STATE BOARD OF HIGHER EDUCATION
Minutes of Meeting            April 20, 1931

Pursuant to the adjournment of the meeting of the Board on April 3, the Oregon State Board of Higher Education convened in the Governor's offices at Salem at 10:30 o'clock A. M., April 20, 1931. All members of the Board were present as follows:

Mr. Albert Burch        Mr. Edward C. Pease
Mr. F. E. Callister    Mrs. Cornelia Marvin Pierce
Mr. C. C. Colt          Mr. E. C. Sammons
Mr. B. F. Irvine        Mr. C. L. Starr
Mr. Herman Oliver

Pursuant to the direction of the Board at its meeting on April 3, President Hall and President Kerr were present to present "a brief covering their suggestions as to the solution of the problem before the Board, a full discussion of the Survey Report as it applies to that solution, having in mind a unification of the institutions under one administrative head and also keeping in mind that very material savings must be made in the expense of administering the institutions, such economies to be such as will not prevent the ultimate growth of the institutions."

Pursuant to the direction of the Board at its meeting on April 3, Presidents Churchill, Landers and Inlow were present to present to the Board "a brief offering the solution of the problem so far as the Normal Schools are concerned in the light of the Survey Commission's Report."

In view of the fact that the meeting was set for a special order of business, the reading of the minutes of the previous meeting was deferred.

The Board directed the President to appoint a committee to draft a resolution expressing the feeling of the Board with regard to the death of a member of the former Board of Regents of the Oregon Normal School, Mr. W. C. Bryant. The President appointed Mrs. Cornelia Marvin Pierce.

Upon invitation of the President, Governor Meier presented to the Board the following communication:
STATE OF OREGON  
Executive Department  
Salem  

JULIUS L. MEIER  
Governor  

April 20, 1931  

To the Members of the State Board of Higher Education,  
Salem, Oregon.  

Gentlemen:  

I do not presume to be an authority on the problems which now confront you or to be able to pass upon the details of the administration of our higher educational institutions contained in your survey commission's report. Having in mind the urgent importance of finding the proper solution for the problems of our schools of higher learning, I have, however, given considerable attention to this survey from a business standpoint. In view of the necessity of launching, at once, a program of economy which will absorb the loss of the appropriations made by the last legislative assembly, may I be permitted to make the following observations?  

The survey shows that both the per capita expenditures for operation and maintenance and the outlay for fixed capital in Oregon are very high as compared with other states. For the former we pay $3.12 per capita as compared with an average of $1.65 for all the states. In capital outlay we invest $15.24 per capita as compared with an average of $6.31 for the country as a whole.  

If these figures are correct, it is apparent that substantial savings can be effected without reducing our publicly supported educational institutions to a level of which we need be ashamed. A reduction of $1.00 per capita for operation and maintenance would still leave us well above the average for the nation and would, at the same time, help materially in reducing the deficit in sight.  

Along the line of economy the survey reveals two important facts about our student enrollment. First, we have a rate of attendance for each ten thousand of population of 112 students as compared with 49 for the country as a whole. After making due allowance for the greater percentage of all students who are educated in public institutions in Oregon, we still find that our institutions contain over fifty per cent more students in relation to population than the average for the country as a whole.  

In the second place, the proportion of Oregon students who fail to graduate is almost double that found on the average in the
public institutions of the United States. To quote the report: "For thirty-five land-grant colleges and universities, the percentage of the class of 1924 who graduated in 1928 or before was 41.7%. Comparing this figure with the 22% for Oregon State College and 17.4% and 19% for the University of Oregon indicates that only half of the expected number graduate within the four year period." (P. 339)

This indicates that our large attendance is abnormal and wasteful, and that high pressure methods of student recruiting are inducing many young men and women to enroll in institutions of higher learning who are not able, financially or scholastically, to complete the curriculum.

Each student costs the State of Oregon $275.99 a year, which in itself is $62.07 per student in excess of the rate for the country at large. Included in our enrollment are 1,613 students from outside the State of Oregon. The survey suggests that many of these may have come on account of the lower standards maintained in Oregon institutions. The tuition fees charged do not begin to cover the cost of educating this large number of out of state students. In fact, at the rate of $150 per year charged by the college for non-resident tuition, the state loses $125.99 per year on each out of state student, or a total of $204,834.87 per year. Here is a clue to a means of saving money for Oregon without in any way impairing the efficiency or lowering the standards of our educational institutions.

