basis.

5. Minority Group Graduate Student Pipeline Support Program

Program Objectives

This program is intended to create opportunities for pipeline support (i.e., student transition from undergraduate to graduate and from graduate level to faculty appointment) to enhance campus efforts to recruit promising minority group students to graduate and professional programs. It also establishes basis for participation in the WICHE Doctoral Scholars Program (DSP) for minority group students.
Criteria for Selection

a. Campuses will establish plans and implement activities for recruiting minority group students to graduate programs. Priority consideration will be given to students who were Underrepresented Minority Achievement Scholarship Program (UMASP) recipients at the undergraduate level.

b. Candidates must indicate an interest in collegiate level teaching and/or research.

c. Campuses with doctoral level programs may nominate one to two graduate applicants or enrolled students for possible support through the WICHE Doctoral Scholars Program.

Procedures for Program Implementation

a. Each graduate student will receive a supplemental stipend up to $12,000 (depending on degree level), plus remission of tuition.

b. Awards will have a commitment of no more than three years.

c. Each student must maintain successful academic progress towards degree completion.

d. Campuses interested in WICHE Doctoral Scholars Program participation must make a commitment to implement the guidelines for students supported under it as well as this program.

e. The number of students supported will vary with the amount of leverage funding and opportunities available on each campus.

General Approval and Accountability Policy Procedures for the Five Program Initiatives

Several general provisions and expectations apply to the initiatives as a whole.

a. Increasing ethnic minority group faculty appointments to tenure-track positions is both the short- and long-term goal of the proposed program initiatives; consideration of candidates for
tenure-track appointments must follow campus and Board policies and procedures. Increasing pipeline representation for OSSHE and nationally is a related goal.

b. The underrepresentation of African-American, Asian-American, American Indian, and Hispanic-American faculty as well as students within the department, school/college and campus, along with the record of previous appointments (particularly under this program) will be taken into consideration by campuses in developing plans.

c. Campuses should give preference to candidates in academic programs where there are critical shortages of underrepresented faculty.

d. Campuses will be asked to report on progress achieved by the program initiatives at three-year intervals in the following areas:

- increased number of recruited minority group graduate students (particularly the doctoral level) and faculty;
- increased numbers of hiring offers and the number who accepted appointments; and
- increased retention of minority faculty.

Also, campuses may provide qualitative assessments about the impact of the minority faculty on academic programs, and campus climate in general.

Projected Implementation and Funding for Program Initiatives

The projected implementation date for one or more of the program initiatives will be fall 1995 for 1996-97 academic year appointments.

Board Discussion and Action

Chancellor Cox reported on the presidents' commitment, based on the February 16 council meeting, to this program. "At the end of this budget cycle, as we exit from the legislature, we will sit down and proceed to take funds off the top to support some form of these initiatives, regardless of our condition. If we're going to be serious, we have to put funds there,
and we have to do it in good times and bad. We will move as far as we can with Phase I to make funds available."

Mr. Richardson applauded this as a step in the right direction, but indicated it is similar to many other steps that "have not taken us very far. I would like to ask Dr. Connell to discuss this with IFS and see if we can get the same type of support that we've received with respect to other OSSHE objectives. We must have faculty support to make this happen. It's nice to see direction from the top, but the implementation is going to come from the ranks." Dr. Connell reassured the Board that these recommendations and other diversity issues have been discussed by each institution's faculty senate, and the IFS is very supportive of this program. He suggested that this issue be returned to the individual campus faculty senates, and then be returned to the IFS for a resolution in support of the initiative.

Mr. Lee asked that a benchmark be set as a goal against which progress in diversity issues could be measured. Vice Chancellor Clark responded that, at this point, there are not the tools to achieve that. However, she noted that in national data, 12 percent of faculty in the four-year and four-year-plus sector are faculty of color, and that national average is a useful reference point. She agreed that a goal is important, and work is being done in that direction.

Ms. Trotman Reese asked how the proposals relate to national models. Dr. Thomas Coley, Assistant Vice Chancellor for Academic Affairs, responded that they are consistent with a "pipeline" model for hiring faculty -- that is, hiring beginning with graduate students who can enter the pipeline. This will provide more flexibility and make the programs more effective.

Mr. Richardson moved to adopt the staff recommendation. The following voted in favor: Directors Aschkenasy, Christopher, Lee, Miller, Richardson, Trotman Reese, Willis, Wilson, and Swanson. Those voting no: none.

Introduction

Oregon Health Sciences University requests authorization to establish a new instructional program leading to the B.S. degree in Physician Assistant Studies. The proposed program will enhance the delivery of
primary care services to medically underserved populations of the state and advance the physician assistant profession in Oregon.

The physician assistant is a health care professional qualified by academic and clinical education and by formal certification to provide patient evaluation and care under the supervision of a doctor of medicine or osteopathy. The proposed program will emphasize primary care. It is not anticipated that subspecialties or areas of emphasis will be added as the program develops.

The proposed program will be totally supported by federal funds, supplemental grants, and tuition and fees.

The Physician Assistant Studies program will report administratively to the Vice President for Academic Affairs and will be programmatically linked to one or more primary care departments in the School of Medicine. No new administrative unit will be necessary. A copy of the proposal is included in the supplementary section of the docket. A copy of the full proposal with appendices (including the 1992 report to the Legislative Emergency Board "Establishing a Physician Assistant Training Program in Oregon") is on file in the State System Office of Academic Affairs.

Staff Analysis

1. Relationship to Assigned Mission

Establishment of a Physician Assistant Studies program is consistent with and supportive of Oregon Health Sciences University’s mission to serve the citizens of Oregon as the primary center for education in the health professions for students of the state and region. The proposed program will relate to and benefit from other baccalaureate degree programs in health care at Oregon Health Sciences University, mainly through utilization of common curricular and training site facilities. The program will become one of five degree-granting allied health programs at Oregon Health Sciences University and the program director will be a member of the Allied Health Council.

2. Evidence of Need

Since 1987, the Oregon Legislative Assembly has demonstrated an increasing concern regarding availability of medical care for rural Oregonians. The 1991 Legislative Assembly mandated a study by
the Office of Rural Health to determine the need for physician assistants in Oregon. The results indicated a need throughout the state. The 1993 Legislative Assembly requested development of a Physician Assistant program with emphasis on service to rural areas. Planning funds were provided in the amount of $150,000 for development of the program. The proposed program is a result of that effort. Fourteen hundred people have already indicated interest in the 12 potentially available student slots.

3. **Quality of the Proposed Program**

The quality of the Physician Assistant Studies program will be assured by the academic and professional activities, oversight processes, and associations of Oregon Health Sciences University. The program, as proposed, received an on-site evaluation by the Accreditation Review Committee on Education for the Physician Assistant (ARC-PA) in February 1994. On the basis of the Committee’s review of the application materials and the on-site evaluation, a Letter of Review was issued on March 12, 1994. This is the first step in obtaining accreditation. Customarily, the accreditation process is not completed until the first class has started its second year of study. Therefore, full program accreditation is not expected until fall 1996 at the earliest.

