STATE BOARD OF HIGHER EDUCATION
MINUTES OF MEETING HELD AT
UNIVERSITY CLUB, PORTLAND, OREGON
April 16, 1934

MEETING #45  The Oregon State Board of Higher Education convened for its regular April meeting at the University Club in Portland, Oregon, at 11:00 a.m., April 16, 1934, at the call of President Willard L. Marks. The following members were present:

ROLL CALL
C. A. Brand    Willard L. Marks
F. E. Callister  G. B. McLeod
Leif S. Finseth   Herman Oliver
B. F. Irvine    E. C. Sammons

MINUTES APPROVED
The Board voted to dispense with the reading of the minutes of the meeting of March 5, 1934, and approved the minutes of this meeting as previously submitted to Board members.

SECURITY ON REVOLVING FUNDS IN BANKS
Following the reading by the secretary of the opinion of the Attorney-General under date of April 13, 1934 on the question of security on Board funds on deposit in banks of the state, the Board approved the following resolution submitted by G. B. McLeod, Chairman of the Insurance Committee:

WHEREAS, the Board has deposits in sundry banks in the state of Oregon, and

WHEREAS, Chapter 436, Oregon Laws, 1933, provides that such funds be amply secured by deposits of bonds or warrants or by a surety bond,

BE IT RESOLVED, That steps be taken forthwith that in the case of all bank deposits of the Board the provisions of the law be fully complied with.

The Board approved the following report of the Finance Committee authorizing principal and interest payments on the bonds of the University and College dormitories and of the Memorial Union Building at the College:

DORMITORY BOND PAYMENTS

Principal and interest payments on the dormitory bonds at both the College and University are due on April 1, 1934, as follows:

<table>
<thead>
<tr>
<th></th>
<th>University</th>
<th>College</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonds</td>
<td>$7,500.00</td>
<td>$9,000.00</td>
</tr>
<tr>
<td>Interest</td>
<td>6,941.25</td>
<td>8,111.25</td>
</tr>
<tr>
<td>Handling charges</td>
<td>24.85</td>
<td>49.55</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$14,466.10</strong></td>
<td><strong>$17,160.80</strong></td>
</tr>
</tbody>
</table>
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As indicated in the statement below prepared by Andrew Comrie, Chief Accountant, there is a cash balance of $57,356.91 in the College dormitory account. This is sufficient to take care of the payments of the bonds on both dormitories.

<table>
<thead>
<tr>
<th>University</th>
<th>College</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash balance March 8, 1934</td>
<td>$20,150.58 (OD)*</td>
</tr>
<tr>
<td>Payments due April 1, 1934 to retire bonds and pay interest</td>
<td>14,466.10</td>
</tr>
<tr>
<td>Dormitory Fund cash balance after making these payments</td>
<td>$34,616.68 (OD)*</td>
</tr>
</tbody>
</table>

*Overdraft

In accordance with the previous action of the Board in caring for these payments it is recommended that the payments due on April 1, 1934, be met from the balances in the combined dormitory accounts, but that the identity of the individual accounts be maintained resulting in the payments on the University bonds showing as an overdraft and the College account showing its own balance.

Finance Committee:
(Signed) E. C. Sammons
(Signed) Herman Oliver

Date: March 26, 1934

MEMORIAL UNION BOND PAYMENTS

On April 15, 1934, the Memorial Union must meet payment on its bonded indebtedness as follows:

- Principal to be retired: $7,500.00
- Interest due on bonds: 5,975.00
- Estimated Trustee's fees: 125.00
- Estimated advance to cover 2% Federal tax: 125.00
- Total Obligations to Be Met: $13,725.00

Funds on hand or available to pay above:
- Fees on deposit with Business Office: $2,060.00
- Fees due from 3rd term registration
  (Estimate, 1700 students): 6,800.00
- From maintenance fund (income from Bldg.): 1,290.00
- Interest from bonds owned: 250.00
- Total Funds Available: $11,400.00

SHORTAGE OF FUNDS TO MEET REQUIREMENTS: $2,325.00
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The Board of Governors of the O.A.C. Memorial Union requests the State Board of Higher Education to advance the amount of this shortage ($2,325, as indicated on previous page) from building fees to be collected at the fall term, 1934.

