Pursuant to call by President C. L. Starr, the State Board of Higher Education held a meeting at the Board's Offices, Salem, Oregon at 10:00 A. M., March 10, 1931. The Following members were present:

Mr. F. E. Callister
Mr. C. C. Colt
Mr. C. L. Starr

Mr. E. C. Sammons
Mr. Edward C. Pease

Mr. B. F. Irvine and Mr. Harman Oliver were notified but could not be present. Due to the hurried nature of the call President C. L. Starr found it impossible to reach Mr. Albert Burch and Mrs. Cornelia Marvin Pierce by wire in time to attend the meeting.

The meeting was called upon the invitation of the Governor delivered verbally to the Secretary on March 9 for the Board, or representatives of the Board, to meet him in the Executive Chambers on the morning of March 10 for the purpose of considering the Governor's message to the Board that "a definite ironclad agreement that material savings will be made from the monies provided in House Bill No. 408 must be arrived at or it will not be possible for me to approve the bill."

Upon assembling in the Board's offices the members present, together with the Secretary, proceeded at once to the Governor's office where they met with the Governor. Mr. Henry Hansen and Mr. George Joseph were present, as was Miss Beatrice Walton to record the discussion.

The Governor's statement to the Board was to the effect that unless the Board members would enter into an agreement with him that they would not spend within $500,000 of the money appropriated in House Bill No. 408, it would be necessary for him to either veto the bill in its entirety or to veto the emergency clause.

Upon the Governor's invitation to discuss the matter President C. L. Starr outlined in some detail the history of the situation and presented the Board's program for carrying out the provisions of the law creating the Board. Upon invitation also each member of the Board present expressed himself with respect to the Governor's proposal. At President C. L. Starr's request the Secretary made a
statement with regard to the specific activities that would be affected by the proposed veto and also with regard to the possible loss of additional Federal and other funds given to the state contingent upon the state meeting certain obligations.

Upon the conclusion of these statements President C. L. Starr stated that he had asked the presidents of the two larger institutions to be present, that they were waiting in the Board's offices at the Governor's pleasure and that the Board would be glad to have them present to discuss the Governor's proposal as it would affect the individual institutions. The Governor replied that this would not be necessary as anything they might say would not change the proposal that he had made to the Board.

The Board then adjourned to its offices where after several hours of conferences with the administrative staffs of the University and the College, and communications by telephone and telegraph with the absent members of the Board, the following letter to the Governor was drawn up and signed by the members of the Board present, namely:

Mr. F. E. Callister  Mr. E. C. Sammons
Mr. C. C. Colt    Mr. Edward C. Pease
Mr. C. L. Starr

The following members of the Board authorized their signatures to be placed to the communication:

Mr. Albert Burch  Mr. Herman Oliver
Mr. B. F. Irvine

Mrs. Cornelia Marvin Pierce stated that she favored immediate acceptance of the Governor's proposal to reduce the bill by the definite sum of $500,000.

The communication to the Governor follows:
C-O-P-Y

March 10, 1931.

Honorable Julius L. Meier,
Governor of the State of Oregon,
Capitol Building.

Dear Sir:

Pursuant to your request for an expression from the members of the Oregon State Board of Higher Education present in your office on March 10, 1931, and of those who could be reached by telephone or wire, we wish to make response.

Your statement to us as we have it in mind was to the effect that as to House Bill No. 408 it was your purpose to veto the bill or to veto the emergency clause attached to the bill unless the members of the Board would enter into an agreement with you that during the next biennium there would be expended for the operation and maintenance of the institutions of higher learning of the state $500,000 less than was provided for in House Bill No. 408.

We wish to convey to you our appreciation of your courtesy in this matter and to state that the Board is in entire accord with your policy to save a substantial amount of the appropriations by administering the institutions with the most rigid economy consistent with sound business judgment. This specific promise was made to the Ways and Means Committee, and their approval of the bill by a vote of 16 to 4, its unanimous adoption by the House and its two-thirds majority in the Senate seem to indicate that the representatives of the taxpayers had genuine confidence that every possible saving would be effected.

You object that the amount appropriated by House Bill No. 408 is in a lump sum. The Board's request that the amount appropriated should not be segregated was made with the express purpose of effecting economies as outlined above and is in strict accord with the act creating the
Governor Meier – 2

Board (see Section 10 of Chapter 251 of the laws of 1929).
This law reads:

"The board shall inaugurate its program beginning
July 1, 1931, and shall have full authority to
reorganize the work of each and all of the insti-
tutions under its control so as to eliminate
unnecessary duplication of equipment, courses,
departments, schools, summer schools, extension
activities, offices, laboratories and publications."

There are three possible ways in which economies
may be effected. One by more efficient management of the
educational plant; secondly, by avoiding unnecessary dupli-
cation between the different institutions and a closer
correlation of their respective fields of work; and
thirdly, by the elimination of some of the existing educa-
tional work of the institutions. All of these matters have
been carefully considered by the Survey provided by the
legislature two years ago. This Survey carried on by na-
tionally known authorities under the direction of Dr. Arthur
J. Klein of the United States Office of Education at Wash-
ington, D. C. has not been received and may not be received
for a matter of a few weeks.

The Thirty-fifth Legislative Assembly recogniz-
ing the fact that the task of eliminating unnecessary dupli-
cation, increasing the efficiency of administration and the
elimination of some of the educational activities involve
highly technical matters upon which only trained experts
can render competent judgment, the Board has felt that it
cannot wisely or with the greatest economy attempt to deter-
mine every possible saving until the Survey reports are
available and have been carefully studied. To attempt to
solve these problems in advance of the Survey, in the
respectful opinion of this body, would inevitably lead to
costly errors, to unnecessary friction and not to maximum
economy. With the Survey report before the Board, however,
the members feel that they will be able to carry out in-
telligently the policy of effecting a substantial saving
to the taxpayers with a minimum interference with necessary
educational activities of the state. It was for that reason
that the Board requested that the funds be unsegregated. Until the Board has the Report of the Survey it cannot make intelligent allocation of funds nor can it know definitely the place or amount of possible saving.

Moreover, the Board in advance of this information while promising to effect substantial economy, is not in position to promise what that exact amount will be, notwithstanding the fact that the Board will be glad to save even a larger amount than $500,000 if it is found to be consistent with sound state policy.

It may not be inappropriate to call attention to the fact that the Board, in consideration of the economic condition of the State, reduced the request made by the institutions of higher learning from $4,395,963 to $1,181,173.

We desire again to assure the Governor of the State of the Board's sympathy with the Governor's policy, with which it finds itself in complete accord, to achieve out of the funds so appropriated substantial savings wherever practicable, and thus to keep complete faith with the taxpayers of the state.

Respectfully yours,

OREGON STATE BOARD OF HIGHER EDUCATION

Signatures authorized:

ALBERT BURCH  C. L. STARR  (Signed)
B. F. IRVINE  C. C. COLT  (Signed)
HERMAN OLIVER  E. C. SAMMONS  (Signed)
MRS. WALTER M. PIERCE favors an immediate agreement with the Governor to save the definite sum of $500,000.00.
F. E. CALLISTER  (Signed)
EDWARD C. PEASE  (Signed)
This communication was delivered personally by the Secretary to the Governor in his Executive Chambers at 11:35 Wednesday morning, March 11.

C. L. Starr, President.

E. E. Lindsay, Executive Secretary.