Program graduates will sit for a national certification examination, the results of which will provide an additional measure of program quality.

4. **Adequacy of Resources to Offer the Program**

**Faculty.** Existing faculty in the School of Medicine will participate in offering the proposed program. Dr. Ted J. Ruback will temporarily assume the responsibilities of Program Director until a permanent director can be recruited. Searches will also be undertaken to fill two additional positions, those of Academic Coordinator and Clinical Coordinator for the program.

**Library.** Current library collections and subscription titles are adequate to meet the curricular requirements for the proposed program.
Facilities and Equipment. The Physician Assistant Studies program will have access to lecture and seminar rooms, clinical skills laboratory, and both outpatient and inpatient care facilities. All required facilities are now available at Oregon Health Sciences University or at its off-campus clinical training sites.

Budget Impact. The proposed program budget is $376,117 for 1995-96, increasing to $462,990 in 1996-97. Funding will be provided from three sources: a federal training grant from the Health Resources and Services Administration; a three-year, renewable grant from the Bureau of Health Professions; and income from tuition and fees. No state General Fund appropriation will be requested or needed to support the proposed program.

5. Duplication

No institution in Oregon currently offers a Physician Assistant training program. The University of Washington has the only such program in the entire Northwest.

Program Review

The proposed Physician Assistant Studies program was developed with assistance from the Office of Rural Health and science faculty from community and four-year colleges. The proposed program has been reviewed by all appropriate institutional committees and approved by the faculty senate. The program proposal was also reviewed positively by the Academic Council in January.

Staff Recommendation to the Board

Staff recommended the Board authorize Oregon Health Sciences University to establish a program leading to the B.S. degree in Physician Assistant Studies effective fall term 1995, with a follow-up review of the program to be conducted by the State System Office of Academic Affairs during the 2001-02 academic year. The proposal should be placed on the consent agenda for final action at the next Board meeting.

Board Discussion and Action

Mr. Richardson asked for clarification between a physician assistant (P.A.) and nurse practitioner. Dr. Ted Ruback, program director, noted
that there are differences in four areas. One, nurse practitioners are all nurses first, whereas physician assistants come from a variety of backgrounds. Two, nurse practitioners are trained using the nursing model in schools of nursing; physician assistants are typically trained in schools of medicine. Three, P.A.s are required to obtain national certification. There is no national certification for nurse practitioners. The fourth difference is more a philosophical one. Nurse practitioners are more likely to go into independent practice, while P.A.s traditionally are dependent practitioners, working under the supervision of licensed physicians.

Continuing, Mr. Richardson asked that, even with those differences, aren't the same duties performed? Dr. Ruback replied that they were, except as prohibited by law. For example, in Oregon, nurse practitioners can open their own practice whereas P.A.s cannot. However, P.A.s are licensed by the Board of Medical Examiners and, with approval, can practice independent of their physician as defined by that Board.

Mr. Swanson asked how many people applied for the program and how many slots would be open. Dr. Ruback replied that there have been 1,400 inquiries, with 12 slots open the first year and 18 in subsequent years.

Mr. Lee moved to approve the staff recommendation. The following voted in favor: Directors Aschkenasy, Christopher, Lee, Miller, Richardson, Trotman Reese, Willis, Wilson, and Swanson. Those voting no: none.

**Introduction**

The University of Oregon requests authorization to establish an Institute on Violence and Destructive Behavior. The proposed Institute will study the conditions and factors relating to the development, remediation, and prevention of violence and destructive forms of behavior among children and youth. The purpose of the Institute is three-fold: (1) to address, systematically, social problems of great public concern in Oregon and nationally; (2) to focus, make accessible, and deliver faculty expertise as related to violence and destructive behavior, and (3) to integrate research, training, and service activities in this context. The specific mission of the institute is to empower schools and social service agencies to address violence and destructive behavior, at the point of school entry and beyond, in order to ensure safety and to facilitate the academic achievement and healthy social development of children and youth. It is anticipated that the Institute will become a major focus for interdisciplinary research and teaching on the subjects of violence and destructive behavior.
The proposed Institute will be located in the University's College of Education and affiliated with the Center on Human Development. It will be a free-standing institute reporting to the Vice Provost for Research and Graduate Education, as do all other interdisciplinary institutes at the University of Oregon. Members of the Institute will hold regular faculty positions in many disciplines, including education, psychology, sociology, law, architecture, and public policy and planning.

The Institute on Violence and Destructive Behavior will seek major federal funding to conduct research and provide instruction on subjects relevant to the Institute's mission. In the interim, the University is prepared to support the Institute's activities for a period of time until the unit is financially self-sustaining. The previous track record of outside funding for investigators involved in this proposal gives confidence that the Institute can be fully functional and self-sustaining within two to three years. A copy of the proposal, including external letters of support, is included in the supplementary section of the docket. A copy of the proposal and its appendices are on file in the State System Office of Academic Affairs.

Staff Analysis

1. Relationship to Assigned Mission

The University of Oregon has a strong commitment and well-documented record in developing and disseminating knowledge that addresses the economic and social agendas of the State of Oregon. The Institute on Violence and Destructive Behavior will further the University mission through fostering interdisciplinary activities in pursuit of basic and applied research and instruction, the attracting of non-state funding in support of the institutional mission and goals, and the focusing of considerable faculty expertise on antisocial, aggressive behavior patterns, academic failure, and delinquency and crime. The Institute will concentrate its activities within the three key areas of research, instruction, and public service.

2. Evidence of Need

No issue in the past five years has galvanized public concern in the way that violence has. The specter of violent acts constrains the lifestyles of nearly everyone and has contributed to a reduction in our collective, overall quality of life. Violence occurs in a range of
situational contexts (home, school, neighborhood, community) and is expressed through the activities of gangs, juvenile and adult criminals, and domestic abusers. The social, education, health-related, and economic costs of violent acts are enormous and not easily calculated in any precise fashion. Violence, juvenile crime, and gang activity threaten to overwhelm our schools and communities.

3. Quality of the Proposed Program

The quality of the proposed institute is assured by the high quality of the participating faculty, who have demonstrated their talent and ability gaining recognition and respect nationally and internationally for their expertise about at-risk children and youth in the context of family, school, and community.

4. Adequacy of Resources to Offer the Program

Faculty. All academic personnel who will participate in the Institute are current employees of the University or of affiliated organizations. No additional faculty hires are required.

Library. No additional library resources will be required to establish the proposed Institute.

Facilities and Equipment. Initially, space and equipment for the Institute will be provided from existing resources through the Center on Human Development and the College of Education. Securing a centralized space to accommodate the Institute's core personnel and core operations will be a long-term goal of the ongoing planning process.