The survey accounts for our excessive attendance by costly and intensive student recruiting methods. While the appropriation for the institutions of higher learning was before the legislature, a representative of one of the institutions of higher learning spent a week in a local high school recruiting students, and two weeks later another representative of the same institution visited the same high school for the identical purposes. Undoubtedly representatives of the other institutions of higher learning duplicated or approximated these efforts. Such practices should be eliminated, both as a matter of sound policy and as a means of promoting economy.

With five separate business offices, Oregon institutions spend 8.9% of their total income for overhead and business administration, as compared with 5.6% for Nebraska and 4% for Ohio. The Oregon figures have undoubtedly been increased by the addition of a sixth business office, that set up by the State Board of Higher Education, with an executive secretary at a salary of $7,500 per year and his clerical staff. A reduction of one per cent would mean an approximate saving of $90,000 per year. We should lower this cost by three or four per cent and save the state $360,000 per year.
The report deals at length with the problem, stating that "At the present time five different systems of management handle the business of Oregon's higher institutions of learning. Each of these systems has its own policies, its own procedures, its own records and business forms, its own methods of report making. In no two instances is it possible to determine the amounts spent for a general class of expenditures such as administrative expenditures, with reasonable assurance that the statements embody all the same type of costs." The report continues "At the same time the commission recognizes that there are elements of waste in the present unassociated and independent conduct of business operations by five separate offices." It adds "Further the commission recognizes that it is probable that a larger proportion of the funds devoted to higher education in Oregon is being spent upon the mere operation of the business machinery of the University and the State College than would be required if these two institutions were under one administration and one business management."

In this connection it appears regrettable that so large an expenditure as has been made should have been incurred in formulating an accounting system before the program of reorganization has been developed.

According to the survey, a large proportion of our capital outlay in buildings, especially at Eugene and Monmouth, has been wasted through poor planning and management of the building programs. This leads to the conclusion that there should be no further outlays for buildings until our reorganization program has been worked out and a definite program for the necessary buildings carefully planned.

Regarding future construction of buildings, the survey observed: "Future building construction at the University and state college should be planned with reference to the coordination of programs proposed by the commission. Its object should be to secure some of the economies that might be obtained if the institutions had been developed upon a single campus or if they were a single institution upon two campuses." (p. 601)

Other sources of waste pointed out by the commission are contained in the section dealing with the expensive duplication of upper division courses. This means small student sections leading to an inefficient use of highly paid men, expensive laboratory equipment and space, and costly library material. Duplication of extension activities, lack of cooperation in research work, and extravagant administration of intercollegiate athletics are also indicated by the survey to be important fields for substantial retrenchment.
A careful analysis of the survey from the standpoint of educational efficiency shows that many charges of waste are brought against the Oregon institutions. For example, we have been making large expenditures for research. There has been no cooperation. Instead, publications have appeared which clearly indicate duplication of effort and rivalry. All this costs the state money. A unified program of extension activity offers possibilities of economy and better service to the state.

Worthy of special note, also, is the waste due to the low percentage of utilization of building space in all school plants, due in large part to the concentration of classes in the forenoons, the making of Saturday practically a holiday, and the small size of class sections. From 40 to 50 per cent for buildings and an average of 40 per cent for an entire higher educational plant are considered by educators as good percentages of student utilization. Judged by this standard, the plants of the Oregon higher educational institutions register a low degree of efficiency. The Southern Oregon Normal shows a student use of 15.2 per cent; the Eastern Oregon Normal 25.7 per cent; the Monmouth Normal ranges from 12.7 to 25.7 per cent; the University of Oregon from 13.1 to 32.5 per cent, and the college plant from 5.8 to 45 per cent.

There are many points not touched on by the survey which, to the casual observer, suggest possibilities for economy. Both the university and the college are operating extensive printing plants. Why not abolish these and have the necessary printing done in the state plant at Salem? We are at present maintaining six summer schools, and the commission makes no recommendation for reduction of this number. The Board should make an investigation to determine whether two summer schools would not fulfill the demand and give better service at less cost.

It has come to my attention that each institution handles relatively large public funds from student fees and other sources before they are deposited with the state treasurer and that the handling of these funds and the payrolls requires many surety bonds. I suggest that the board use the state's facilities in the handling of all public funds, making unnecessary the assumption of local responsibility, the scattering of funds, and the great number of bonds.

The survey shows that the students in all state schools have come from families of relatively small annual incomes. Undoubtedly, these families now feel the financial pressure which has come upon state and nation and the students as well as their parents will welcome any board action which looks toward the reduction of student fees and student debts, bringing the total cost of college attendance within reach of all.
As the means of securing relief from the waste and inefficiency which characterizes our institutions of higher education the survey advocates a program of coordination and unification. A compilation of its observations on this point makes a strong case. May I quote a few excerpts from them?