Finance Committee:
(Signed) E. C. Sammons
(Signed) Herman Oliver

Date: March 26, 1934

The Board approved the budget summaries (copy on file in Board's office as integral part of minutes) as to totals as submitted by the Finance Committee with the adjustments recommended in the following report of the Finance Committee, with the understanding that the question of personnel adjustments in the document entitled "Personnel Adjustments for the Year Ending June 30, 1935," will be considered and acted upon at a subsequent meeting of the Board.

REPORT OF THE FINANCE COMMITTEE

Research. The importance of research to the state is unquestioned and the Finance Committee desires to give every possible support to this phase of the higher educational program. The need for added funds in all branches of research is recognized but with a greatly reduced income the Finance Committee found it impossible to provide the increases requested. It is therefore recommended that the research budgets remain as they were last year. However, taking cognizance of a pledge of support from the Laura Spelman Rockefeller Foundation for a grant to the Municipal Research Bureau at the University, the Finance Committee recommends an increase in this budget of $3,933, the increase to be contingent on receiving a grant from the eastern foundation.

General Extension. Oregon has had an admirable program in extension work and adult education, and the Board has made every effort during the past few years to continue this service to the people of the state. However, with the reduced income, the Finance Committee has found it necessary, in order to take care of campus instruction, not only to eliminate increases in the budgets for general extension but also to make reductions and require the extension program to be more nearly self-supporting. This is in line with the policies in some other states. A reduction under this year's budget of $5,000 is therefore recommended in the budgets of the Portland Extension Center and Eugene Extension.
Summer Sessions. If the summer session budgets were to remain the same as the amounts expended last year from millage funds with the remainder of the support coming from fees, a saving of $4,000 would be effected. After careful consideration, the Finance Committee recommends that the summer session budgets be limited to the same amounts as were expended last year, thereby using the same allotments of unrestricted or millage funds. Approval of this recommendation would supersede the previous action of the Board in approving summer session budgets.

Physical Education. Through certain readjustments of the work in intercollegiate athletics and physical education on the College and University campuses, the Finance Committee found it possible to make a saving of $7,000 in the asking budgets for physical education, the reduction to be divided equally between the two institutions.

Salary and Requisition Budgets. Although mindful of the serious consequences of the large salary reductions that have been imposed and recognizing the merit of salary increases, the Finance Committee found it necessary to make savings from the salary and requisition budgets. The Committee therefore recommends the elimination of certain increases in the University and College budgets totaling $8,018.

The net effect of these reductions is a saving of about $34,000. However, the Committee found in studying the budgets that in certain instances the institutional executives in their fine spirit of cooperation to meet reduced revenues had made cuts which even under present conditions were deemed excessive. The committee therefore decided that the Medical School budget should be increased $7,000 and that the amounts submitted by the several institutions in the original budgets for the purchase of books and periodicals should be restored to comparable levels. Other minor additions such as adjusting the salaries of the acting presidents made the total budget additions $14,545.

The net effect of these reductions and additions which the Committee recommends is a saving of $19,588. These savings, subtracted from the deficit of about $48,000 when the revised budgets were submitted, leave a final deficit of about $28,600. Subtracting this net deficit from the $70,000 emergency reserve provided in the budget will enable the Board to balance the budget and retain an emergency reserve of slightly more than $40,000.
The Board voted to permit the Ben Blumauer legacy to the Doernbecher Children's Hospital, as reported in a letter from C. C. Colt, president of the hospital, under date of April 10, 1934, to be paid directly to the Doernbecher Children's Hospital Guild, providing an opinion of the Attorney-General indicates that this can be done legally.

The Board approved the recommendation of the Chancellor that the Department of Music in the School of Fine Arts at the University be reinstated to the status of a School of Music, effective July 1, 1934, and that Dr. John J. Landsbury, former dean of the School of Music, be named as dean; and that the name of the School of Fine Arts at the University be changed to the School of Architecture and Allied Arts.