Budget Impact. Initially, the Institute will require approximately $40,000 to $50,000 annually to operate and to meet the in-kind match requirements of federal and state grant applications. In the future, the Institute will generate its own operating funds. However, for the first few years, operating funds will be provided by the University of Oregon from returned overhead and other unrestricted funds. A sufficient critical mass of local University support of the Institute, in the form of contributed time, resources and space, is necessary to submit competitive grant applicants. A funding level of several million dollars annually in external support of programmatic
activities will stabilize the Institute and its operations. Other funding resources will also be pursued to provide further stabilization of the Institute’s viability and capability.

Start-up costs for the first several years of the Institute’s operation will center on academic and classified personnel, equipment, and travel.

5. **Duplication**

The proposed Institute is unique in Oregon and not duplicative of any established program. Oregon State University does outreach through the Extension Service in the area of master parenting and other services directed to children, youth, and families. Portland State University’s Regional Research Institute for Human Services (RRI) has participated in national studies of gang intervention and prevention programs, research on mental health services that bear on violent behavior, and evaluation projects of the justice system in relation to the prevention of violence and destructive behavior among juveniles. Portland State University’s Urban Endangered Children Project focuses on youth violence and the development of training in conflict resolution for teachers, community leaders, and urban youth. Southern Oregon State College has some faculty that emphasize family intervention, abuse prevention, etc., but no specific program that pulls these areas together. Oregon Health Sciences University has some research emphasis on family violence in medicine and nursing, which is being incorporated into the regular curriculum of the medical school. The proposed Institute will provide a valuable resource for all of these efforts and an anchor for collaborative activities among faculty and programs of several State System campuses.

**Program Review**

The proposed Institute has been reviewed by all appropriate institutional committees and approved by the University of Oregon. Strong support for the Institute has been expressed by a number of social service agencies, law enforcement courts, and the Oregon Department of Education. The proposal was reviewed positively by the Academic Council.
Staff Recommendation to the Board

Staff recommended the Board authorize the University of Oregon to establish the Institute on Violence and Destructive Behavior as proposed.

Board Discussion and Action

Ms. Christopher indicated her support for this institute in addressing a very important and pervasive problem.

Mr. Richardson asked why this institute would not be in an urban setting where more of this kind of activity occurs. University of Oregon Professor Hill Walker replied that while the issue cannot be fully addressed without including children and youth in urban settings, violent acts occur in all settings, crossing social, economic, ethnic, and geographic strata. Further, Dr. Hill indicated that there are expected to be collaborative grant initiatives with Portland State University in the future.

Mr. Richardson moved and Ms. Christopher seconded the motion to adopt the staff recommendation. The following voted in favor: Directors Aschkenasy, Christopher, Lee, Miller, Richardson, Trotman Reese, Willis, Wilson, and Swanson. Those voting no: none.

Background

It is Board policy to approve admission requirements for each academic year in February of the preceding calendar year. This schedule is necessary for institutional planning, program implementation, publications, and timely notice to prospective students.

Admission Policy Update

As noted in last year's admission policy document, key changes in the State System's evolving admission policy continue to center on preparing for the transition to a second language admission requirement beginning in 1997-98 and the ongoing development of a comprehensive proficiency-based admission standards system (PASS). Last month, a progress report on implementation of proficiency-based admission standards was made to the Board of Higher Education and to the Joint Boards of Education.

In a supplementary document included in the docket, a specific schedule for the transition from current admission policy to a proficiency-based
admission standards system (PASS) is projected. The purpose for presenting a transitional schedule now is to support continued educational reform in the K-12 schools and to facilitate college preparatory program planning by prospective students and their families.

Admission Policy for 1996-97

No changes in freshman or transfer admission are being requested for the 1996-97 academic year. Eastern Oregon State College will continue its admission procedure begun in 1995-96 that includes a portfolio review of the academic credentials of applicants, especially those whose high school grade point averages are below 3.0. This was instituted to improve the quality of admissions and course placement in the freshman year.

Financial Impact Statement

In general, the continuation of current admission policy for the 1996-97 academic year is not expected to have any significant financial impact on System campuses. However, the cost of developing the proficiency-based admission standards system is significant. It is being borne by federal grants, allocations from the Academic Affairs budget, and lottery funds appropriated for 1993-1995 by the legislature in support of school reform.

Staff Recommendation to the Board

Staff recommended (1) that the 1995-96 general admission policy be continued for the 1996-97 academic year, and (2) that staff continue to work on a transitional admission policy basis with schools achieving early implementation of restructured curricula and assessments related to OSSHE proficiency-based admission standards and the Oregon Educational Act for the 21st Century.

Board Discussion and Action

Mr. Miller asked if the approximately $4 million that K-12 received from the federal government had any bearing on the HB 3565 implementation. Chancellor Cox responded that it applies primarily to the school-to-work effort rather than college preparatory programs.

As part of the staff recommendation approved by the Board, the exception permitting lower high school grade point averages for entering freshmen
from six designated eastern Oregon counties was deleted from Eastern Oregon State College's admission policy.

Mr. Richardson moved and Mr. Miller seconded the motion to approve the staff recommendation. The following voted in favor: Directors Christopher, Lee, Miller, Richardson, Trotman Reese, and Swanson voted in favor. Those voting no: none. Directors Aschkenasy, Willis, and Wilson were out of the room at the time of the vote.
ADMISSION REQUIREMENTS AS ADOPTED FOR
1996-97 ACADEMIC YEAR

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| TRANSFER ADMISSION            |     |     |     |      |      |      |     |
|                               |     |     |     |      |      |      |     |
| GPA Residents                 | 2.25| 2.25| 2.00| 2.25 | 2.00 | 2.00 | 2.00|
| GPA Nonresidents              | 2.50| 2.25| 2.25| 2.25 | 2.00 | 2.00 | 2.00|
| Admission Consideration for   |     |     |     |      |      |      |     |
| Applicants with 2.00+ GPA and | Yes | Yes | N/A | Yes  | N/A  | N/A  | N/A |
| AA Degree from Oregon Com-    |     |     |     |      |      |      |     |
| munity Colleges               |     |     |     |      |      |      |     |
| Minimum College Hours Re-     | 36  | 36  | 30  | 36  | 24  | 24  | 24  |
| quired                        |     |     |     |      |      |      |     |
| All Applicants Must Meet Spec- | Yes**| Yes**| No | No  | No  | No  | No  |
| ified Course Requirements     |     |     |     |      |      |      |     |

* Minimum SAT I scores are not required but scores may be used for alternative or selective admission.

** Courses Required: One writing course beginning with WR 121 and college algebra or above, or the equivalent of Math 105.
Staff Report to the Board

The Board of Higher Education permits institutions, with concurrence of their faculty, to award honorary degrees. Each institution wishing to award honorary degrees must adopt criteria and procedures for selection that will assure that the award honors distinguished achievement and outstanding contribution to the institution, state, or society. Criteria and procedures for selection must be forwarded to the Chancellor for approval and, when approved, filed with the Secretary of the Board. Institutions are required to forward their recommendations for honorary degrees for the Board’s approval 90 days before the date for awarding the degrees.