Speaking of using faculty members on more than one campus, we read: "The commission freely admits that the fact that the two units are under entirely separate administrations makes difficult the effective use of this device. However, it is perfectly obvious that if the two units were combined upon one campus, no administration would fail to make the fullest possible use of its lower division teachers in upper division work that was needed. The commission is also persuaded that if the two units, although on different campuses, were under one administration, very extensive use of single faculty members upon both campuses would be developed. This is now done quite extensive between the two campuses of the University at Eugene and Portland, although the handicap of distance is much greater than between Eugene and Corvallis. The very pertinent question may therefore be asked whether even though two administrations should be retained, the state has not a right to expect such cooperation between them as to secure many of the advantages of single executive direction. If such cooperation cannot be obtained under dual administration, the state would be justified in placing both campuses under a single president." (p. 145)

Commenting further on this situation, the report continues: "Still a third objection to the proposal is the difficulty of maintaining it. The difficulties are tremendously increased by the fact of dual administrations of the two units; hearty cooperation between them is absolutely essential; the state will be justified in taking such action as may be necessary to secure it."

Dealing with the coordination of extension activities of the institutions, the report argues: "The problem, therefore, becomes one of suggesting an organization that will utilize all the resources of the state institutions at points and in ways which will be non-competitive, economical and effective. The answer to this question is suggested by the implications of the query 'What would be done with reference to these activities if all the institutions were under single administrative control?' The problem is one of service and not that of recruiting students to increase institutional prestige or to secure political support for institutional measures." (p. 301)

The survey summarizes the whole matter when it says: "Whatever the past may have justified in the way of institutional ambition, the future must contemplate one great system of higher education in the state, with its several units not competing but cooperating to make the single enterprise most effective."
The survey commission makes many recommendations as to the administrative machinery for securing the coordination and unification of our institutions. It leads us through a maze of committees and councils which, to a business man, look ineffective and impractical. Such committees and councils may serve a purpose in giving advice, helping to formulate policies and creating public sentiment, but if the board expects to get real results in economy and efficiency, it must make individuals responsible and hold them strictly accountable for results.

The law providing for the survey requires that "This survey shall include a study of the experience of other states in dealing with similar higher educational problems to those confronting this state." In view of this provision, it is regrettable that we do not have an analysis of the experience of Montana, where the higher institutions have over all a chancellor, or the successful experience of Maryland, where all institutions have been united under one board and one president. In the absence of an authoritative statement regarding these systems by the survey commission, I commend to the careful consideration of this board a study of the results which these states have accomplished through unification and coordination.

The problem which confronts the State Board of Higher Education is a serious one, and one which merits your best thought and most earnest deliberation, but it is not an occasion for apprehension or gloomy foreboding. This is not a crisis which threatens the future of the institutions of higher education, but a time for stock taking, retrenchment and the establishment of a businesslike program of administration. A perusal of the survey is reassuring because it reveals so many means whereby economies can be effected and duplications eliminated without lowering the standards of our educational institutions or unduly curtailing any meritorious branch of activity.

Public utterances, particularly those addressed to student bodies, should be carefully weighed and considered before being released, in order that undue alarm and antagonism or attitude may not be engendered. In my inaugural message and repeatedly thereafter I have voiced my belief that education is the most important function of the state. There is not in Oregon a better friend to education than I, and nothing is farther from my thoughts than any wish to hamper or demoralize our educational program. I reiterate my former stand and offer my fullest cooperation in evolving for the institutions of higher learning an efficient, economical and unified program of development.

Respectfully submitted,

(Signed) JULIUS L. MEIER
Governor
President Starr on behalf of the members of the Board expressed to Governor Meier their appreciation of his very careful perusal of the Survey and the comprehensive statement made with reference to its recommendations and also the statements volunteered from his own investigations and experience.

At its meeting on April 3 the Board directed that Dr. Arthur J. Klein, Director of the Survey of Oregon's state institutions of higher learning, be invited to be present at this meeting. President Starr stated that in response to this invitation Dr. Klein had replied that previous engagements made it impossible for him to be in Oregon before September first.

President Starr then asked the Secretary to read the following communication from Director Klein:

THE OHIO STATE UNIVERSITY
George W. Rightmire, President

COLUMBUS

DEPARTMENT OF
SCHOOL ADMINISTRATION

April 13, 1931

Mr. C. L. Starr,
President,
State Board of Higher Education,
Portland, Oregon.