The Board approved the following recommendations of the Chancellor in regard to the administrative organization of lower division and service departments at the College and University, the action to be effective July 1, 1934:

That all lower division and service departments at the University (excluding military) be grouped for administrative purposes; that the group be administered by an executive designated as the Dean of Lower Division and Service Departments; and that Prof. O. F. Stafford be named to this position.

That all lower division and service departments at the College (excluding military and physical education) be grouped for administrative purposes; that the group be administered by an executive designated as the Dean of Lower Division and Service Departments; and that Dr. M. Ellwood Smith be named to this position.

The Board approved the recommendations of the Chancellor in regard to the following departmental reorganizations in the School of Engineering at the College, the reorganization to be effective July 1, 1934:

Abolishing the department of Highway Engineering and merging the work with the Civil Engineering Department, with Prof. C. A. Mockmore, now Acting Head, as Head of the Department.

Abolishing the Department of Mechanics and Materials and merging the work with the Department of Mechanical Engineering, with Prof. S. H. Graf, now Head of the Mechanics and Materials Department, as Head of the Department of Mechanical Engineering.
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TITLE OF ACTING PRESIDENTS
The Board approved the recommendation of the Chancellor that the office of Acting President of the College and of the University be changed to President and the title of President of the University of Oregon be conferred upon Dr. Clarence Valentine Boyer and the title of President of the Oregon State Agricultural College be conferred upon Dean George Wilcox Peavy, the action to be effective immediately.

CENTRALIZED CONTROL OF UNIVERSITY LIBRARY
The Board voted to refer to the Library Committee for investigation and later report to the Board the recommendation of the University faculty that the library of the University be removed from centralized control and directed that the Chairman of the Board appoint two new members on the Library Committee of the Board.

PURCHASE OF LOTS NEAR UNIVERSITY
The Board referred to the Finance and Building committees for investigation and report to the Board the matter of the purchase of two lots adjacent to the University campus at Eugene.

The Board adjourned at 12:00 noon, to reconvene at 2:30 p.m.

AFTERNOON MEETING
The Board reconvened at 3:15 p.m., with the same members present as at the forenoon session.

STUDENT FEES
The Board adopted the following resolution in regard to student fees:

WHEREAS, The Attorney-General of the State of Oregon has ruled that the State Board of Higher Education is an administrative agency vested by the legislature with certain corporate powers to carry out the educational policy of the state, including the power "to prescribe a fee for admission to be applied to the payment of incidental expenses and the rate of tuition for instruction"; and

WHEREAS, The Attorney-General of the State of Oregon has also ruled that "What constitutes an incidental expense within the meaning of the statute is largely a question of fact, to be determined by the Board in view of the general purpose for which the" institutions are maintained; and

WHEREAS, The administrative officers of the institutions and the academic deans, who are the educational experts in their various fields, are of the opinion that the various extra-curricular activities, supported by the fee known as the Associated Students fee and collected by the
Board, are not only incidental to the administration of the educational functions of the institutions but are a very vital part of the instructional program of the institutions; therefore, be it

Resolved, That the State Board of Higher Education approve the opinion of its educational experts and reaffirm its position that extra-curricular activities are an essential part of the educational function and program of the institutions under its jurisdiction; and be it further

Resolved, That the fees collected by the Board for the support of these activities be continued as a regular part of the resident tuition fee of the institutions; and be it further

Resolved, That the Board refer to the Chancellor the matter of working out with the executives of the various institutions, together with the Finance and Curricula committees, with power to act, a plan for administering, budgeting, and expending this fee, which will meet with the approval of the Attorney-General; and be it further

Resolved, That the class fees of fifty cents per term at the College and University be eliminated from the institutional fees now collected.