Two institutions, Oregon State University and Portland State University, request Board authorization to award degrees at the June commencement and at an international conference.

Oregon State University

Oregon State University proposes to award honorary doctorates to Philip H. Abelson and Sanga Sabhasri.

Philip H. Abelson

Philip H. Abelson is widely regarded as one of America’s greatest scientific statesmen. His involvement in various branches of science includes 19 different professional associations spanning the fields of chemistry, biology, biophysics, geology, and others.

During his distinguished career, Dr. Abelson primarily has been associated with the Carnegie Institution in Washington, where he started as assistant physicist in 1939. He was named president of the organization in 1971 and retired seven years later.

Dr. Abelson worked with the Naval Research Laboratory during World War II, perfecting the separation of uranium isotopes as part of the Manhattan Project.

From 1962 to 1985, he was editor of the prestigious Science magazine, then became deputy editor for Engineering and Applied Sciences and the science advisor for the American Association for the Advancement of Science (AAAS).
A native of the Pacific Northwest, Dr. Abelson was born in Tacoma, Washington, and earned his bachelor's and master's degrees from Washington State University. He has a Ph.D. in nuclear physics from the University of California, Berkeley.

Dr. Abelson has received honorary doctorates from numerous institutions, including Yale, Duke, Tufts, and Pittsburgh.

Sanga Sabhasri

Sanga Sabhasri is one of the world's foremost experts in tropical forestry and a national leader for scientific advancement in Thailand. He also is a graduate of Oregon State University, earning a bachelor's degree in forestry in 1957, and a master's degree in forestry in 1959.

Since 1983, Professor Sanga has served as Permanent Secretary to the Ministry of Science, Technology, and Energy in Thailand -- a position of vital importance to his country's rise as a new industrial power in Asia.

During his distinguished career, Professor Sanga has been at the forefront of addressing such problems as the devastation of tropical forests, the development of electronics and biotechnology, and combating the spread of AIDS.

Most of Professor Sanga's work has been done in the broad fields of forestry, agriculture, and tropical biology, where his studies have ranged from the cultivation of teak and pine to understanding the complex nature of mangrove ecosystems.

He has received most of the top honors the government of Thailand bestows, as well as honors from Denmark, Belgium, Finland, Sweden, and Norway. He also has received honorary doctorates from universities in Thailand, Japan, and Germany.

Professor Sanga has dedicated his life to education and research, serving as a university faculty member, college dean, dean of a graduate school, vice-rector for academic affairs, and currently as chairman of the policy-making body for three universities in Thailand. As his nation's Minister for Science, Technology, and Environment and chairman of the executive board of the National Research Council.
of Thailand, Professor Sanga has played a pivotal role in the evolution of higher education and science in Thailand and southeast Asia.

Portland State University

Portland State University proposes to award an honorary doctorate to Kim Dae Jung.

Kim Dae Jung

The long and distinguished career of Dr. Kim Dae Jung, founder and President of the Kim Dae Jung Asia-Pacific Peace Research Foundation, has attracted international recognition for his dedication to democratic ideals and advancement of world peace.

Dr. Kim received the Bruno Kreisky Human Rights Award from Austria in 1981, and an honorary doctorate from Emory University in Atlanta in 1983. He was nominated for the Nobel Peace Prize in 1987 by 73 members of the West German Parliament. Dr. Kim has written several books in the Korean language and two books in English: Mass Participatory Economy: A Democratic Alternative for Korea, Harvard University Press, 1985; and Prison Writings, University of California Press, 1987.

The educational background of Dr. Kim includes both undergraduate and graduate studies in universities in Seoul, Korea, and Visiting Fellow appointments at the Center for International Affairs, Harvard University, 1983-84, and at Oxford University, 1991-92. However, it is Dr. Kim's perseverance and success in advancing democratization and human rights in Korea that have attracted international attention and recognition.

Democratic Party leadership, election to the National Assembly in the 1960s and 1970s, and a long period of exile, suppression, and imprisonment in Korea in the 1970s and early 1980s for political activities on behalf of civil rights, mark Dr. Kim's career. Three times Dr. Kim was imprisoned; once he was sentenced to death; and twice he was released to exile in the United States. While in the United States in 1983, Dr. Kim established the Korean Institute for Human Rights. Upon return to Korea in 1985 and restoration of his civil rights, Dr. Kim was elected President, Party for Peace and Democracy; later he was elected to the National Assembly in 1988.
Twice recently, in 1987 and in 1992, he was the national Presidential candidate of the Party for Peace and Democracy in Korea.

Kim Dae Jung has long demonstrated tenacity and commitment to advancement of democratic ideals under difficult and dangerous conditions.

Staff Recommendation to the Board

Staff recommended Board approval of Oregon State University’s request to award honorary doctorates to Philip H. Abelson and Sanga Sabhasri at the June 1995 commencement, and Portland State University’s request to award an honorary doctorate to Kim Dae Jung at the Sixth International Conference on Asia-Pacific Affairs on May 4-5, 1995, at Portland State University.

Board Discussion and Action

Ms. Christopher moved and Mr. Richardson seconded the motion to approved the staff recommendation. The following voted in favor: Directors Christopher, Lee, Miller, Richardson, Trotman Reese, and Swanson voted in favor. Those voting no: none. Directors Aschkenasy, Willis, and Wilson were out of the room at the time of the vote.

WORK SESSION

STUDENT LIFE ISSUES FORUM: CAREER PLANNING BY STUDENTS & CAMPUS CAREER DEVELOPMENT & PLACEMENT SERVICES

Background

The career planning forum is the first of three forums planned in response to Board members’ request that selected important student life issues be brought to the Board for information and discussion. This month’s forum on career planning by students and campus placement services and issues will be followed by a forum on student financial planning in June or July. Next fall (October or November), the topic will be student diversity, broadly defined to include racial-ethnicity, age, and gender dimensions.

For the February forum on student career planning and placement issues, an executive summary of the topic follows. It is drawn from detailed campus reports that are included in the supplementary section of the docket. The reports include: (1) Campus Perspectives on Assisting Students with Career Development and Placement Services; (2) Roles of
Faculty and Staff in Assisting Career Development; (3) Programs and Services to Assist Students in Career Development, Job Search, and Placement Services; (4) Internships, Mentoring, and Cooperative Education Programs; (5) Follow-Up/Alumni/Employer Assessment; and (6) Current Career Issues and Job Placement Outlook. The format for the forum will be a dialogue between Board members and an invited panel from the campuses. Against the background information provided in the summary and the campus reports, a panel comprised of selected staff, students, and a recent graduate will engage Board members in a discussion of key issues and questions concerning students' career planning strategies, campus perspectives and placement services, and the interface between the campus and the economy.