Dear Mr. Starr:

Various newspaper clippings and the statements made by Presidents Hall and Kerr at the April 3 meeting of the Board have reached me. They provide a starting point for the letter that you asked me to write to you in regard to the Oregon situation and the program of the Board. If I make statements about matters with which you are already familiar you will appreciate my wish to make it perfectly clear that I do not desire to attempt to interpret recent developments about which my information has of necessity been secured at long range.

Will you not express to the members of the Board my deep appreciation of their wish that I attend the meeting on
April 20 and thus secure immediate contact with the present circumstances that condition the solution of the problems that face them? Obligations here make it entirely impossible for me to leave Ohio at this time, but even though this were not the case my understanding of survey functions would lead me to believe that my presence in Oregon would handicap rather than aid the Board.

The State now has in written form the results of what I know to be the painstaking and honest attempt of a disinterested outside survey commission to suggest solutions for the higher educational problems of Oregon. I believe that the State's realization of the disinterestedness of these recommendations should not be weakened, or its attention diverted from fundamental problems by my presence in the State in a capacity that could so easily be interpreted as outside, or even as federal interference with the actual operation of state institutions. Since the survey was made by the United States Office of Education under my direction I would not be at liberty, even though my engagements permitted, to participate in the state's consideration of the survey report in any fashion that could be represented as an attempt of a federal office to influence state action directly. I am confident that my coming to Oregon at this time would be so interpreted. Even this letter must be one that confines itself to explanation of points and procedures suggested by the survey report.

It was the fundamental purpose of the survey to suggest means and methods whereby the various elements in Oregon's public higher educational system might be so operated as to secure the educational advantages and practical economies of a single unit under one administrative control. The conception of this Greater Oregon University involves abandonment of traditional ideas of universities and colleges as campus organizations and the adoption of a conception more nearly in harmony with a modern society that has at its command modern methods of communication, transportation and economic organization. The essential factor in determining the work of particular campuses is definition of their functions with reference to the entire system, not with reference to practice that is based upon traditional notions of what a campus university or college may properly regard as within its scope.

The measures suggested by the survey for the accomplishment of this larger and fundamental purpose are intended to aid in the process of transition from existing practice to the real-
ization of a unified Greater Oregon University without abandoning the practice of utilizing the intimate knowledge and abilities of campus administrative officers. But the survey clearly recommends that if coordination of work and administration cannot be secured under separate heads the state should establish a single administration over at least the two larger campuses.

The Survey recognizes that this transition cannot be made instantaneously. It recommends a series of committees and councils to work out details and emphasize the fact that as long as separate administrations are retained for the different campuses, success in making the Greater Oregon University a reality, and success in maintaining it, will depend upon the close cooperation of the presidents with each other and with the Board.

The Survey assumed that during the period of transition, when the greater Oregon University was in process of creation, it would be possible to effect certain economies. It was also assumed that the transition period would extend over several years and thus enable adjustments to be made at a rate which would not work injustice or undue hardship upon students already enrolled upon the different campuses. The general program of drastic reduction in state expenditures reported by the newspapers is, therefore, a condition in addition to and quite separate from the economies that were expected by the Survey Commission to result from its recommendations. It is, of course, rather obvious that if the recommendations of the Survey Commission with reference to the creation of a Greater Oregon University should be adopted, the economies imposed by the State’s financial requirements should be applied at points and by methods which will tend to hasten rather than to delay the attainment of this objective.

The proposal of the Survey Commission that the institutions and their offerings be organized upon the upper and lower division basis, with lower division offerings provided upon "essentially identical terms" by the different institutions is in harmony with current educational thought with reference to the functions of the Junior Colleges. Stanford University, John Hopkins University and the University of Chicago have accepted this distinction and the modifications of professional work implied thereby. The University of California, the University of Missouri and many other great institutions provide for admission from Junior Colleges to their own upper divisions without loss of credit. The Survey recommends that preparatory junior colleges be maintained at the existing institutions instead of being established as separate units.

The devices proposed by the survey as means for securing larger utilization of resources in the prosecution of research
work are in harmony with modern demands for and methods of carrying on cooperative research. The proposal does not contemplate the destruction of existing research agencies; it suggests machinery for encouraging and developing cooperative research projects and makes the project rather than a campus organization the unit of research support in areas of investigation where cooperative research is possible and desirable. (See pp. 156-159 of report.)

The proposal made by the Commission with reference to coordination of extension activities carried on by the five publicly supported institutions requires little comment beyond that made by the Survey report. Whether the summer schools should or should not be included in this coordinated program can best be answered by examination of the actual summer school offerings and the publicity of the various institutions with reference to their summer schools and by then asking the question, "If the several elements in the State's higher educational system were under one administration, what summer schools would be conducted and what would they offer?"