EASTERN OREGON NORMAL TRAINING SCHOOL

The Board adopted the following resolution in regard to withdrawing the original application for a federal loan under the Public Works Administration for the construction of the Eastern Oregon Normal Training School at La Grande and filing a new supplementary application:

WHEREAS, the Federal Emergency Administration of Public Works, in acting upon the joint application of Union County School District No. 1 and of the Department of Higher Education of the State of Oregon for a total allocation of $130,000 for the construction of a training school building on the campus of the Eastern Oregon State Normal School at La Grande, Oregon, has disapproved the application in its present form on the ground that neither the State nor the State Board of Higher Education has the power to borrow funds with which to defray the State's part of the cost of constructing said building; and

WHEREAS, by Chapter 401 Oregon Laws 1931 the Legislature of the State of Oregon appropriated out of the moneys in the General Fund of the State Treasury the sum of $50,000 to be used for the construction of said training school building, said appropriation not to become available until the sum of $80,000 shall have been paid into the Fund of the State Treasury by Union County School District No. 1, to be used also in the construction of said building; and
WHEREAS, said School District has duly authorized the issuance and sale of its bonds in the aggregate amount of $80,000 and has applied to the Federal Emergency Administration of Public Works for the sale of its bonds to the Federal Government at par bearing interest at 4 per cent per annum, and at the same time has applied for its proportion of the Federal grant of 30 per cent of the cost of labor and material in said building; and

WHEREAS, the Federal Emergency Administration of Public Works, for the purpose of encouraging building projects at this time may by law allow to said School District and to the State of Oregon a grant of 30 per cent of the total cost of labor and material in said building,

NOW THEREFORE, IT IS RESOLVED by the State Board of Higher Education of the State of Oregon that the Department of Higher Education of the State of Oregon, in conjunction with the Governor, Secretary of State and Treasurer of the State of Oregon, be authorized to withdraw its application and request for a loan of $50,000 from the Federal Emergency Administration of Public Works heretofore made jointly with the application of School District No. 1, Union County, Oregon, for an additional allocation of $80,000 to be used in the construction of a training school building on the campus of the Eastern Oregon State Normal School at La Grande, Oregon; and that in lieu of said application for a loan of $50,000, the State Department of Higher Education of said State, in conjunction with the Governor, Secretary of State and Treasurer of the State of Oregon, be authorized and directed to file a supplementary application with the Federal Emergency Administration of Public Works, setting forth therein the readiness and ability of the State of Oregon and of the State Department of Higher Education to make available for said building project the sum of $50,000 heretofore appropriated by Chapter 401 Oregon Laws 1931, less the State’s proportion of the Federal grant of 30 per cent of the cost of labor and materials, for the purpose of constructing said training school building on the campus of the Eastern Oregon State Normal School at La Grande, Oregon, immediately upon the payment into the fund of the State treasury by said School District of the sum of $80,000, upon condition, however, that said Federal Administration of Public Works shall allow to said School District and to the State of Oregon or State Department of Higher Education, a Federal grant of 30 per cent of the cost of labor and materials used in said building, said grant to be apportioned 8/13 to the School District and 5/13 to the State of Oregon or to the State Department of Higher Education;
IT IS FURTHER RESOLVED, That Willard L. Marks, President, and
Wm. J. Kerr, Chancellor, of the State Board of Higher Educa-
tion be, and they are hereby authorized to sign on behalf of
the State Department of Higher Education and file with the Fed-
eral Emergency Administration of Public Works, such supplemen-
tary application and such documents and contracts as may be
necessary and proper, to the end that the State Department of
Higher Education may cooperate fully with said School District
and with the State of Oregon in obtaining a loan on behalf of
said School District and obtaining the aforesaid grant of 30
per cent of the cost of labor and materials for the proportion-
ate benefit of said School District and of the State of Oregon
for the purpose of constructing said training school building
as aforesaid.

STUDY LOAD
ALLOWED
GRADUATE
STUDENTS

The Board adopted a regulation permitting half-time graduate
assistants (giving 9 hours of institutional service) to carry a
maximum study load of 12 hours and full-time graduate assistants
(giving 18 hours of institutional service) to carry a maximum
study load of 10 hours a week, and requiring graduate assistants
complying with these regulations to pay only $16 a term instead
of the regular graduate fee of $26 a term.

LEASING OF
2000 ACRES
FROM FIRST
SECURITIES
COMPANY

The Board approved the leasing of 2,000 acres of pasture land
from the First Securities Company of Portland for the use of the
Oregon State Livestock Branch Experiment Station at Union at a
rental of $500, the lease to extend from February 21, 1934, to
January 1, 1935, payments to be $250 on July 1, 1934, and $250
on January 1, 1935.