The panel will be facilitated by Jo Anne Trow, Vice Provost for Student Affairs, Oregon State University; panel members include: Amanda Bohl, Student, Director of State Affairs, Associated Students of Southern Oregon State College; Mary Cumpston, Director, Career Center, Portland State University; Katherine Harper, Director, Career Services, Western Oregon State College; Lawrence Smith, Director, Career Center, University of Oregon; Rodney Smith, Graduate, Oregon State University, James River Corporation; Timothy Stanaway, Dean of Students, Oregon Institute of Technology; and Leslie Warren, Student, President of the Associated Students of the University of Oregon.

Executive Summary

1. Campus Perspectives on Assisting Students with Career Development and Placement Services

Several broad observations can be made about the career development aspect of student life.

- Effective career planning by students and campus assistance to students in their career development and transition from school to work is more important to students and institutions than ever.

- Career development needs of students on OSSHE campuses vary greatly given the diversity of student characteristics, academic programs, and individual career goals.
Dramatic changes in the job market and in technology confront career development/placement programs with new challenges in helping students make transitions and realize their career goals.

Many students, including nontraditional ones, need assistance in relating their skills and experiences to opportunities in the workplace and in presenting themselves effectively and competitively to prospective employers.

As demonstrated by Alexander Astin's annual national survey of new freshmen (The American College Freshman: National Norms for Fall 1993), the issue of career planning and transition to work is of great importance to today's college students. Increasing earnings and becoming successful in one's own field or business are two of the most important reasons given by students for going to college.

The time has long passed when it may have been acceptable for an institution to view the transition from college to work as chiefly the student's responsibility. Today, System institutions consciously design and implement programs that integrate educational programs with the career aspirations and development needs of students.

New challenges presented by a rapidly changing society and a dynamic economy demand that students have a solid knowledge base in their field, and the abilities to think critically, to communicate clearly, and to act creatively and ethically. The general outcomes of a sound academic program are integral to the qualities needed to contribute positively as a citizen and to succeed in the workplace.

2. Roles of Faculty and Staff in Assisting Career Development

Faculty and staff are an essential part of career planning assistance for students. In formal and informal interactions with students, faculty are instrumental in furthering students' career aspirations. Faculty can be particularly effective in assisting students whose interests are related to their areas of expertise and experience.

Faculty impact on student career development is exercised through mentoring and advising, and supervising practica and employment on and off campus. Faculty also may assist career center staff with career workshops and provide career information and consulting. In fields
that have external licensure requirements, faculty relate curricula to these and communicate standards to students.

Some campuses have numerous active business/industry/professional advisory councils that assist, in part, in assuring that the curriculum is kept relevant to employer/market needs.

3. Programs and Services to Assist Students in Career Development, Job Search, and Placement Services

The scope of career planning and placement services covers a broad spectrum of activities both on and off campus. (Please see the campus reports for a complete inventory of career services provided.) On-campus services include collecting and making information available; individual and group career counseling; workshops on career choice, resume writing, job search processes, self-assessment, and interviewing skills; job posting and interviewing; on-campus recruiting; career days; credential files; corporate directories; services for alumni; and other placement services.

Increasingly, new career information and job networks significantly enhance students' abilities to access the job information they need and to link up with prospective employers. Oregon JobTrak, Oregon Education JobTrak, and the Oregon Liberal Arts Placement Consortium are examples of how System campuses and others have extended the career planning and job placement opportunities for students. Oregon was the first state to develop such a consortium comprised of public and private liberal arts and science colleges. In an age of technology, we expect to develop more coordinated approaches among the campuses to share information resources and to relate electronically to career information services organizations and state employment agencies.

4. Internships, Mentoring, and Cooperative Education Programs

A key feature in the improvement of career planning services offered students is increasing the opportunity for students to engage in "experiential" learning. More and more, this is becoming an important element of a student's educational program and his/her ability to compete effectively in the job market. Experience can be critical in defining the "right" career as well as in finding the "right" job.
All campuses have developed new efforts in recent years to offer work experiences through employment, practica, internships, and service learning. Such alternatives vary given the opportunities and employment available locally and what may be required or desired by the academic program and career being pursued. These programs are funded by campuses, employers, grants, and student fees. In any given year, several thousand OSSHE students participate in cooperative education programs, internships, and practica. Many academic departments are active in creating internships for their majors.

5. Follow-Up/Alumni/Employer Assessment

Almost all campuses conduct periodic follow-up assessments of graduates and surveys of employees. Generally, employers are asked for feedback after campus recruiting visits. Such assessments are seen as yielding important information about student performance. They are also useful in the strategic development of campus career services.

6. Current Career Issues and Job Placement Outlook

The changed and changing world of work represents the greatest challenge to students and campus career services. It is vital that students become more aware of the new economy and how the world of work is changing. Students who understand themselves, develop an effective educational program and career plan, and acquire the necessary skills to compete, have the best job outlook.

To meet this need, campus career programs must find ways to keep up with technology changes (for example, electronic job posting and "paperless" credentials) in providing information and service to students. This is becoming more difficult to do in light of decreased resources.

According to campus placement officers, the fastest growing group of employers is temporary and job contract agencies, especially in the professional areas. The most easily obtained employment is temporary and part-time employment, which, of course, is also the most uncertain and least well paid. On some campuses, employer visits are down. On others, there is an increase in the number of companies recruiting on campus. Instead of the traditional personal visits to campus, some employers are requesting that credentials be sent and third-party recruiters are used. Job availability for entry-level
positions in national companies seems to be increasingly competitive. There seems to be market demand in the four- and five-year professional fields (engineering, health and engineering technologies, pharmacy, accounting, etc.) and an interest in students with broad liberal arts backgrounds and strong communication skills. The trend of employment after internship experience is expected to continue.

The job outlook for college graduates is relatively good for those who are aware of where the market is active, know what it takes to compete, and are prepared to compete. The growth in the service-industry, opportunities in small businesses, and the rapid growth in technology are all features of the new economy and workplace. It is important, then, that there be coordinated and focused efforts on the campuses to help students understand this dynamic environment and how to succeed in it.

Board Discussion

Mr. Richardson asked when career counseling is provided or available to students, and whether student participation in some form of career counseling should be mandatory.

Ms. Harper responded that at Western Oregon State College there is a collaborative effort between academic affairs and student services from the time of admission through alumni efforts. The importance of career development is permeated throughout the institution at all levels, as well as information provided about available services. Ms. Bohl from Southern Oregon State College added that students need this information as freshmen when they are making decisions about a major area of study. Dr. Stanaway stressed the value of providing information in the classroom, working with groups of students as well as with individuals.

As far as making career counseling mandatory, Dr. Trow added that there would be positive outcomes, especially for those students who are uncertain about their strengths or what career path they are considering. It could save the student both time and money if they clarify and focus their decisions.

Dr. Cox discussed the information, in addition to the transcript, that provides more detail about the student. Reference letters and resumes add that kind of detail. When the Student Information System (SIS) was examined, there was talk of having a "complementary transcript" that
would validate for a prospective employer other dimensions of the student besides grades. Dr. Cox asked if that is still a possibility.