I have read very carefully the statements made by President Hall and by President Kerr. This letter touches by way of explanation rather than argument, the major matters upon which their viewpoints are different from those of the Survey report and those concerning which the stenographic report seems to reveal some misconception concerning what the survey recommends.

The method of procedure suggested by both presidents for considering the recommendations of the survey, is in entire harmony with that proposed by the Survey for working out the specific methods and details of the recommendations that the Board may see fit to adopt. It is the Board's responsibility to determine after careful consideration, the major policies to be put into effect. Only after such determination is it the responsibility of the administrative officers to adapt details in conformity with these policies.

The newspaper notices of the Survey report and the editorials in regard to it that have reached me seem to me to display a very fine sense of public responsibility and desire to present its recommendations fairly and in a form that will enable the public to arrive at intelligent judgments.

I hope that this letter may serve to clarify certain aspects of the survey report. If in your opinion, it may serve this purpose you are, of course, at liberty to use it in any
way you choose. If other points arise in the Board's discussion upon which further explanation of survey recommendations would be helpful, I hope that you will feel perfectly free to ask me for comment upon specific matters.

With my best personal regards to you and to the other members of the Board, I am

Very sincerely yours,

(Signed) Arthur J. Klein

AJK:MER

Upon invitation of the President, Presidents Landers, Churchill and Inlow, in accordance with the direction of the Board at its previous meeting, presented the following brief which was read by President Inlow:

REPORT OF NORMAL SCHOOL PRESIDENTS TO THE

State Board of Higher Education

To the State Board of Higher Education:

In compliance with your resolutions and instruction of April 3rd, we the presidents, respectively, of the Oregon Normal School, the Southern Oregon Normal School, and the Eastern Oregon Normal School, after careful consideration of the survey of the Oregon State Institutions of Higher Learning, and of the condition and function of the institutions under our direction as related thereto, unanimously submit the following report:

1. That we regard the report of the Survey Commission as a scholarly, practical and authoritative analysis and presentation of social and economic conditions within the state, of the present status of higher education therein, and of the lines of educational development which merit consideration in the formulation of a program of higher education.

2. That, insofar as the interests of Oregon Normal Schools lie, and with reference to the more effective and economical program of higher educational service proposed in the Survey and in which the recommendations of the Survey Commission would have these institutions participate, we express our full and wholehearted approval.
3. That we extend to the State Board of Higher Education assurance of our cooperation in establishing a program of higher educational development adapted to the needs of the state, based upon the findings and recommendations of the Survey and in compliance with law.

4. That with reference to our present financial emergency, we stand ready to assume for our respective institutions, responsibility for our proportionate shares of the general budget reduction necessitated by the reduction of the appropriation for the support of higher education in the amount of five hundred thousand dollars. In doing this, however, we respectfully invite the attention of the State Board of Higher Education to the fact, as clearly set out in the survey, that the activities, material equipment and supporting resources of Oregon Normal Schools are particularly limited and that substantial budget reductions can only be accomplished at a sacrifice of desirable educational service.

5. That, upon direction of the State Board of Higher Education, we will undertake further budget reductions corresponding to our proportionate shares of the entire appropriation for support of higher education, but remind the Board that to do so will result in serious impairment of the essential service rendered by these institutions.

Respectfully submitted,

(Signed) J. S. Landers
J. A. Churchill
H. E. Inlow

Upon invitation of the President, Presidents Hall and Kerr, in accordance with the direction of the Board at its previous meeting, presented briefs which because of their volume cannot be given here, but which are on file as matters of official record in the offices of the Board. The remainder of the session was devoted to the presentation of these briefs by the Presidents.

The Board directed that the Presidents have ready for presentation at the next meeting of the board all additional or supplementary briefs which they desire to present to the Board, together with a translation of their briefs into budgetary terms, showing specific amounts of savings made possible thereby in state funds expended during the biennium 1929-30.
The afternoon session was held in the Board's office. Mr. Sammons was unable to be present during the afternoon.

In discussing the date of the next meeting Mr. Colt announced that it might be necessary for him to be out of the state during the week of the 27th of April or the week of the 4th of May.

The Board adjourned at 7 o'clock P. M. to meet at 10 o'clock A. M., Wednesday, April 29, 1931, the meeting to be held at the University Club in Portland, Oregon.

C. L. Starr, President.  E. E. Lindsay, Executive Secretary.