LEASING OF
200 ACRES
FROM EARL
FROST

The Board approved the leasing of 200 acres of pasture land from
Earl Frost for the use of the Oregon State Livestock Branch Exper-
iment Station at Union at a rental of $60, the lease to extend
from February 21, 1934, to January 1, 1935, payments to be $30
on July 1, 1934, and $50 on January 1, 1935.

MARS DEN TO
GRADUATE IN
BUSINESS
ADMINISTRA -
TION, COLLEGE

The Board granted permission to Wallace F. Marsden, a student in
Business Administration who had transferred from the College to
the University but is deficient in resident requirements for
graduation at the University, to take his bachelor's degree in
Business Administration at the College in June, 1934.

DR. LARSELL,
LEAVE OF
ABSENCE

The Board granted a two months leave of absence on pay during the
summer of 1934 to Dr. Olaf Larsell, Professor of Anatomy at the
Medical School, to attend the Wister Institute of Anatomy and
Biology at Philadelphia, with the understanding that Dr. Larsell
will pay his own expense and that his work will be cared for
without additional cost.
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BUDGET ADDITION, BUSINESS ADMINISTRATION
The Board approved an addition of $650 to the Business Administration salary budget at the University and the transfer of $125.87 from the Business Administration requisition budget to the salary budget, to care for the payment of part of Prof. C. L. Kelly's salary which was to be paid from the income of the Miner building.

PHYS. PLANT BUDGET ADDITION FOR COMPTROLLER'S OFFICE
The Board approved the addition of $1,072 from the Board's unappropriated funds to the Physical Plant budget at the College to care for alterations necessary to provide office space for the Comptroller in the Administration Building at the College.

SCHOLARSHIPS
The Board received the opinion of the Attorney-General transmitted under date of March 9, 1934, on the granting of scholarships to high school students. The Attorney-General ruled that the granting of scholarships to high school students under the plan proposed would be illegal.

COUNTY WARRANTS
The Board received the opinion of the Attorney-General transmitted under date of March 3, 1934, on the legality of the Board taking over county warrants received in connection with county extension work. The Attorney-General ruled that it was beyond the power of the Board to take over warrants of counties as security for Board funds advanced to the budgets of the county extension workers.

ANNUITY PLAN FOR STAFFS OF ALL INSTITUTIONS
The question of placing additional staff members at the University under the annuity plan was introduced by President C. V. Boyer.

CHANCELLOR'S STATEMENT
Chancellor W. J. Kerr presented the following communication to the Board:

"When the budget adopted at this meeting goes into effect July 1 next, the State Board of Higher Education will have completed five years in active control of Oregon's institutions of higher learning. It is fitting, therefore, to review briefly some of the steps in the development of the program designed to give the state a unified system of higher education.

"The first steps of the reorganization program began with the creation of the single Board by the legislature in March, 1929, and the detailed survey of the institutions that followed, the report of which was submitted to the Board in April, 1931."
"The next steps involved study and conferences regarding the survey recommendations, and the ultimate decision of the Board to proceed with a reorganization plan based upon the general concepts developed by the survey commission. There followed the adoption of the detailed program calling for wide distribution of general studies throughout the system, with allocation of specialized, technical and professional training to particular institutions. Though some of the elements in this program were considered drastic in their effects, the program as a whole followed in general that proposed by the survey commission. The Board assumed from the beginning, however, that the program would be subject to later modification in the light of experience.

"The administrative organization of the initial program disregarded the identity of individual institutions, considering all as merely parts of one institution. The Board early modified this phase of organization, however, and provided instead that each of the institutions should be maintained as a separate entity with its own president; but all under a single executive head, the Chancellor. A system of interinstitutional deans and directors was created as a means of insuring coordination of work and avoiding unnecessary duplication of functions among the institutions.