Dr. Trow indicated that it is. "It's called a 'Student Development Transcript' or an 'Activities Transcript.' The student works with an advisor and maps out the kind of skills they're interested in developing, and then sets out to acquire them. This is documented, signed, and becomes part of that transcript."

Several Board members mentioned various aspects of employment, unemployment, how college prepares people for employment opportunities, and what services may be provided to students in anticipation of employment. Ms. Cumpston from Portland State University described the various functions of career counseling. They include job placement, job referral, resume development, skill identification, career development, interview practice -- a continuum of needs to which a career counseling center tries to respond. Ms. Warren, president of the University of Oregon Associated Students noted that University students voted to pay for a mentoring program that will allow students to talk to individuals who are in the fields they're considering. Other features of the program include resume writing and interviewing styles.

(No Board action required)

Dr. Cox provided the Board with a brief overview of the next steps in the marketing plan implementation. "We recognize that marketing is a reality. We are targeting two different populations: one, the thousands of new Oregonians who move here each year who don't know anything about OSSHE (13,000-14,000 each year) and, two, the thousands of young Oregonians who each year will have to decide which institution is best for them to meet their life goals and career aspirations. The presidents, staff, and I have discussed this at some length, and the marketing effort will have two distinct roles -- one for the institutions and one for OSSHE.

"The central role is the macro picture of why education is important to Oregon. Real recruiting happens at the campus level. So it will be crafted in a very complementary, not duplicative, effort."
"Finally, we will bring you some cost estimates we think are realistic. The consultants report that our plans may quite honestly be beyond our resources. But that doesn't mean marketing is not important."

President Swanson reported on Bob Bailey's behalf regarding the Joint Boards Working Group. The Working Group "has recommended that we hold two Joint Boards meetings a year instead of three. One of those would be the meeting with the Governor, which also includes some Joint Boards activity. The other one would be exclusively Joint Boards activity. But the Working Group decided that two meetings a year would be sufficient for the action-oriented items. Otherwise it's primarily discussion, and we can handle that through the Joint Boards Working Group.

"The other recommendation we're making to our respective Boards is that we ask that the three CEOs -- Joe Cox, Norma Paulus, and Roger Bassett -- meet and provide a plan for administering the Joint Boards work. Instead of the diffuse committee type of operation, how do we get some direction into that process where somebody has responsibility for the work? We don't know specifically how that should be carried out, but we wanted to request our three leaders to come back with an action plan for accomplishing this. Does that resonate with people? I'm not going to ask for a motion; I'll just say you approved it if you don't say no."

Dr. Thompson reported that 60 request packets have been distributed regarding the presidency at Western Oregon State College. Twenty-six have been completed. The ads are in all the prescribed periodicals and the response has been good.

Oregon Administrative Rules (OAR) 580-50-041 and 580-50-042 require an annual report to the Board on the prior calendar year's participation as contractors and subcontractors in capital improvement projects by emerging small business enterprises (ESBs) and minority or women business enterprises (M/WBEs). OAR 580-50-041 states that successful bidders for public improvement projects approved by the Board shall make good faith efforts to "meet the project's goals for subcontracting with or obtaining materials to be used in performing the contract from emerging small businesses." OAR 580-50-042 deals with similar requirements for businesses owned by minorities and women. All such businesses must be certified by the State of Oregon's Office of Minority, Women and Emerging Small Businesses. Successful bidders for capital improvement
Meeting #638

February 17, 1995

projects must make "good faith efforts" to hire ESBs and M/WBEs as subcontractors or themselves be certified by the State of Oregon as ESBs, MBEs, or WBEs.

During 1994, contracts were awarded for 36 capital improvement projects. The total value of these contracts was $31,367,051.

Successful bidders on these contracts projected that about $6,825,232 of that amount (21.8 percent) would be for work performed by ESBs and M/WBEs. The projected M/WBE participation rate was 9.9 percent; the rate for ESBs was 11.9 percent.

A new development in 1993 was the success in awarding prime contracts to emerging small businesses. This continued in 1994, as 8 of the 36 competitively bid projects were awarded to ESBs. These eight prime contracts totaled more than $1.3 million.

One project (University Hospital South, C-Wing Expansion and Tenant Improvements at the Health Science University) accounted for $11,660,000 of the 1994 activity and more than $3.3 million of the M/WBE and ESB participation.

Results for 1994 remain higher than those achieved prior to 1993. The percentage of M/WBE and ESB participation projected or achieved each year since the rules were adopted in late 1990 are as follows.

<table>
<thead>
<tr>
<th>Year</th>
<th>ESB and M/WBE Participation</th>
<th>Total Capital Improvement Awards</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990</td>
<td>1.4% $1,680,000</td>
<td>$120,000,000</td>
</tr>
<tr>
<td>1991</td>
<td>3.2% $1,747,827</td>
<td>54,633,164</td>
</tr>
<tr>
<td>1992</td>
<td>8.9% $692,084</td>
<td>7,742,242</td>
</tr>
<tr>
<td>1993</td>
<td>32.5% $3,863,000</td>
<td>11,890,000</td>
</tr>
<tr>
<td>1994</td>
<td>21.8% $6,825,232</td>
<td>31,367,051</td>
</tr>
</tbody>
</table>

In 1993, the participation of M/WBE firms stood at 5.2 percent. The Board stressed the need for greater efforts in 1994 to increase the percentage of work done by these firms. Efforts in 1994 led to a substantial increase in the value and percentage of the work performed by certified minority and women business enterprises.

The reduction in contracting for emerging small businesses may be related to the fact that the volume of large contracts awarded in 1994 was
substantially greater than in 1993 (7 of the 36 contracts, with a combined value of nearly $24 million, were for amounts in excess of $1 million each). The total value of all 28 contracts awarded in 1993 was only $11.9 million. Only two of them were for more than $1 million — comprising 93 percent of the value of 1993 contracts.

(No Board action required)

Staff Report to the Board

The second quarter investment report of the Pooled Endowment Fund of the Oregon State System of Higher Education for the period October 1, 1994 through December 31, 1994, is presented in two parts: first, a summary report from the Common Fund that describes the performance results of the various funds used by the State System, followed by tables showing the market value and investment performance of the State System Pooled Endowment Fund through December 31, 1994.

COMMON FUND SUMMARY

Equity Fund - ($36.2 million market value) The fund had a total return of -1.5 percent during the quarter, while the Standard & Poor’s 500 Index was flat. For the calendar year as a whole, the OSSHE equity fund investments were down -0.5 percent, while the Standard & Poor’s Index had a return of 1.3 percent.

This was a tough quarter for the Equity Fund as almost all strategies came in below the Index. The exceptions were the small capitalization growth and absolute return strategies. After lagging for the first three calendar quarters, the latter’s fourth calendar quarter results show the impact of the Common Fund’s restructuring.

For the calendar year as a whole, hedging and absolute return strategies dragged down results. Equity income, small capitalization growth, and international equity strategies added value. Overall, large companies provided most of the Index’s positive return, a situation in which the Common Fund’s broadly diversified approach inevitably suffers.

Bond Fund - ($23.3 million market value) The fund had a return for the quarter of 0.7 percent compared to 0.4 percent for the Lehman Aggregate Index. For the calendar year, the fund’s return was -1.7 percent while the Index was down -2.9 percent.
The calendar year was the worst for fixed income investing in more than a quarter century. Rising rates caused losses across the board. As was the case all year, the Common Fund’s Bond Fund did better than the Index thanks to its diversification and investments in special strategies, particularly high yield and distressed debt.

**Real Estate - (9/30/94 market value $4,494,000.)** The decline in market value since June 30 reflects the impact of the distribution of the proceeds of the sale of Park Place.

The Common Funds is currently reviewing the appraisals of all the properties in the fund and expect to have the results available later this quarter. Preliminary indications are that there will be, at worst, a modest further write-down in market value. At best, a modest increase in value is predicted. Either way, the results, when income is included, will compare favorably with last calendar year’s returns in stocks and bonds.

**Endowment Energy Partners I - (9/30/94 market value $1,158,000.)** The net internal rate of return on this fund was 10.8 percent. This figure does not include the value of overriding royalty interests or warrants. Including an estimate of the value of these would increase the return to 14.5 percent.

Results have been good in spite of generally weak energy prices because the operators have been able to increase production to offset price declines. As anticipated, cash flow has been increasing with the third calendar quarter distribution at an annualized rate of 9.0 percent.

**Endowment Partners I - (9/30/94 market value $915,000.) Through September 30, the equity portion of this fund had an internal rate of return of 12.7 percent and the mezzanine debt portion an internal rate of return of -2.6 percent, giving the entire fund a return of 6.3 percent. Because a number of portfolio companies are now publicly traded (about 30 percent of the equity portion), this fund’s results are now heavily influenced by price changes in the stock market, although in most cases the stock the Common Fund managers hold is restricted and cannot be publicly traded.

The most exciting news in the quarter was the sale of Snapple Beverage to Quaker Oats. The Common Fund’s share of the original investment was $140,000, and the fund received distributions totaling $3.9 million, earning 28 times the original investment. This is, of course, an exception-
al result that is not likely to be repeated soon. Nevertheless, it is an extremely satisfying result.

**Endowment Venture Partners I - (9/30/94 market value $772,000.)**

During the fourth calendar quarter, this fund called an additional $50,000, bringing total capital contributed to $701,000. Because this fund made commitments to fund managers over a period of time, the various partnerships are in different stages of their cycles with some being fully invested and beginning to distribute the proceeds of liquidated investments and others still in the initial investment phase. Through September 30, the internal rate of return was 10.5 percent, an attractive return given the age of the partnership.

**OSSHE INVESTMENT PERFORMANCE**

The following tables present the investment performance results through the second quarter of 1994-95 for the OSSHE Pooled Endowment Fund.

(No Board action required)
OREGON STATE SYSTEM OF HIGHER EDUCATION  
1994—95 Second Quarter Investment Report  
Pooled Endowment Fund  
Market Value

<table>
<thead>
<tr>
<th></th>
<th>Market 7-01-94</th>
<th>Market 12-31-94</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL ENDOWMENT</strong></td>
<td>$67,820,167</td>
<td>$67,852,135</td>
</tr>
<tr>
<td><strong>EQUITY INVESTMENTS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Common Fund, Equity Fund</td>
<td>35,700,582</td>
<td>36,153,392</td>
</tr>
<tr>
<td><strong>FIXED INVESTMENTS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Common Fund, The Bond Fund</td>
<td>23,868,448</td>
<td>23,277,798</td>
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<tr>
<td><strong>OTHER INVESTMENTS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Real Estate Investment Trust</td>
<td>4,507,828</td>
<td>4,493,828</td>
</tr>
<tr>
<td>Endowment Energy Partners</td>
<td>1,139,000</td>
<td>1,158,273</td>
</tr>
<tr>
<td>Endowment Partners Fund</td>
<td>846,828</td>
<td>914,747</td>
</tr>
<tr>
<td>Endowment Venture Partners</td>
<td>650,435</td>
<td>772,096</td>
</tr>
<tr>
<td>Cash</td>
<td>1,107,046</td>
<td>1,082,001</td>
</tr>
<tr>
<td><strong>Total Other</strong></td>
<td>8,251,137</td>
<td>8,420,945</td>
</tr>
</tbody>
</table>
### OREGON STATE SYSTEM OF HIGHER EDUCATION

1994–95 Second Quarter Investment Report
Pooled Endowment Fund Investment Performance
Periods Ending 12–31–94
(Based on Total Return)

<table>
<thead>
<tr>
<th></th>
<th>CURRENT QTR</th>
<th>FISCAL YTD</th>
<th>1 YEAR</th>
<th>3 YEARS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL ENDOWMENT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OSSHE</td>
<td>-0.1%</td>
<td>2.5%</td>
<td>-0.2%</td>
<td>6.6%</td>
</tr>
<tr>
<td><strong>EQUITY (STOCK) INVESTMENTS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OSSHE—EQUITY FUND</td>
<td>-1.6%</td>
<td>2.4%</td>
<td>-0.7%</td>
<td>6.6%</td>
</tr>
<tr>
<td>S &amp; P 500 STOCK INDEX</td>
<td>0.0%</td>
<td>4.9%</td>
<td>1.3%</td>
<td>6.3%</td>
</tr>
<tr>
<td>THE COMMON FUND EQUITY FUND</td>
<td>-1.5%</td>
<td>2.5%</td>
<td>-2.0%</td>
<td>8.9%</td>
</tr>
<tr>
<td><strong>FIXED (BOND) INVESTMENTS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OSSHE—BONDS</td>
<td>0.6%</td>
<td>1.5%</td>
<td>-2.0%</td>
<td>7.1%</td>
</tr>
<tr>
<td>LEHMAN AGGREGATE INDEX</td>
<td>0.4%</td>
<td>1.0%</td>
<td>-2.9%</td>
<td>4.6%</td>
</tr>
<tr>
<td><strong>OTHER INVESTMENTS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>REAL ESTATE INVESTMENT TRUST</td>
<td>1.1%</td>
<td>2.3%</td>
<td>-0.3%</td>
<td>1.5%</td>
</tr>
<tr>
<td>ENDOWMENT ENERGY PARTNERS</td>
<td>15.3%</td>
<td>16.6%</td>
<td>36.8%</td>
<td>17.2%</td>
</tr>
<tr>
<td>ENDOWMENT PARTNERS FUND</td>
<td>6.3%</td>
<td>7.6%</td>
<td>12.6%</td>
<td>7.8%</td>
</tr>
<tr>
<td>ENDOWMENT VENTURE PARTNERS</td>
<td>12.5%</td>
<td>12.5%</td>
<td>12.5%</td>
<td>4.7%</td>
</tr>
<tr>
<td>OSSHE—STOCKS/BONDS COMBINED</td>
<td>-0.7%</td>
<td>2.1%</td>
<td>-1.2%</td>
<td>6.8%</td>
</tr>
<tr>
<td><strong>WEIGHTED TARGET INDEX</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>60% S &amp; P 500 STOCK INDEX</td>
<td>0.2%</td>
<td>3.4%</td>
<td>-0.3%</td>
<td>5.6%</td>
</tr>
<tr>
<td>40% LEHMAN AGGREGATE INDEX</td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