"It was not until September 6, 1932, however, that the unified administrative organization was carried to its logical completion by the appointment of a Chancellor. From that time until January, 1934, the system was operated without the appointment of presidents for the two major institutions. With the designation of acting presidents, it became necessary to define the functions and responsibilities of the interinstitutional deans and directors established under a plan that disregarded individual institutions and hence made no provision for separate institutional executives. Definitive statements were therefore formulated setting forth the prerogatives and functional relationships of the acting presidents, the interinstitutional directors, and the Chancellor, as a basis for efficient procedure.

"As another phase of the reorganization program, the Board in January, 1933, created the office of Comptroller and in March of the present year established a specialist in this office, having general charge, under the Chancellor, of the business organization throughout the entire system.

"In evolving and putting into practical operation its unified program, Oregon has been engaged in a pioneer venture in the field of state-supported higher education, complicated, moreover, by the most unsettled economic conditions that the state and nation have known in modern times. This was a situation not anticipated by the survey commission, which based its recommendations
for reorganization on the assumption that normal economic conditions would continue. Instead, however, the reorganized program had to be shaped to a greatly reduced income at the start, and since its inauguration has suffered a progressively diminished income until the funds for the current fiscal year are actually 42 per cent below the standard when the Board assumed control.

"In spite of these financial difficulties, all of the institutions have been kept in operation and their essential functions maintained without serious impairment. With such severe reductions in income, however, coupled with the demand for even greater service than usual, all reserves have been depleted, and normal and much needed development has necessarily been deferred. Unless additional income can be provided for the succeeding biennium, Oregon higher education cannot expect to sustain its efficiency as in the past.

"Notwithstanding the combined handicaps involved in a new undertaking and in reduced income, real progress has been made in the program of unification and coordination. A central business office has been established for handling the finances of the entire state system of higher education. The division of information, the statistician's office and the secretariaship of the Board, have all been concentrated with the Chancellor's office in the service of all the institutions.

"A unified organization to administer graduate study has been evolved with the creation of a single graduate council on which all institutions giving graduate work are represented. On the same principle of unity and cooperation, general research has been coordinated under an interinstitutional council.

"In accordance with the principle that the reorganization program should be flexible rather than fixed, subject to modification and improvement as experience should suggest, certain changes and adjustments have been made. The School of Journalism, abolished with the adoption of the first curricula committee plan, was soon thereafter restored as a full degree-granting school. Mining Engineering, abolished as a school at the same time, was later restored on a limited basis with the organization of a service department in the School of Engineering. Secretarial Science, originally assigned to the College without specific definition of scope, was later established as a degree-granting department.

"The School of Agriculture has been reorganized administratively with all the work in extension, research and instruction coordinated under a single head, with resultant economy and efficiency."
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"Junior college work has been developed at the Eastern Oregon and Southern Oregon Normal schools, and the curricula at all three have been standardized and improved. The Medical School has enlarged its cooperative relationships with the various institutions through direction of the health services and through nursing education curricula, and continues to meet increasing demands upon it for service as a medical center.

"Finally as a result of Board action at today's meeting, further reorganization has been effected in two fields of work, in conformity with the principle of unification. In the same way that departments in the School of Agriculture were consolidated for purposes of economy in administration, four departments in the School of Engineering have been merged into two, effective at the beginning of the next fiscal year. As a recognition of the essential unity of functional divisions, moreover, the School of Music, which in the original allocation was linked with the School of Architecture and Allied Arts to form the School of Fine Arts, has been restored, in fact and in name, to its former status, while the School of Architecture and Allied Arts also resumes its former name.

"These various developments, together with many others of less importance, are indications of the substantial progress that has already been made. They are assurances of a constructive and progressive policy. Certainly they are such as to warrant continued sacrifice and devotion in the interest of state-wide solidarity in higher education.

"When on September 6, 1932, in a period of emergency, I accepted the responsibilities of the Chancellorship, it was with no thought of continuing in the office indefinitely. It was assumed that with the cooperation of the faculties and the support of the Board, the unified organization could be effected within a reasonable time and a stable policy established, insuring to future higher education in Oregon coordination, harmony, and a sound basis for further development. Since these conditions now prevail, with prospects for steady and continued advancement, I now feel justified in announcing to the Board, in accordance with my original intention, my desire to retire from the chancellorship when a successor to the office may be obtained."

BOARD’S
REPLY

On behalf of the Board, F. E. Callister presented the following reply to Chancellor Kerr's statement:

"While the members of the State Board of Higher Education have been aware for some time of your desire to relinquish the office of Chancellor as soon as conditions would permit, your request comes as an unexpected problem for the Board at this meeting.

"
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"The Board has realized keenly that during the period of initiating the newly reorganized program the chancellorship has involved unusual responsibilities. Since you became Chancellor in the fall of 1932, the institutions of higher learning have had to face some of the most serious problems in their entire history. Among these problems are an income greatly reduced; a reorganization program involving extensive changes in curricula, in administrative organization, in personnel and in executive procedure; and the need to meet emergencies not only from within the system itself, but from the outside, at a time of stress and change throughout the entire country and the world.

"These problems have been of primary importance to the state educationally, economically, and socially. They have had their significance also for other commonwealths; for the problems that Oregon's institutions have been facing are the problems that have been agitating many other states. As you have indicated in your reports to the Board at this session, Oregon is pioneering in the solution of these problems. You have dealt with them in a spirit of tolerance and justice; and by taking the far view as well as the near view, have shaped the course of higher education toward objectives that bear the stamp of educational statesmanship.

"The Board, in a word, appreciates what you have helped it to accomplish in the reorganization and unification of the various divisions of higher education in the state. It is gratified by the increasingly harmonious relationships of the several institutions under unified control, and the steady progress that is being made toward coordination, institutional morale, and the restoration of public confidence in the work of higher education in Oregon that prevailed before the difficulties of reorganization and the depression combined to shake it.

"The Board receives with regret your request for retirement from the chancellorship; but depends upon your loyalty to higher education and your spirit of service to the State not to contemplate release until a suitable successor is obtained—a man broad enough in educational training and experience to comprehend in his understanding and his sympathies the entire scope of higher education in Oregon."

CHANCELLOR'S

AND BOARD'S

STATEMENTS

TO BE PART

OF RECORD

Upon motion by Mr. Callister and second by Mr. Brand, the Board voted to make a part of the record of proceedings the Chancellor's statement reviewing the progress of higher education under the Board and expressing a desire to retire, and the Board's reply requesting him not to contemplate release until a suitable successor is found.
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The Board adjourned at 4:15 p.m. to reconvene in executive session.

EXECUTIVE SESSION

The Board reconvened in executive session at the University Club at 5:00 p.m., with the following members present:

C. A. Brand
F. E. Callister
Leif S. Finseth
B. F. Irvine
Willard L. Marks
G. B. McLeod
Herman Oliver
E. C. Sammons

The Board voted that the recommendation of Mr. E. C. Sammons, Chairman of the Finance Committee, in regard to attempting to get an extension on the principal payments on the University and College dormitory bonds be approved and that the matter be referred to the Chancellor and the Finance Committee with power to act.

The Board adopted the recommendation of the Finance Committee that the matter of reductions in the Portland Extension Center and Eugene Extension budgets and in the Summer Session budgets be referred back to the Chancellor and the Finance Committee, with power to act, to work out the details of the reductions, with the understanding that no change would be made in the totals of the budgets as approved by the Board.

The Board adjourned at 6:00 p.m. to meet again in executive session at 7:30 p.m.

ADJOURNED EXECUTIVE SESSION

The Board met again in executive session at the University Club at 8:00 p.m., with the same members present as at the afternoon executive session.

The Board adopted the personnel adjustments for the staffs of the various institutions as submitted in the supplementary document entitled, "Personnel Adjustments for the Year Ending June 30, 1935," (copy is on file in the Board's office as an integral part of these minutes), these adjustments to be made a part of the permanent record of the Board.

The Board unanimously approved the report of the By-Laws Committee that the by-laws be amended, changing the dates of scheduled meetings of the Board which fall on the first Monday of the month to the second Monday of the month, and the meetings which fall on the third Monday of the month to the fourth Monday of the month.
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The Board adjourned at 8:20 p.m.

WILLARD L. MARKS, President  CHARLES D. BYRNE, Acting Secretary