Note: All amounts are net of investment charges.
1995 FACT BOOK

Staff Report to the Board

Every two years, the Chancellor's Office publishes a compendium of statistics about the faculty, students, programs, and finances of the State System and its colleges and universities. This "Fact Book" is used extensively to provide answers to a myriad of questions from interested people both within and outside of the State System. The 1995 edition of the "Fact Book" was nearing completion as the docket for the February meeting of the Board was being prepared. Staff expects to provide copies of the "Fact Book" to members of the Board at the February meeting.

(No Board action required)

SUMMARY OF FACILITIES CONTRACTING ACTIVITIES

Staff Report to the Board

A summary of facilities contracting activities within the Office of Finance and Administration is presented below:

Contracts for Professional Consulting Services

Award of Construction Contracts

Education Hall Exterior Restoration Project, OSU
On June 15, 1994, Pioneer Waterproofing Company, Inc., was awarded a contract for this project in the amount of $236,960. Financing will be provided from capital repair and bond funds.

Knight Library, Information Technology Center Remodel Project, UO
On November 15, 1994, McKenzie Commercial Contractors, Inc., was awarded a contract for this project in the amount of $209,914. Financing will be provided from institution technology fees.

Langton Hall ADA Upgrade Project, OSU
On January 5, 1995, Morris P. Kielty General Contractor, Inc., was awarded a contract for this project in the amount of $76,550. Financing will be provided from capital repair funds.

Medical Research Building, 6th Floor, Biochemistry Research Laboratory Project, OHSU
On October 21, 1994, OTKM Construction, Inc., was awarded a contract for this project in the amount of $689,030. Financing will be provided from Building Use Reserves and the President's Recruitment Fund.
Memorial Union Commons Renovation Project, OSU
On November 28, 1994, Dale Ramsay Construction Company, was awarded a contract for this project in the amount of $1,788,509. Financing will be provided from Article XI-F(1) bonds, gifts, and a SELP loan.

Outpatient Clinic, Nuclear Medicine Clinic Project, OHSU
On November 17, 1994, Shimizu America Corporation, was awarded a contract for this project in the amount of $785,000. Financing will be provided from Article XI-F(1) bonds.

Outpatient Clinic, 2nd Floor Remodel Project, OHSU
On November 17, 1994, Shimizu America Corporation, was awarded a contract for this project in the amount of $184,000. Financing will be provided from Article XI-F(1) bonds.

Star Cafe Remodel Project, OSU
On November 21, 1994, John Hyland Construction, Inc., was awarded a contract for this project in the amount of $101,338. Financing will be provided from operating and equipment reserves.

University Hospital South, B-Wing Utility Upgrade Project, OHSU
On October 12, 1994, Andersen Construction Company, Inc., was awarded a contract for this project in the amount of $3,335,000. Financing will be provided from Article XI-F(1) bonds.

Women's Building ADA Upgrade Project, OSU
On January 4, 1995, Dale Ramsay Construction Company, was awarded a contract for this project in the amount of $169,900. Financing will be provided from state funds.

Acceptance of Projects

Radial Brick Chimney Removal Project, OSU
This project is complete and was accepted on December 16, 1994. The final direct construction costs were $171,195. Financing was provided from capital repair bonds (Article XI-G).

(No Board action required)
LEGISLATIVE REPORT

Government Relations Director Grattan Kerans reported that SB 271, the Higher Education Administrative Efficiency Act, received support from a number of interests. It appears there are no major concerns about the bill, and that it will be forwarded to Ways and Means. It will certainly come up in the higher education budget discussions, but it's unlikely the budget hearing would be suspended to take up the bill.

Legislators have been identified who need to be contacted by Board members about the budget. Staff will work with Board members regarding visits, phone calls, and/or letters that can back up the work being done in the Capitol.

Housekeeping bills are moving along with no problems.

Ms. Wilson asked about HB 3565. Mr. Kerans responded that the Education subcommittee has spent a lot of time working on it and there will probably be some amendments. There is consideration of a two-tiered system between urban and rural schools. The subcommittee is also going to examine proposals regarding charter schools. Ms. Wilson inquired about the role of the Board regarding these issues. Dr. Cox replied that the position of OSSHE is that "...we are very supportive of changes and improvements that will send us better-prepared students who are more able to move through our System and take advantage of all the opportunities."

FEDERAL REPORT

Ms. Lisa Stevens noted that, on the federal level, student aid continues to be an area of concern. While on the House side there does not seem to be high regard for government support for higher education, education is at the center of the President's recent middle class bill of rights in the form of a tax cut. Also, the Senate has a similar proposal that would allow for some tax deductibility of tuition costs.

Ms. Stevens also noted the issue of Section 127, which addresses employer-provided educational assistance. As of January 1, 1995, such assistance is considered taxable income of the employee.

Direct lending is another area under attack. This year, the University of Oregon started this program, with excellent results. Six of the remaining OSSHE institutions are slated to participate.

Dr. Cox noted that the federal priorities list will be discussed by President Swanson and Governor Kitzhaber, and reported back to the Board.
ITEMS FROM BOARD MEMBERS
A number of Board members thanked President and Mrs. Byrne for their hospitality Thursday evening. Mr. Swanson thanked those who participated in the Oregon State University visit.

DELEGATION OF AUTHORITY
Mr. Swanson read the following:

Pursuant to Article 2, Section 5, the Bylaws of the Board of Higher Education, the Board must delegate to the Executive Committee the authority to take final action as designated or deemed by the Committee to be necessary subsequent to the adjournment of this meeting and prior to the Board’s next meeting. At its March 1995 meeting, the Executive Committee may act for the Board in minor or emergency matters, subject to Board approval at the Board’s April 1995 meeting.

Ms. Trotman Reese moved and Mr. Miller seconded the motion to delegate authority according to Mr. Swanson’s statement. The following voted in favor: Directors Aschkenasy, Christopher, Lee, Miller, Trotman Reese, Wilson, and Swanson. Those voting no: none. Directors Richardson and Willis were not present for the vote.

ADJOURNMENT
The meeting adjourned at 3:30 p.m.

Virginia L. Thompson
Secretary of the Board

Les Swanson, Jr.
President of the Board